

Option Results Summary

Minimum Charge: All Retail Classes	
Meter Size	Minimum Charge
5/8"	\$ 7.55
3/4"	\$ 13.00
1"	\$ 15.00
1 1/2"	\$ 25.00
2"	\$ 40.00
3"	\$ 65.00
4"	\$ 127.00
6"	\$ 256.00
8"	\$ 917.00
10"	\$ 1,097.00
12"	\$ 1,297.00

Residential Water Rates			
Tiered Fixed Fee: Total Water Use Ending in Tier			
Tier 1	0 - 2,000	\$	2.20
Tier 2	2,001 - 6,000	\$	4.70
Tier 3	6,001 - 11,000	\$	7.65
Tier 4	11,001 - 20,000	\$	12.70
Tier 5	Over 20,000	\$	12.70

Volumetric Rates Rates Non CAP Per 1,000 Gallons			
Block 1	0 - 2,000	\$	3.00
Block 2	2,001 - 6,000	\$	4.52
Block 3	6,001 - 11,000	\$	7.30
Block 4	11,001 - 20,000	\$	11.09
Block 5	Over 20,000	\$	14.00

Volumetric Rates Rates CAP Per 1,000 Gallons			
Block 1	0 - 2,000	\$	2.20
Block 2	2,001 - 6,000	\$	3.45
Block 3	6,001 - 11,000	\$	5.05
Block 4	11,001 - 20,000	\$	8.60
Block 5	Over 20,000	\$	14.00

Volatility Measure	
Revenue Losses at 2010 Consumption Levels	
Approved Rates	\$ (38.22) Million
Option Rates	\$ (35.05) Million
Volatility Measure	\$ 3.18 Million

Positive equals less volatility and lower potential revenue losses

Negative equals more volatility and higher potential revenue losses

Break Even Volume	
11,100 Gallons	

Residential Bill Comparisons

Monthly Usage Gallons 5/8" Meter	2014 Approved Rates				
	Minimum Charge	Tiered Fixed Fee	Volume Revenue	Reserve Fund Surcharge	Total Bill
0	\$ 7.10	\$ 2.00	\$ -	\$ -	\$ 9.10
1,000	\$ 7.10	\$ 2.00	\$ 1.84	\$ 0.15	\$ 11.09
2,000	\$ 7.10	\$ 2.00	\$ 3.68	\$ 0.30	\$ 13.08
5,000	\$ 7.10	\$ 4.50	\$ 13.85	\$ 0.75	\$ 26.20
6,000	\$ 7.10	\$ 4.50	\$ 17.24	\$ 0.90	\$ 29.74
7,000 Annualized	\$ 7.10	\$ 6.22	\$ 23.98	\$ 1.05	\$ 38.35
9,000	\$ 7.10	\$ 7.45	\$ 35.84	\$ 1.35	\$ 51.74
15,000	\$ 7.10	\$ 12.55	\$ 88.04	\$ 2.25	\$ 109.94
25,000	\$ 7.10	\$ 12.55	\$ 201.99	\$ 3.75	\$ 225.39
30,000	\$ 7.10	\$ 12.55	\$ 266.19	\$ 4.50	\$ 290.34
60,000	\$ 7.10	\$ 12.55	\$ 651.39	\$ 9.00	\$ 680.04

Projected Water Rates				
Minimum Charge	Tiered Fixed Fee	Volume Revenue	Reserve Fund Surcharge	Total Bill
\$ 7.55	\$ 2.20	\$ -	\$ -	\$ 9.75
\$ 7.55	\$ 2.20	\$ 3.00	\$ 0.19	\$ 12.94
\$ 7.55	\$ 2.20	\$ 6.00	\$ 0.38	\$ 16.13
\$ 7.55	\$ 4.70	\$ 19.56	\$ 0.95	\$ 32.76
\$ 7.55	\$ 4.70	\$ 24.08	\$ 1.14	\$ 37.47
\$ 7.55	\$ 6.42	\$ 31.91	\$ 1.33	\$ 47.22
\$ 7.55	\$ 7.65	\$ 45.98	\$ 1.71	\$ 62.89
\$ 7.55	\$ 12.70	\$ 104.94	\$ 2.85	\$ 128.04
\$ 7.55	\$ 12.70	\$ 230.39	\$ 4.75	\$ 255.39
\$ 7.55	\$ 12.70	\$ 300.39	\$ 5.70	\$ 326.34
\$ 7.55	\$ 12.70	\$ 720.39	\$ 11.40	\$ 752.04

