

Option Results Summary

Minimum Charge: All Retail Classes	
Meter Size	Minimum Charge
5/8"	\$ 8.00
3/4"	\$ 13.00
1"	\$ 15.00
1 1/2"	\$ 25.00
2"	\$ 39.00
3"	\$ 64.00
4"	\$ 125.00
6"	\$ 253.00
8"	\$ 907.00
10"	\$ 1,067.00
12"	\$ 1,277.00

10.75

Residential Water Rates			
Tiered Fixed Fee: Total Water Use Ending in Tier			
Tier 1	0 - 2,000	\$	2.35
Tier 2	2,001 - 6,000	\$	4.95
Tier 3	6,001 - 11,000	\$	8.10
Tier 4	11,001 - 20,000	\$	12.85
Tier 5	Over 20,000	\$	12.85

Volumetric Rates Rates Non CAP Per 1,000 Gallons			
Block 1	0 - 2,000	\$	2.95
Block 2	2,001 - 6,000	\$	4.40
Block 3	6,001 - 11,000	\$	6.95
Block 4	11,001 - 20,000	\$	10.25
Block 5	Over 20,000	\$	13.95

Volumetric Rates Rates CAP Per 1,000 Gallons			
Block 1	0 - 2,000	\$	2.20
Block 2	2,001 - 6,000	\$	3.36
Block 3	6,001 - 11,000	\$	4.90
Block 4	11,001 - 20,000	\$	8.50
Block 5	Over 20,000	\$	13.95

Volatility Measure	
Revenue Losses at 2010 Consumption Levels	
Approved Rates	\$ (38.22) Million
Option Rates	\$ (33.48) Million
Volatility Measure	\$ 4.75 Million

Positive equals less volatility and lower potential revenue losses

Negative equals more volatility and higher potential revenue losses

Break Even Volume	
11,200 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
\$ 8.00	\$ 2.35	\$ (0.00)	\$ -	\$ 10.35
\$ 8.00	\$ 2.35	\$ 2.95	\$ 0.19	\$ 13.49
\$ 8.00	\$ 2.35	\$ 5.90	\$ 0.38	\$ 16.63
\$ 8.00	\$ 4.95	\$ 19.10	\$ 0.95	\$ 33.00
\$ 8.00	\$ 4.95	\$ 23.50	\$ 1.14	\$ 37.59
\$ 8.00	\$ 6.79	\$ 30.94	\$ 1.33	\$ 47.06
\$ 8.00	\$ 8.10	\$ 44.35	\$ 1.71	\$ 62.16
\$ 8.00	\$ 12.85	\$ 99.25	\$ 2.85	\$ 122.95
\$ 8.00	\$ 12.85	\$ 220.25	\$ 4.75	\$ 245.85
\$ 8.00	\$ 12.85	\$ 290.00	\$ 5.70	\$ 316.55
\$ 8.00	\$ 12.85	\$ 708.50	\$ 11.40	\$ 740.75

Variances		Subsidy Percent of COS Rate
Total Bill \$ Variance	Total Bill % Variance	
\$ 1.25	13.7%	
\$ 2.40	21.6%	-15.2%
\$ 3.55	27.1%	-22.5%
\$ 6.80	26.0%	-18.9%
\$ 7.85	26.4%	-18.7%
\$ 8.71	22.7%	-14.4%
\$ 10.42	20.1%	-5.9%
\$ 13.01	11.8%	18.1%
\$ 20.46	9.1%	54.0%
\$ 26.21	9.0%	69.0%
\$ 60.71	8.9%	109.4%

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
\$ -	\$ -	\$ 15.43	\$ 0.95	\$ 16.38
\$ -	\$ -	\$ 18.98	\$ 1.14	\$ 20.12
\$ -	\$ -	\$ 23.03	\$ 1.33	\$ 24.37
\$ -	\$ -	\$ 34.25	\$ 1.71	\$ 35.96
\$ -	\$ -	\$ 79.19	\$ 2.85	\$ 82.04
\$ -	\$ -	\$ 193.34	\$ 4.75	\$ 198.09
\$ -	\$ -	\$ 264.04	\$ 5.70	\$ 269.74
\$ -	\$ -	\$ 688.24	\$ 11.40	\$ 699.64

Variances		Subsidy % Variance
Total Bill \$ Variance	Total Bill % Variance	
\$ -	0.0%	-100.0%
\$ 0.98	61.3%	-80.9%
\$ 1.96	61.3%	-69.0%
\$ 4.63	39.4%	-50.4%
\$ 5.52	37.8%	-46.5%
\$ 6.00	32.6%	-48.2%
\$ 7.86	28.0%	-42.1%
\$ 12.54	18.0%	-33.3%
\$ 22.39	12.7%	-19.4%
\$ 28.34	11.7%	-14.8%
\$ 64.04	10.1%	-5.5%

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
- \$12.7 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	28.9%	71.1%
Multifamily	20.1%	79.9%
Commercial	20.5%	79.5%
Large Volume	11.5%	88.5%
Wholesale	11.0%	89.0%
Total	22.3%	77.7%

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