

Option Results Summary

Minimum Charge: All Retail Classes	
Meter Size	Minimum Charge
5/8"	\$ 7.50
3/4"	\$ 13.00
1"	\$ 14.00
1 1/2"	\$ 24.00
2"	\$ 38.00
3"	\$ 63.00
4"	\$ 125.00
6"	\$ 253.00
8"	\$ 906.00
10"	\$ 1,076.00
12"	\$ 1,286.00

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	\$ 12.75
Tier 5	Over 20,000	\$ 12.75

Volumetric Rates Rates Non CAP Per 1,000 Gallons		
Block 1	0 - 2,000	\$ 3.00
Block 2	2,001 - 6,000	\$ 4.40
Block 3	6,001 - 11,000	\$ 7.24
Block 4	11,001 - 20,000	\$ 11.00
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	\$ 3.40
Block 3	6,001 - 11,000	\$ 4.95
Block 4	11,001 - 20,000	\$ 8.55
Block 5	Over 20,000	\$ 14.00

Volatility Measure	
Revenue Losses at 2010 Consumption Levels	
Approved Rates	\$ (38.23) Million
Option Rates	\$ (34.70) Million
Volatility Measure	\$ 3.52 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
\$ 7.50	\$ 2.20	\$ (0.00)	\$ -	\$ 9.70
\$ 7.50	\$ 2.20	\$ 3.00	\$ 0.19	\$ 12.89
\$ 7.50	\$ 2.20	\$ 6.00	\$ 0.38	\$ 16.08
\$ 7.50	\$ 4.70	\$ 19.20	\$ 0.95	\$ 32.35
\$ 7.50	\$ 4.70	\$ 23.60	\$ 1.14	\$ 36.94
\$ 7.50	\$ 6.42	\$ 31.38	\$ 1.33	\$ 46.64
\$ 7.50	\$ 7.65	\$ 45.32	\$ 1.71	\$ 62.18
\$ 7.50	\$ 12.75	\$ 103.80	\$ 2.85	\$ 126.90
\$ 7.50	\$ 12.75	\$ 228.80	\$ 4.75	\$ 253.80
\$ 7.50	\$ 12.75	\$ 298.80	\$ 5.70	\$ 324.75
\$ 7.50	\$ 12.75	\$ 718.80	\$ 11.40	\$ 750.45

Variances		Subsidy Percent of COS Rate
Total Bill \$ Variance	Total Bill % Variance	
\$ 0.60	6.6%	
\$ 1.80	16.2%	
\$ 3.00	22.9%	-16.1%
\$ 6.15	23.5%	-20.2%
\$ 7.20	24.2%	-20.1%
\$ 8.29	21.6%	-15.0%
\$ 10.44	20.2%	-6.1%
\$ 16.96	15.4%	20.5%
\$ 28.41	12.6%	56.6%
\$ 34.41	11.9%	70.6%
\$ 70.41	10.4%	108.1%

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
\$ -	\$ -	\$ 15.55	\$ 0.95	\$ 16.50
\$ -	\$ -	\$ 19.14	\$ 1.14	\$ 20.28
\$ -	\$ -	\$ 23.25	\$ 1.33	\$ 24.58
\$ -	\$ -	\$ 34.56	\$ 1.71	\$ 36.27
\$ -	\$ -	\$ 79.80	\$ 2.85	\$ 82.65
\$ -	\$ -	\$ 194.45	\$ 4.75	\$ 199.20
\$ -	\$ -	\$ 265.40	\$ 5.70	\$ 271.10
\$ -	\$ -	\$ 691.10	\$ 11.40	\$ 702.50

Variances		Subsidy % Variance
Total Bill \$ Variance	Total Bill % Variance	
\$ -	0.0%	-100.0%
\$ 0.98	61.3%	-80.0%
\$ 1.96	61.3%	-67.9%
\$ 4.75	40.4%	-49.0%
\$ 5.68	38.9%	-45.1%
\$ 6.21	33.8%	-47.3%
\$ 8.17	29.1%	-41.7%
\$ 13.15	18.9%	-34.9%
\$ 23.50	13.4%	-21.5%
\$ 29.70	12.3%	-16.5%
\$ 66.90	10.5%	-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	27.4%
Multifamily	17.3%	82.7%
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		Surcharge
	\$	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