

# Agenda



## Public Involvement Committee

March 18, 2024, | 3:00 – 5:00

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3:00	<b>Question and Answer Update</b> – Joseph Gonzales, AW Assistant Director, Financial Services
3:10	<b>Water and Wastewater Draft Rates</b> – Grant Rabon, Partner, NewGen Strategies and Solutions
4:50	<b>Questions</b> – Joseph Gonzales, AW Assistant Director, Financial Services
5:00	<b>Next Meeting – 4/1/2024</b> - Joseph Gonzales, AW Assistant Director, Financial Services

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## Notes:

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# Austin Water

## 2024 Public Involvement Committee Meeting 5: Water and Wastewater Draft Rates

**Joseph Gonzales**  
Asst. Director, Financial Services  
Austin Water

March 18, 2024



# Agenda

- 💧 Question and Answer Update
- 💧 NewGen – Water and Wastewater Draft Rates
- 💧 Questions



# Question and Answer Update

- Questions and responses posted on SpeakUp Austin
  - Advance Meter Infrastructure (AMI) meter info
  - Non-Rate Revenue listing for water and wastewater
- Pending Questions and Answers
  - Cost increases and cost reduction initiatives
  - Reuse master plans
  - 6 new questions from PIC member



# NewGen





March 18, 2024

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# AUSTIN WATER PIC MEETING #5 – WATER & WASTEWATER DRAFT RATES



# DISCUSSION TOPICS

- Update on Water Revenue Requirements
- Update on Water Cost of Service (COS)
- Draft Water Rates
- Update on Wastewater Revenue Requirements
- Update on Wastewater COS
- Draft Wastewater Rates

Note: All figures are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.





## KEY TAKEAWAY REMINDER

- The study Test Year is still a work in progress.
  - Future known & measurable adjustments will continue to be made
- Certain system and customer information is still under review and will be updated as necessary.



The image shows a pair of glasses resting on a document titled "Operations & Maintenance Costs". The document is a table comparing costs for two different HST ridership fare structures: 50% of Airfare and 77% of Airfare. The table includes rows for Infrastructure Maintenance, Rolling Stock Maintenance, Operations, Insurance, and a TOTAL row. The total cost for the 50% fare structure is \$1,284 million, and for the 77% fare structure, it is \$1,160 million.

	HST Ridership Fare Structure 50% of Airfare (millions)	HST Ridership Fare Structure 77% of Airfare (millions)
Infrastructure Maintenance	\$139	\$139
Rolling Stock Maintenance	\$485	\$435
Operations	\$556	\$491
Insurance	\$104	\$93
<b>TOTAL</b>	<b>\$1,284</b>	<b>\$1,160</b>



# UPDATED WATER REVENUE REQUIREMENTS

	<b>FY 2023 Actuals</b>	<b>FY 2024 Budget</b>	<b>Preliminary Test Year</b>
<b>Water Revenue Requirements</b>			
<b>O&amp;M Expense</b>			
Operations	\$ 88,428,079	\$ 96,149,964	\$ 96,149,964
Support Services	20,773,695	23,807,314	23,807,314
Environmental, Planning, and Development Services	14,258,993	16,950,412	16,950,412
Customer Experience	11,199,132	12,346,571	12,346,571
Engineering Services	5,821,695	7,576,485	7,576,485
Other Utility Program Req	3,944,809	6,509,285	6,509,285
Other Requirements	11,428,579	19,111,535	19,111,535
<b>Total O&amp;M Expense</b>	<b>\$ 155,854,982</b>	<b>\$ 182,451,566</b>	<b>\$ 182,451,566</b>
<b>Debt Service</b>			
All Principal & Interest	\$ 88,522,628	\$ 95,837,489	\$ 98,659,654
<b>Total Debt Service</b>	<b>\$ 88,522,628</b>	<b>\$ 95,837,489</b>	<b>\$ 98,659,654</b>
<b>Transfers</b>			
Trf to Water CIP Fund	\$ 34,000,000	\$ 37,861,000	\$ 37,861,000
TRF CRF to Debt Defeasance	35,750,684	28,000,000	-
Trf to General Fund	24,713,163	25,717,262	25,717,262
Administrative Support	9,189,500	9,740,431	9,740,431
Trf to Reclaimed Water Fund	6,250,000	6,500,000	6,500,000
Other Transfers	9,349,980	13,262,162	13,262,162
<b>Total Transfers</b>	<b>\$ 119,253,327</b>	<b>\$ 121,080,855</b>	<b>\$ 93,080,855</b>
<b>Total Revenue Requirements</b>	<b>\$ 363,630,937</b>	<b>\$ 399,369,910</b>	<b>\$ 374,192,075</b>

UPDATED  
WATER NET  
REVENUE  
REQUIREMENTS

<b>Water Net Revenue Requirements</b>	<b>Preliminary Test Year</b>
O&M Expenses	\$ 182,451,566
Debt Service	98,659,654
Transfers	93,080,855
Total Expenses	<u>\$ 374,192,075</u>
Less: Non-Rate Revenue	18,116,823
<b>Net Revenue Requirement</b>	<u><b>\$ 356,075,252</b></u>

# WATER COST OF SERVICE PROCESS

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- **Functionalization** answers **how** much money is spent running the system and **what** the money is spent on.
  - Example: It costs \$46.67 million per year to run the system’s treatment facilities.
- **Allocation** answers **why** the money is being spent, that is, what are the “cost causative components” that drive the need to spend money.
  - Example: Treatment facilities serve the system’s daily water demands.
- **Distribution** answers **who** is causing the costs to be incurred, that is, who is contributing (and in what amount) to the total “cost causative components” of the system.
  - Example: Residential customers are responsible for 35.16% of the system’s average day water demand.

