

# 4 Tier Inclining Block Structure

					Average Family Impact					
		W/WW Tier Cut-offs (gpd)	Combined Rate (\$/kgal)	Current Bill (\$/quarter)	Bill (\$/quarter)	\$ Change (\$/quarter)	% MHI PGC	% MHI MC	% LQI PGC	% LQI MC
4 Block Inclining	Option A	80	\$10.66	\$205.45	\$200.62	(\$4.83)	1.1%	0.8%	4.0%	3.3%
		165	\$12.25							
		275	\$14.86							
		>275	\$18.74							
	Option B	80	\$10.66	\$205.45	\$207.34	\$1.89	1.1%	0.8%	4.1%	3.4%
		165	\$13.09							
		9,000	\$16.16							
		>9,000	\$20.52							

*Average Family – 3 person household using 55 gpd/person*

# 4 Tier – Option A

Basis For Tiers	Costs Included In Tier Rates
<ul style="list-style-type: none"> <li>• 80 gpd – Minimum household sanitary needs for 3 person household (26 gallons/person/day)</li> <li>• 165 gpd – Average use by a typical 3 person household (55 gallons/person/day)</li> <li>• 275 gpd – Average use by 5 person household</li> </ul>	<p>Tier 1</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs, 25% share of MD costs, 100% unrecovered fixed charge revenue</li> <li>• Sewer: allocated share of volume costs, 25% share of capacity costs, 100% of unrecovered fixed charge revenue</li> </ul> <p>Tier 2</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 125% share of MD costs</li> <li>• Sewer: allocated share of base costs, 50% share of capacity costs</li> </ul> <p>Tier 3</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 125% share of MD costs; 50% share of MH costs</li> <li>• Sewer: allocated share of volume costs, 125% share of capacity costs</li> </ul> <p>Tier 4</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; remaining MD and MH costs</li> <li>• Sewer: allocated share of volume costs, remaining capacity costs</li> </ul>
Responsiveness to Key Pricing Policies	
<ul style="list-style-type: none"> <li>• Revenue Stability – Moderate with respect to other tiered structures</li> <li>• Conservation – Promotes conservation for larger volume users better than three tier options</li> <li>• Rate Stability– 4 tier options are closest to the current rates</li> <li>• Affordability – Minimum water needs should be more affordable</li> <li>• Cost of Service – 4 tier options are better than current and fall between the two 3 tier options</li> </ul>	

# Bill Impacts – Residential

Single Family Residential 3/4" meter, 26 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 43.90	\$ 49.32	\$ 5.42	\$ 49.32	\$ 5.42

Single Family Residential 3/4" meter, 55 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 73.60	\$ 81.30	\$ 7.70	\$ 81.30	\$ 7.70

Single Family Residential 3/4" meter, 80 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 91.84	\$ 102.62	\$ 10.78	\$ 102.62	\$ 10.78

Single Family Residential 3/4" meter, 100 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 121.42	\$ 127.12	\$ 5.70	\$ 128.80	\$ 7.38

Single Family Residential 3/4" meter, 165 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 205.45	\$ 200.62	\$ (4.83)	\$ 207.34	\$ 1.89

Single Family Residential 3/4" meter, 500 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 822.88	\$ 742.76	\$ (80.12)	\$ 708.30	\$ (114.58)

# Bill Impacts – Non-Residential

## Nonresidential 2" meter, 750 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 1,414.24	\$ 1,339.04	\$ (75.20)	\$ 1,247.82	\$ (166.42)

## Nonresidential 2" meter, 2,000 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 3,553.58	\$ 3,494.14	\$ (59.44)	\$ 3,106.22	\$ (447.36)

## Nonresidential 8" meter, 10,000 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 20,720.68	\$ 20,007.34	\$ (713.34)	\$ 18,137.14	\$ (2,583.54)

## Nonresidential 8" meter, 350,000 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 621,364.68	\$ 601,415.84	\$ (19,948.84)	\$ 654,770.14	\$ 33,405.46