Variances		Subsidy Percent of COS Rate
Total Bill \$ Variance	Total Bill % Variance	
\$ 0.65	7.1%	
\$ 1.85	16.7%	-16.4%
\$ 3.05	23.3%	-23.9%
\$ 6.56	25.0%	-19.9%
\$ 7.73	26.0%	-19.6%
\$ 8.86	23.1%	-14.6%
\$ 11.15	21.6%	-5.8%
\$ 18.10	16.5%	20.6%
\$ 30.00	13.3%	56.2%
\$ 36.00	12.4%	69.8%
\$ 72.00	10.6%	106.6%

Residential Bill Comparisons - Customer Assistance Program Customers

Monthly Usage Gallons 5/8" Meter	2014 Approved Rates				
	Minimum Charge	Tiered Fixed Fee	Volume Revenue	Reserve Fund Surcharge	Total Bill
0	\$ -	\$ -	\$ -	\$ -	\$ -
1,000	\$ -	\$ -	\$ 1.45	\$ 0.15	\$ 1.60
2,000	\$ -	\$ -	\$ 2.90	\$ 0.30	\$ 3.20
5,000	\$ -	\$ -	\$ 11.00	\$ 0.75	\$ 11.75
6,000	\$ -	\$ -	\$ 13.70	\$ 0.90	\$ 14.60
7,000 Annualized	\$ -	\$ -	\$ 17.32	\$ 1.05	\$ 18.37
9,000	\$ -	\$ -	\$ 26.75	\$ 1.35	\$ 28.10
15,000	\$ -	\$ -	\$ 67.25	\$ 2.25	\$ 69.50
25,000	\$ -	\$ -	\$ 171.95	\$ 3.75	\$ 175.70
30,000	\$ -	\$ -	\$ 236.90	\$ 4.50	\$ 241.40
60,000	\$ -	\$ -	\$ 626.60	\$ 9.00	\$ 635.60

Projected Water Rates				
Minimum Charge	Tiered Fixed Fee	Volume Revenue	Reserve Fund Surcharge	Total Bill
\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 2.39	\$ 0.19	\$ 2.58
\$ -	\$ -	\$ 4.78	\$ 0.38	\$ 5.16
\$ -	\$ -	\$ 15.70	\$ 0.95	\$ 16.65
\$ -	\$ -	\$ 19.34	\$ 1.14	\$ 20.48
\$ -	\$ -	\$ 23.56	\$ 1.33	\$ 24.89
\$ -	\$ -	\$ 35.06	\$ 1.71	\$ 36.77
\$ -	\$ -	\$ 80.70	\$ 2.85	\$ 83.55
\$ -	\$ -	\$ 195.60	\$ 4.75	\$ 200.35
\$ -	\$ -	\$ 266.55	\$ 5.70	\$ 272.25
\$ -	\$ -	\$ 692.25	\$ 11.40	\$ 703.65

Variances		Subsidy % Variance
Total Bill \$ Variance	Total Bill % Variance	
\$ -	0.0%	-100.0%
\$ 0.98	61.3%	-80.1%
\$ 1.96	61.3%	-68.0%
\$ 4.90	41.7%	-49.2%
\$ 5.88	40.3%	-45.3%
\$ 6.52	35.5%	-47.3%
\$ 8.67	30.9%	-41.5%
\$ 14.05	20.2%	-34.7%
\$ 24.65	14.0%	-21.6%
\$ 30.85	12.8%	-16.6%
\$ 68.05	10.7%	-6.4%

Assumptions
 2014 Approved Water Revenue with Fixed Revenue at 20% of Total Revenue.

- Residential volume rates maintain approximate \$11.00 spread between blocks 1 and 5
- Fixed revenue goal of 20% of total revenue with goals by class based on cost of service allocation
- \$12.1 M revenue from Tiered Fixed Fee to meet 20% fixed revenue goal
- Customer class fixed revenue goals based on cost of service based allocation

Fixed & Volume Revenue % by Class		
	% Fixed Revenue	% Volumetric Revenue
Residential	27.3%	72.7%
Multifamily	17.4%	82.6%
Commercial	16.4%	83.6%
Large Volume	11.5%	88.5%
Wholesale	11.0%	89.0%
Total	20.0%	80.0%

Revenue Reserve Fund Surcharge	
Rate Per 1,000 Gallons	\$
	0.19

Volumetric Revenue	
	\$
Residential	2,628,763
Multifamily	1,585,931
Commercial	1,991,685
Large Volume	563,488
Wholesale	461,170
Total	\$ 7,231,037