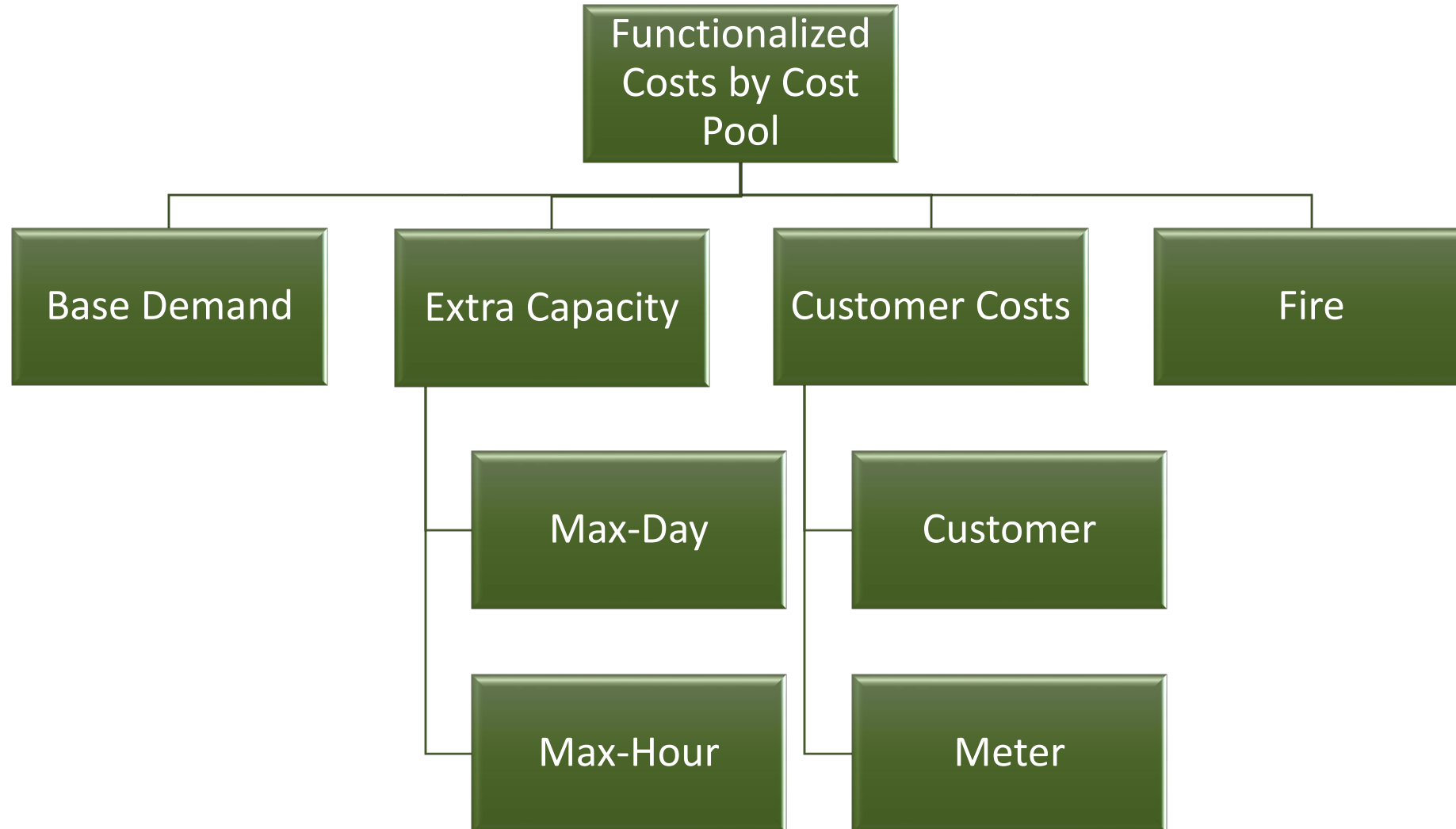


# BASE-EXTRA ALLOCATION COMPONENTS

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- 1 Base Demand – Costs associated with meeting average daily water demands.
- 2 Max-Day Demand – Costs related to meeting excess average day demand.
- 3 Max-Hour Demand – Costs related to meeting excess max-day demands.
- 4 Customer – Costs related with customer service, billing, & collecting.
- 5 Meter – Meter reading and maintenance cost of meters & service lines.
- 6 Fire – Costs associated with public fire protection including hydrants.

# ALLOCATION TO BASE-EXTRA COMPONENTS



# STEP 1A: UPDATED FUNCTIONALIZATION (IN MILLIONS)

Function	O&M Expenses	Other Costs	Capital Costs	NNR - O&M	NNR - Capital	Transfers	Net Revenue Requirement
Raw Water	-	-	9.04	-	-	-	9.04
Treatment Average Day	60.46	-	-	(3.26)	(1.29)	9.30	65.21
Treatment Facilities	6.19	-	49.20	(0.34)	(0.13)	0.95	55.87
Pump Stations & Booster Stations	7.19	-	4.77	(0.39)	(0.15)	1.11	12.53
Pump Stations Power	3.86	-	-	(0.21)	(0.08)	0.59	4.17
Tanks/ Reservoirs	0.80	-	5.20	(0.04)	(0.02)	0.12	6.06
Transmission Mains	18.23	-	30.38	(0.98)	(0.39)	2.81	50.05
Distribution Mains	45.32	-	18.27	(5.49)	(0.97)	6.97	64.10
Direct Fire	5.19	-	1.65	(0.57)	(0.11)	0.80	6.96
Retail Meters & Services	7.18	-	-	0.63	(0.15)	1.11	8.76
Meters & Services	13.56	-	12.36	(0.73)	(0.29)	2.09	26.98
Watershed Land Purchases	7.42	-	3.53	(0.40)	(0.16)	1.14	11.53
Customer Service	21.97	-	-	(1.90)	(0.47)	3.38	22.97
Small Calls	2.73	-	-	(0.15)	(0.06)	0.42	2.95
Indirect	4.78	-	4.12	-	-	-	8.90
<b>Total</b>	<b>\$ 204.87</b>	<b>\$ -</b>	<b>\$138.53</b>	<b>\$ (13.84)</b>	<b>\$ (4.28)</b>	<b>\$ 30.79</b>	<b>\$ 356.08</b>



