

# Rate Structure – Option 2 Billing Impact Analysis

Design Criteria for this Rate Option:

- Required to generate \$3.3m revenue for 2019 based on the Long Term Financial Model
- Revenue split 50% fixed revenues and 50% variable revenues
- Fixed revenue based on a meter size and using AWWA recommended meter equivalency ratios (with the exception that ¾" and 1" meters treated the same)
- Variable charge based on a uniform rate with an allowance - first 7000 gallons per month included with the fixed charge and every thousand gallons after that charged the same

Base Charge by Meter Size				
Meter Size	# Services	AWWA Recommended ME Ratio	Proposed ME Ratio	Monthly Charge
5/8"	0	1.0	1.0	\$15.00
3/4"	2,134	1.5	2.0	\$30.00
1"	2,092	2.5	2.0	\$30.00
1.5"	75	5.0	5.0	\$75.00
2"	56	8.0	8.0	\$120.00
3"	6	15.0	15.0	\$225.00
4"	2	25.0	25.0	\$375.00
6"	1	50.0	50.0	\$750.00

Var rate				
Name	Lower Bound	Variable	Threshold	Rate
Block 0	0	Consumption	7	\$0.00
Block 1	7	Consumption	∞	\$1.25

**Resulting Revenues:**

Fixed	\$1.70m
Var	\$1.67m
<b>Total</b>	<b>\$3.37m</b>