

Option Results Summary

Minimum Charge: All Retail Classes	
Meter Size	Minimum Charge
5/8"	\$ 7.90
3/4"	\$ 13.00
1"	\$ 15.00
1 1/2"	\$ 25.00
2"	\$ 40.00
3"	\$ 66.00
4"	\$ 131.00
6"	\$ 264.00
8"	\$ 947.00
10"	\$ 1,127.00
12"	\$ 1,337.00

Residential Water Rates		
Tiered Fixed Fee: Total Water Use Ending in Tier		
Tier 1	0 - 2,000	\$ 2.50
Tier 2	2,001 - 6,000	\$ 5.50
Tier 3	6,001 - 11,000	\$ 8.90
Tier 4	11,001 - 20,000	\$ 13.00
Tier 5	Over 20,000	\$ 13.00

Volumetric Rates Non CAP Per 1,000 Gallons		
Block 1	0 - 2,000	\$ 3.60
Block 2	2,001 - 6,000	\$ 5.25
Block 3	6,001 - 11,000	\$ 7.97
Block 4	11,001 - 20,000	\$ 11.70
Block 5	Over 20,000	\$ 14.60

Volatility Measure	
Revenue Losses at 2010 Consumption Levels	
Approved Rates	\$ (38.22) Million
Option Rates	\$ (37.18) Million
Volatility Measure	\$ 1.04 Million

Positive equals less volatility and lower potential revenue losses

Negative equals more volatility and higher potential revenue losses

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
\$ 7.90	\$ 2.50	\$ -	\$ -	\$ 10.40
\$ 7.90	\$ 2.50	\$ 3.60	\$ 0.19	\$ 14.19
\$ 7.90	\$ 2.50	\$ 7.20	\$ 0.38	\$ 17.98
\$ 7.90	\$ 5.50	\$ 22.95	\$ 0.95	\$ 37.30
\$ 7.90	\$ 5.50	\$ 28.20	\$ 1.14	\$ 42.74
\$ 7.90	\$ 7.48	\$ 36.69	\$ 1.33	\$ 53.41
\$ 7.90	\$ 8.90	\$ 52.11	\$ 1.71	\$ 70.62
\$ 7.90	\$ 13.00	\$ 114.85	\$ 2.85	\$ 138.60
\$ 7.90	\$ 13.00	\$ 246.35	\$ 4.75	\$ 272.00
\$ 7.90	\$ 13.00	\$ 319.35	\$ 5.70	\$ 345.95
\$ 7.90	\$ 13.00	\$ 757.35	\$ 11.40	\$ 789.65

Break Even Volume
10,400 Gallons

Variances		Subsidy Percent of COS Rate
Total Bill \$ Variance	Total Bill % Variance	
\$ 1.30	14.3%	
\$ 3.10	28.0%	-14.8%
\$ 4.90	37.5%	-21.6%
\$ 11.10	42.4%	-16.6%
\$ 13.00	43.7%	-16.2%
\$ 15.06	39.3%	-11.9%
\$ 18.88	36.5%	-3.5%
\$ 28.66	26.1%	20.7%
\$ 46.61	20.7%	53.3%
\$ 55.61	19.2%	65.7%
\$ 109.61	16.1%	99.1%

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
\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 2.84	\$ 0.19	\$ 3.03
\$ -	\$ -	\$ 5.68	\$ 0.38	\$ 6.06
\$ -	\$ -	\$ 17.95	\$ 0.95	\$ 18.90
\$ -	\$ -	\$ 22.04	\$ 1.14	\$ 23.18
\$ -	\$ -	\$ 27.13	\$ 1.33	\$ 28.46
\$ -	\$ -	\$ 40.16	\$ 1.71	\$ 41.87
\$ -	\$ -	\$ 90.20	\$ 2.85	\$ 93.05
\$ -	\$ -	\$ 211.60	\$ 4.75	\$ 216.35
\$ -	\$ -	\$ 285.55	\$ 5.70	\$ 291.25
\$ -	\$ -	\$ 729.25	\$ 11.40	\$ 740.65

Variances		Subsidy % Variance
Total Bill \$ Variance	Total Bill % Variance	
\$ -	0.0%	-100.0%
\$ 1.43	89.4%	-78.6%
\$ 2.86	89.4%	-66.3%
\$ 7.15	60.9%	-49.3%
\$ 8.58	58.8%	-45.8%
\$ 10.09	54.9%	-46.7%
\$ 13.77	49.0%	-40.7%
\$ 23.55	33.9%	-32.9%
\$ 40.65	23.1%	-20.5%
\$ 49.85	20.7%	-15.8%
\$ 105.05	16.5%	-6.2%

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
- \$13.7 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	27.2%	72.8%
Multifamily	17.3%	82.7%
Commercial	15.9%	84.1%
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	\$ 2,621,322
Multifamily	1,532,545
Commercial	1,846,508
Large Volume	562,008
Wholesale	505,879
Total	\$ 7,068,262