# STEP 1B: UPDATED FUNCTIONS TO COST POOLS

Function	Joint	Retail Only	Watershed Land Purchases	Net Revenue Requirement
Raw Water	9.04	-	-	9.04
Treatment Average Day	65.21	-	-	65.21
Treatment Facilities	55.87	-	-	55.87
Pump Stations & Booster Stations	12.53	-	-	12.53
Pump Stations Power	4.17	-	-	4.17
Tanks/ Reservoirs	6.06	-	-	6.06
Transmission Mains	50.05	-	-	50.05
Distribution Mains	-	64.10	-	64.10
Direct Fire	-	6.96	-	6.96
Retail Meters & Services	-	8.76	-	8.76
Meters & Services	26.98	-	-	26.98
Watershed Land Purchases	-	-	11.53	11.53
Customer Service	22.97	-	-	22.97
Small Calls	2.95	-	-	2.95
Indirect	6.00	2.57	0.33	8.90
<b>Total</b>	<b>\$ 261.83</b>	<b>\$ 82.38</b>	<b>\$ 11.86</b>	<b>\$ 356.08</b>

# STEP 1C: UPDATED COST POOL FUNCTIONALIZATION

Functional Category	Raw Water	Treatment Facilities	Chemicals & Power	Pump & Booster Stations	Tanks/Reservoirs	Transmission Mains	Distribution Mains	Fire
Joint	9.04	56.15	75.31	12.85	6.10	50.86	-	-
Retail Only	-	0.12	1.27	0.14	0.02	0.35	64.10	6.96
Watershed Land Purchases	11.53	0.02	0.16	0.02	0.00	0.04	-	-
<b>Total</b>	<b>\$ 20.57</b>	<b>\$ 56.28</b>	<b>\$ 76.75</b>	<b>\$ 13.00</b>	<b>\$ 6.11</b>	<b>\$ 51.25</b>	<b>\$ 64.10</b>	<b>\$ 6.96</b>

	Meters & Services	Customer Service	Net Revenue Requirement
Joint	27.59	23.95	261.83
Retail Only	9.02	0.42	82.38
Watershed Land Purchases	0.03	0.05	11.86
<b>Total</b>	<b>\$ 36.64</b>	<b>\$ 24.42</b>	<b>\$ 356.08</b>

## STEP 2: UPDATED ALLOCATION TO BASE-EXTRA COMPONENTS

Base-Extra Allocation	Base	Max-Day	Max-Hour	Customer	Meter	Fire	Net Revenue Requirement
Raw Water	\$ 20.57	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20.57
Treatment Facilities	39.32	16.96	-	-	-	0.00	56.28
Chemicals & Power	76.75	-	-	-	-	-	76.75
Pump & Booster Stations	13.00	-	-	-	-	-	13.00
Tanks/ Reservoirs	4.27	1.84	-	-	-	0.00	6.11
Transmission Mains	35.81	15.44	-	-	-	0.00	51.25
Distribution Mains	37.53	15.91	6.21	-	-	4.45	64.10
Fire	-	-	-	-	-	6.96	6.96
Meters & Services	-	-	-	-	36.64	-	36.64
Customer Service	-	-	-	24.42	-	-	24.42
<b>Total</b>	<b>\$ 227.24</b>	<b>\$ 50.16</b>	<b>\$ 6.21</b>	<b>\$ 24.42</b>	<b>\$ 36.64</b>	<b>\$ 11.41</b>	<b>\$ 356.08</b>



# UPDATED UNITS OF SERVICE – BASE DEMAND

<u>Water Base Demand by Customer Class</u>	<u>Annual Demand</u>	<u>Average Day Demand</u>	<u>% of Avg. Day Demand</u>
<u>Retail</u>			
Residential	15,805,056	43,302	35.16%
Multi-Family	11,068,977	30,326	24.62%
Commercial	11,344,802	31,082	25.23%
Cypress	355,650	974	0.79%
NXP - Ed Bluestein Blvd	451,676	1,237	1.00%
W William Cannon	242,583	665	0.54%
Samsung	2,334,603	6,396	5.19%
University of Texas	297,297	815	0.66%
Tesla	224,340	615	0.50%
<u>Wholesale</u>			
Creedmore-Maha	72,428	198	0.16%
High Valley	4,868	13	0.01%
Mid Tex Utilities	83,592	229	0.19%
Marsha Water	12,470	34	0.03%
Morningside	1,748	5	0.00%
Nighthawk	18,103	50	0.04%
North Austin MUD	406,205	1,113	0.90%
Northtown MUD	325,594	892	0.72%
Rivercrest	152,160	417	0.34%
Rollingwood	144,714	396	0.32%
Shady Hollow	172,027	471	0.38%
Sunset Valley, City of	99,806	273	0.22%
Village of San Leanna	4,218	12	0.01%
Water District 10	880,558	2,412	1.96%
Wells Branch MUD	454,306	1,245	1.01%
<b>Total System</b>	<b>44,957,783</b>	<b>123,172</b>	<b>100%</b>

# UPDATED UNITS OF SERVICE – MAX-DAY DEMAND

<u>Water Max-Day Demand by Customer Class</u>	<u>Max Day Peaking Factor</u>	<u>Max Day Demand</u>	<u>Max Day Extra Capacity Demand</u>	<u>% of Max Day Extra Capacity Demand</u>
<u>Retail</u>				
Residential	1.48	64,101	20,800	39.15%
Multi-Family	1.27	38,492	8,166	15.37%
Commercial	1.51	46,902	15,820	29.78%
Cypress	1.34	1,306	332	0.62%
NXP - Ed Bluestein Blvd	1.41	1,740	502	0.95%
W William Cannon	1.50	997	333	0.63%
Samsung	1.31	8,351	1,955	3.68%
University of Texas	1.67	1,358	544	1.02%
Tesla	1.80	1,107	492	0.93%
<u>Wholesale</u>				
Creedmore-Maha	1.33	265	66	0.12%
High Valley	1.28	17	4	0.01%
Mid Tex Utilities	1.72	393	164	0.31%
Marsha Water	1.20	41	7	0.01%
Morningside	1.37	7	2	0.00%
Nighthawk	1.32	66	16	0.03%
North Austin MUD	1.38	1,537	424	0.80%
Northtown MUD	1.36	1,216	324	0.61%
Rivercrest	1.55	645	228	0.43%
Rollingwood	1.70	675	278	0.52%
Shady Hollow	1.77	834	363	0.68%
Sunset Valley, City of	1.60	438	164	0.31%
Village of San Leanna	1.24	14	3	0.01%
Water District 10	1.65	3,990	1,577	2.97%
Wells Branch MUD	1.45	1,805	561	1.06%
<b>Total System</b>		<b>176,294</b>	<b>53,122</b>	<b>100%</b>

# UPDATED UNITS OF SERVICE – MAX-HOUR DEMAND

<u>Water Max-Hour Demand by Customer Class</u>	<u>Max Hour Peaking Factor</u>	<u>Max Hour Demand</u>	<u>Max Hour Extra Capacity Demand</u>	<u>% of Max Hour Extra Capacity Demand</u>
<u>Retail</u>				
Residential	1.66	71,680	7,578	36.89%
Multi-Family	1.42	42,925	4,433	21.58%
Commercial	1.68	52,306	5,404	26.30%
Cypress	1.50	1,458	152	0.74%
NXP - Ed Bluestein Blvd	1.57	1,939	199	0.97%
W William Cannon	1.67	1,112	115	0.56%
Samsung	1.46	9,316	965	4.70%
University of Texas	1.86	1,514	156	0.76%
Tesla	1.96	1,205	98	0.48%
<u>Wholesale</u>				
Creedmore-Maha	1.49	296	32	0.15%
High Valley	1.43	19	2	0.01%
Mid Tex Utilities	1.93	442	49	0.24%
Marsha Water	1.34	46	5	0.02%
Morningside	1.54	7	1	0.00%
Nighthawk	1.48	73	8	0.04%
North Austin MUD	1.55	1,720	183	0.89%
Northtown MUD	1.53	1,361	145	0.71%
Rivercrest	1.73	723	78	0.38%
Rollingwood	1.91	758	83	0.40%
Shady Hollow	1.99	937	103	0.50%
Sunset Valley, City of	1.80	491	53	0.26%
Village of San Leanna	1.38	16	2	0.01%
Water District 10	1.86	4,477	487	2.37%
Wells Branch MUD	1.62	2,021	215	1.05%
<b>Total System</b>		<b>196,839</b>	<b>20,545</b>	<b>100%</b>

# UPDATED UNITS OF SERVICE - CUSTOMER

Based on equivalent  
meters

<u>Water Accounts by Customer Class</u>	<u>Equivalent Accounts</u>	<u>% of Equivalent Accounts</u>
<u>Retail</u>		
Residential	250,188	91.26%
Multi-Family	6,325	2.31%
Commercial	17,570	6.41%
Cypress	2	0.00%
NXP - Ed Bluestein Blvd	1	0.00%
W William Cannon	1	0.00%
Samsung	1	0.00%
University of Texas	13	0.00%
Tesla	1	0.00%
<u>Wholesale</u>		
Creedmore-Maha	2	0.00%
High Valley	1	0.00%
Mid Tex Utilities	1	0.00%
Marsha Water	1	0.00%
Morningside	1	0.00%
Nighthawk	1	0.00%
North Austin MUD	3	0.00%
Northtown MUD	4	0.00%
Rivercrest	2	0.00%
Rollingwood	2	0.00%
Shady Hollow	1	0.00%
Sunset Valley, City of	5	0.00%
Village of San Leanna	1	0.00%
Water District 10	4	0.00%
Wells Branch MUD	6	0.00%
<b>Total System</b>	<b>274,137</b>	<b>100%</b>

# UPDATED UNITS OF SERVICE - METER

Based on equivalent  
meters

<u>Water Meters by Customer Class</u>	<u>Equivalent Meters</u>	<u>% of Equivalent Meters</u>
<u>Retail</u>		
Residential	274,735	61.88%
Multi-Family	64,962	14.63%
Commercial	97,411	21.94%
Cypress	413	0.09%
NXP - Ed Bluestein Blvd	160	0.04%
W William Cannon	160	0.04%
Samsung	253	0.06%
University of Texas	1,238	0.28%
Tesla	7	0.00%
<u>Wholesale</u>		
Creedmore-Maha	36	0.01%
High Valley	7	0.00%
Mid Tex Utilities	160	0.04%
Marsha Water	7	0.00%
Morningside	7	0.00%
Nighthawk	23	0.01%
North Austin MUD	783	0.18%
Northtown MUD	871	0.20%
Rivercrest	380	0.09%
Rollingwood	146	0.03%
Shady Hollow	83	0.02%
Sunset Valley, City of	688	0.15%
Village of San Leanna	23	0.01%
Water District 10	659	0.15%
Wells Branch MUD	771	0.17%
<b>Total System</b>	<b>443,982</b>	<b>100%</b>



# UPDATED UNITS OF SERVICE - FIRE

Based on equivalent  
meters

<u>Fire Connections by Customer Class</u>	<u>Equivalent Fire Connections</u>	<u>% of Equivalent Fire Connections</u>
<u>Retail</u>		
Residential	274,735	62.53%
Multi-Family	64,962	14.79%
Commercial	97,411	22.17%
Cypress	413	0.09%
NXP - Ed Bluestein Blvd	160	0.04%
W William Cannon	160	0.04%
Samsung	253	0.06%
University of Texas	1,238	0.28%
Tesla	7	0.00%
<u>Wholesale</u>		
Creedmore-Maha	-	0.00%
High Valley	-	0.00%
Mid Tex Utilities	-	0.00%
Marsha Water	-	0.00%
Morningside	-	0.00%
Nighthawk	-	0.00%
North Austin MUD	-	0.00%
Northtown MUD	-	0.00%
Rivercrest	-	0.00%
Rollingwood	-	0.00%
Shady Hollow	-	0.00%
Sunset Valley, City of	-	0.00%
Village of San Leanna	-	0.00%
Water District 10	-	0.00%
Wells Branch MUD	-	0.00%
<b>Total System</b>	<b>439,339</b>	<b>100%</b>

# STEP 3: UPDATED DISTRIBUTION TO CUSTOMER CLASSES

<u>Final COS by Customer Class</u>	Base	Max-Day	Max-Hour	Customer	Meter	Fire	Net Revenue Requirement
<u>Retail</u>							
Residential	\$ 82.70	\$ 20.26	\$ 2.49	\$ 20.69	\$ 22.15	\$ 6.90	\$ 155.19
Multi-Family	56.00	8.06	1.43	1.19	5.57	1.77	74.02
Commercial	58.12	15.17	1.74	2.20	8.16	2.57	87.96
Cypress	1.80	0.32	0.05	0.02	0.05	0.02	2.27
NXP - Ed Bluestein Blvd	2.29	0.48	0.06	0.03	0.04	0.01	2.92
W William Cannon	1.23	0.32	0.04	0.02	0.03	0.01	1.64
Samsung	11.78	1.91	0.31	0.14	0.15	0.06	14.35
University of Texas	1.50	0.51	0.05	0.02	0.11	0.04	2.22
Tesla	1.05	0.45	0.03	0.00	0.00	0.00	1.53
<b>Total Retail</b>	<b>\$ 216.46</b>	<b>\$ 47.48</b>	<b>\$ 6.19</b>	<b>\$ 24.32</b>	<b>\$ 36.28</b>	<b>\$ 11.37</b>	<b>\$ 342.10</b>
<u>Wholesale</u>							
Creedmore-Maha	\$ 0.28	\$ 0.04	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.34
High Valley	0.02	0.00	0.00	0.00	0.00	0.00	0.02
Mid Tex Utilities	0.32	0.10	0.00	0.00	0.01	0.00	0.45
Marsha Water	0.05	0.00	0.00	0.00	0.00	0.00	0.06
Morningside	0.01	0.00	0.00	0.00	0.00	0.00	0.01
Nighthawk	0.07	0.01	0.00	0.00	0.00	0.00	0.08
North Austin MUD	1.53	0.27	0.00	0.01	0.06	0.00	1.88
Northtown MUD	1.23	0.21	0.00	0.01	0.06	0.00	1.52
Rivercrest	0.59	0.15	0.00	0.01	0.03	0.00	0.78
Rollingwood	0.57	0.18	0.00	0.01	0.02	0.00	0.77
Shady Hollow	0.62	0.22	-	0.00	0.00	-	0.85
Sunset Valley, City of	0.39	0.11	0.00	0.01	0.04	0.00	0.55
Village of San Leanna	0.02	0.00	0.00	0.00	0.00	0.00	0.02
Water District 10	3.35	1.00	0.01	0.03	0.07	0.01	4.47
Wells Branch MUD	1.73	0.36	0.00	0.02	0.06	0.01	2.17
<b>Total Wholesale</b>	<b>\$ 10.78</b>	<b>\$ 2.67</b>	<b>\$ 0.02</b>	<b>\$ 0.10</b>	<b>\$ 0.36</b>	<b>\$ 0.04</b>	<b>\$ 13.97</b>
<b>Total System</b>	<b>\$ 227.24</b>	<b>\$ 50.16</b>	<b>\$ 6.21</b>	<b>\$ 24.42</b>	<b>\$ 36.64</b>	<b>\$ 11.41</b>	<b>\$ 356.08</b>

# UPDATED SUMMARY OF UNITS OF SERVICE

<b>Base-Extra Component</b>	<b>Net Revenue Requirement</b>	<b>% of Total</b>
Base	\$ 227.24	63.82%
Max-Day	50.16	14.09%
Max-Hour	6.21	1.74%
Customer	24.42	6.86%
Meter	36.64	10.29%
Fire	11.41	3.20%
<b>Total</b>	<b>\$ 356.08</b>	<b>100.00%</b>

# UPDATED DRAFT WATER COST OF SERVICE RESULT

	Net Revenue Requirement	% of whole
<u>Retail</u>		
Residential	155.19	43.58%
Multi-Family	74.02	20.79%
Commercial	87.96	24.70%
Cypress	2.27	0.64%
NXP - Ed Bluestein Blvd	2.92	0.82%
W William Cannon	1.64	0.46%
Samsung	14.35	4.03%
University of Texas	2.22	0.62%
Tesla	1.53	0.43%
<b>Total Inside City Retail</b>	<b>342.10</b>	<b>96.08%</b>
<u>Wholesale</u>		
Creedmore-Maha	0.34	0.09%
High Valley	0.02	0.01%
Mid Tex Utilities	0.45	0.13%
Marsha Water	0.06	0.02%
Morningside	0.01	0.00%
Nighthawk	0.08	0.02%
North Austin MUD	1.88	0.53%
Northtown MUD	1.52	0.43%
Rivercrest	0.78	0.22%
Rollingwood	0.77	0.22%
Shady Hollow	0.85	0.24%
Sunset Valley, City of	0.55	0.15%
Village of San Leanna	0.02	0.01%
Water District 10	4.47	1.25%
Wells Branch MUD	2.17	0.61%
<b>Total Wholesale</b>	<b>13.97</b>	<b>3.92%</b>
<b>Total System</b>	<b>356.08</b>	<b>100.00%</b>

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WATER RATES – FIXED CHARGE

	<u>Current</u>	<u>Draft Rates</u>
Community Benefit Charge [1]	\$ 0.15	\$ 0.15
Go Purple Community Benefit Charge [1]	\$ -	\$ 0.15
Reserve Fund Charge - Retail	\$ 0.05	\$ 0.05
Reserve Fund Charge - Wholesale	\$ 0.10	\$ 0.10
 <u>Retail Fixed Charge</u>		
5/8"	\$ 7.45	\$ 8.20
3/4"	10.81	11.90
1"	13.87	15.25
1 1/2"	15.81	17.40
2"	25.91	28.50
3"	76.60	84.30
4"	127.30	140.10
6"	258.88	284.95
8"	491.84	541.35
10"	775.40	853.45
12"	1,018.37	1,120.90
 <u>Wholesale Fixed Charge</u>		
5/8"	\$ 8.00	\$ 10.00
3/4"	9.00	11.25
1"	10.00	12.50
1 1/2"	14.00	17.50
2"	19.00	23.75
3"	31.00	38.75
4"	45.00	56.25
6"	84.00	105.00
8"	131.00	163.75
10"	186.00	232.50
12"	271.00	338.75

[1] Only charged to retail customers.

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.



# DRAFT WATER RATES

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# RESIDENTIAL VOLUMETRIC CHARGE

## Residential

	<u>Current</u>	<u>Draft Rates</u>
Block 1	\$ 3.00	\$ 3.50
Block 2	\$ 4.99	\$ 6.00
Block 3	\$ 8.65	\$ 9.50
Block 4	\$ 13.18	\$ 13.50
Block 5	\$ 14.74	\$ 15.20

## Residential CAP

Block 1	\$ 1.23	\$ 1.23
Block 2	\$ 3.65	\$ 3.65
Block 3	\$ 6.00	\$ 6.00
Block 4	\$ 11.51	\$ 11.51
Block 5	\$ 14.21	\$ 14.21

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WATER RATES

	<u>Current</u>	<u>Draft Rates</u>
<u>Multi-Family</u>		
Off Peak (November - June)	\$ 4.67	\$ 5.32
Peak (July - October)	\$ 5.15	\$ 5.85
<u>Commercial</u>		
Off Peak (November - June)	\$ 5.46	\$ 6.10
Peak (July - October)	\$ 5.86	\$ 6.71
<u>Cypress</u>		
Off Peak (November - June)	\$ 5.10	\$ 5.50
Peak (July - October)	\$ 5.62	\$ 6.05
<u>NXP - Ed Bluestein Blvd</u>		
Off Peak (November - June)	\$ 4.81	\$ 5.61
Peak (July - October)	\$ 5.32	\$ 6.17
<u>NXP - W William Cannon</u>		
Off Peak (November - June)	\$ 4.87	\$ 5.57
Peak (July - October)	\$ 5.32	\$ 6.17
<u>Samsung</u>		
Off Peak (November - June)	\$ 4.82	\$ 5.45
Peak (July - October)	\$ 5.32	\$ 6.00
<u>Tesla</u>		
Off Peak (November - June)	\$ -	\$ 5.31
Peak (July - October)	\$ -	\$ 5.84
<u>University of Texas</u>		
Off Peak (November - June)	\$ 5.46	\$ 6.36
Peak (July - October)	\$ 5.86	\$ 7.00

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WATER RATES — WHOLESALE VOLUMETRIC

	<u>Current</u>	<u>Draft Rates</u>
Creedmore-Maha	\$ 3.89	\$ 4.15
High Valley	\$ 3.87	\$ 3.95
Mid Tex Utilities	\$ 4.10	\$ 5.35
Marsha Water	\$ 3.92	\$ 3.95
Morningside	\$ 5.09	\$ 5.05
Nighthawk	\$ 3.90	\$ 4.30
North Austin MUD	\$ 2.75	\$ 4.10
Northtown MUD	\$ 2.59	\$ 4.15
Rivercrest	\$ 4.35	\$ 4.70
Rollingwood	\$ 4.65	\$ 4.90
Shady Hollow	\$ 5.35	\$ 4.45
Sunset Valley, City of	\$ 4.24	\$ 5.15
Village of San Leanna	\$ 4.06	\$ 4.10
Water District 10	\$ 2.75	\$ 3.95
Wells Branch MUD	\$ 2.60	\$ 4.45

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WATER RATES – RETAIL ADDITIONAL MONTHLY FIXED RATES

	<u>Current</u>	<u>Draft Rates</u>
<u>Residential</u>		
Block 1	\$ 1.25	\$ 1.30
Block 2	3.55	3.69
Block 3	9.25	9.62
Block 4	29.75	30.94
Block 5	29.75	30.94
<u>Multi-Family</u>		
5/8"	\$ 12.50	\$ 15.20
3/4"	21.00	25.54
1"	33.00	40.13
1 1/2"	42.00	51.07
2"	83.00	100.93
3"	292.00	355.07
4"	500.00	608.00
6"	1,042.00	1,267.07
8"	2,000.00	2,432.00
10"	3,167.00	3,851.07
12"	4,167.00	5,067.07
<u>Commercial</u>		
5/8"	\$ 8.75	\$ 11.35
3/4"	15.00	19.46
1"	23.00	29.83
1 1/2"	29.00	37.62
2"	58.00	75.23
3"	204.00	264.62
4"	350.00	454.00
6"	729.00	945.62
8"	1,400.00	1,816.00
10"	2,217.00	2,875.77
12"	2,917.00	3,783.77

	<u>Current</u>	<u>Draft Rates</u>
Cypress	\$ 22,800.00	\$ 25,080.00
NXP - Ed Bluestein Blvd	29,250.00	32,175.00
NXP - W William Cannon	21,400.00	23,540.00
Samsung	121,100.00	133,210.00
Tesla	-	27,500.00
University of Texas	16,350.00	17,985.00

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WATER RATES – WHOLESALE ADDITIONAL MONTHLY FIXED RATES

	<b>Current</b>	<b>Draft Rates</b>
Creedmore-Maha	\$ 2,800.00	\$ 3,010.00
High Valley	250.00	268.75
Manor, City of	-	-
Mid Tex Utilities	-	-
Marsha Water	450.00	483.75
Morningside	75.00	80.63
Nighthawk	450.00	483.75
North Austin MUD	16,652.00	17,900.90
Northtown MUD	12,304.00	13,226.80
Rivercrest	4,500.00	4,837.50
Rollingwood	5,000.00	5,375.00
Shady Hollow	7,500.00	8,062.50
Sunset Valley, City of	4,000.00	4,300.00
Village of San Leanna	200.00	215.00
Water District 10	38,611.00	41,506.83
Wells Branch MUD	21,133.00	22,717.98

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.



# UPDATED WASTEWATER REVENUE REQUIREMENTS

	<b>FY 2023</b>	<b>FY 2024</b>	<b>Preliminary</b>
<b>Wastewater Revenue Requirements</b>	<b>Actuals</b>	<b>Budget</b>	<b>Test Year</b>
<b>O&amp;M Expense</b>			
Operations	\$ 82,202,415	\$ 87,936,768	\$ 87,936,768
Support Services	20,250,634	22,120,498	22,120,498
Environmental, Planning, and Development Services	10,399,112	6,613,272	6,613,272
Customer Experience	6,237,836	4,994,105	4,994,105
Engineering Services	2,685,722	14,036,904	14,036,904
Other Utility Program Req	4,334,154	5,291,461	5,291,461
Other Requirements	8,198,576	13,741,399	13,741,399
<b>Total O&amp;M Expense</b>	<b>\$ 134,308,449</b>	<b>\$ 154,734,407</b>	<b>\$ 154,734,407</b>
<b>Debt Service</b>			
All Principal & Interest	\$ 77,161,029	\$ 84,674,838	\$ 79,440,153
<b>Total Debt Service</b>	<b>\$ 77,161,029</b>	<b>\$ 84,674,838</b>	<b>\$ 79,440,153</b>
<b>Transfers</b>			
Trf to Wastewater CIP Fund	\$ 43,778,001	\$ 49,000,000	\$ 90,685,665
TRF CRF to Debt Defeasance	10,930,634	11,000,000	-
Trf to General Fund	22,128,734	23,044,775	23,044,775
Administrative Support	7,744,620	7,684,889	7,684,889
Other Transfers	7,194,196	10,482,817	8,061,022
<b>Total Transfers</b>	<b>\$ 91,776,185</b>	<b>\$ 101,212,481</b>	<b>\$ 129,476,351</b>
<b>Total Revenue Requirements</b>	<b>\$ 303,245,663</b>	<b>\$ 340,621,726</b>	<b>\$ 363,650,911</b>

UPDATED  
WASTEWATER  
NET REVENUE  
REQUIREMENTS

**Wastewater Net Revenue  
Requirements**

**Preliminary  
Test Year**

O&M Expenses	\$ 154,734,407
Debt Service	79,440,153
Transfers	129,476,351
Total Revenue Requirements	<u>363,650,911</u>
Less: Non-Rate Revenue	<u>13,500,333</u>
Net Revenue Requirement	<u>350,150,578</u>

# UPDATED DRAFT WASTEWATER COST OF SERVICE RESULT

	<b>Preliminary Net</b>	
	<b>Revenue</b>	<b>% of whole</b>
	<b>Requirement</b>	
<u>Retail</u>		
Residential	124.65	35.60%
Multi-Family	111.61	31.88%
Commercial	78.14	22.32%
Cypress	1.51	0.43%
NXP - Ed Bluestein Blvd	1.98	0.57%
NXP - W William Cannon	1.97	0.56%
Samsung	11.48	3.28%
Tesla	1.57	0.45%
University of Texas	2.28	0.65%
Extra Strength Surcharge	8.40	2.40%
<b>Total Inside City Retail</b>	<b>343.59</b>	
<u>Wholesale</u>		
Mid Tex Utilities (Avana Sub)	0.38	0.11%
Comanche Canyon (WCID17)	0.03	0.01%
North Austin MUD	1.10	0.32%
Northtown MUD	1.09	0.31%
Rollingwood	0.33	0.09%
Shady Hollow MUD	0.78	0.22%
Sunset Valley MUD	0.46	0.13%
Steiner Ranch (WCID17)	0.62	0.18%
Wells Branch MUD	1.45	0.41%
Westlake Hills	0.31	0.09%
<b>Total Wholesale</b>	<b>6.56</b>	
<b>Total System</b>	<b>\$ 350.15</b>	<b>100.00%</b>

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WASTEWATER RATES – CURRENT FINANCIAL POLICY

	Current	Draft Rates
Customer Charge [1]	\$ 10.35	\$ 11.00
Community Benefit Charge [2]	0.15	0.15
CBC Go Purple Charge [2]	-	0.15
<u>Retail</u>		
Residential		
Block 1	5.10	7.00
Block 2	10.45	14.35
Multi-Family	10.35	10.22
Commercial	9.32	10.55
CAP		
Block 1	3.11	4.55
Block 2	7.90	11.48
Cypress	8.24	6.81
NXP - Ed Bluestein Blvd	8.95	7.63
NXP - W William Cannon	9.10	10.26
Samsung	8.14	6.30
Tesla	8.95	8.95
University of Texas	8.95	9.36
Extra Strength Surcharge		
BOD	0.6622	0.9294
TSS	0.4394	0.5778
COD	0.2943	0.4131

[1] Customer Charge is the same for all customers

[2] CBC does not apply to CAP Customers

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WASTEWATER RATES – CURRENT FINANCIAL POLICIES

	<u>Current</u>	<u>Draft Rates</u>	
Customer Charge [1]	\$	10.30	\$ 11.00
Community Benefit Charge [2]		-	-
CBC Go Purple Charge [2]		-	-
 <u>Wholesale</u>			
Mid Tex Utilities (Avana Sub)		5.66	6.21
Comanche Canyon (WCID17)		3.98	3.39
North Austin MUD		4.23	4.38
Northtown MUD		4.15	4.17
Rollingwood		5.67	6.76
Shady Hollow MUD		5.34	8.43
Sunset Valley MUD		5.71	5.97
Steiner Ranch (WCID17)		3.80	3.91
Wells Branch MUD		4.14	3.88
Westlake Hills		5.68	4.76

[1] Customer Charge is the same for all customers

[2] CBC does not apply to Wholesale Customers

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# DRAFT WASTEWATER RATES – PROPOSED FINANCIAL POLICY

	Current	Draft Rates
Customer Charge [1]	\$ 10.35	\$ 11.00
Community Benefit Charge [2]	0.15	0.15
CBC Go Purple Charge [2]	-	0.15
 <u>Retail</u>		
Residential		
Block 1	5.10	6.77
Block 2	10.45	13.88
Multi-Family	10.35	9.78
Commercial	9.32	10.10
CAP		
Block 1	3.11	4.41
Block 2	7.90	11.11
Cypress	8.24	6.49
NXP - Ed Bluestein Blvd	8.95	7.29
NXP - W William Cannon	9.10	9.81
Samsung	8.14	6.02
Tesla	8.95	8.95
University of Texas	8.95	9.36
Extra Strength Surcharge		
BOD	0.6622	0.9024
TSS	0.4394	0.5633
COD	0.2943	0.4011

[1] Customer Charge is the same for all customers

[2] CBC does not apply to CAP Customers

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.



# DRAFT WASTEWATER RATES – PROPOSED FINANCIAL POLICIES

	<u>Current</u>		<u>Draft Rates</u>
Customer Charge [1]	\$	10.30	\$ 11.00
Community Benefit Charge [2]		-	-
CBC Go Purple Charge [2]		-	-
<u>Wholesale</u>			
Mid Tex Utilities (Avana Sub)		5.66	6.03
Comanche Canyon (WCID17)		3.98	3.28
North Austin MUD		4.23	4.26
Northtown MUD		4.15	4.05
Rollingwood		5.67	6.57
Shady Hollow MUD		5.34	8.19
Sunset Valley MUD		5.71	5.80
Steiner Ranch (WCID17)		3.80	3.79
Wells Branch MUD		4.14	3.77
Westlake Hills		5.68	4.62

[1] Customer Charge is the same for all customers

[2] CBC does not apply to Wholesale Customers

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# POSSIBLE IMPACT OF FINANCIAL POLICIES ON DRAFT RATES

	Draft Rates Under Current Policy	Draft Rates Under Proposed Policy	% Difference
<u>Retail</u>			
Residential			
Block 1	\$ 7.00	\$ 6.77	-3.3%
Block 2	14.35	13.88	-3.3%
Multi-Family	10.22	9.78	-4.3%
Commercial	10.55	10.10	-4.3%
CAP			
Block 1	4.55	4.41	-3.1%
Block 2	11.48	11.11	-3.2%
Cypress	6.81	6.49	-4.7%
NXP - Ed Bluestein Blvd	7.63	7.29	-4.5%
NXP - W William Cannon	10.26	9.81	-4.4%
Samsung	6.30	6.02	-4.4%
Tesla	8.95	8.95	0.0%
University of Texas	9.36	9.36	0.0%
Extra Strength Surcharge			
BOD	0.9294	0.9194	-1.1%
TSS	0.5778	0.5751	-0.5%
COD	0.4131	0.4086	-1.1%

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.

# POSSIBLE IMPACT OF FINANCIAL POLICIES ON DRAFT RATES

	<b>Draft Rates Under Current Policy</b>	<b>Draft Rates Under Proposed Policy</b>	<b>% Difference</b>
<u>Wholesale</u>			
Mid Tex Utilities (Avana Sub)	\$ 6.21	\$ 6.03	-2.9%
Comanche Canyon (WCID17)	3.39	3.28	-3.2%
North Austin MUD	4.38	4.26	-2.7%
Northtown MUD	4.17	4.05	-2.9%
Rollingwood	6.76	6.57	-2.8%
Shady Hollow MUD	8.43	8.19	-2.8%
Sunset Valley MUD	5.97	5.8	-2.8%
Steiner Ranch (WCID17)	3.91	3.79	-3.1%
Wells Branch MUD	3.88	3.77	-2.8%
Westlake Hills	4.76	4.62	-2.9%

Note: All results are subject to change. The material contained herein is for information and discussion only and does not reflect the final results of the study.



# QUESTIONS?

**NEWGEN STRATEGIES AND SOLUTIONS  
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**ANDY MCCARTNEY  
ERIC CALLOCCHIA  
GRANT RABON**





# Questions?



Austin  
**IN WATER**

