



# FINAL

## Water and Wastewater Charges Study

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Prepared for  
San Lorenzo Valley Water District, California  
March 2013



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## List of Abbreviations

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|          |   |
|----------|---|
| BOD      | Biochemical Oxygen Demand                       |
| Ccf      | Hundred Cubic Feet (equal to ~ 748.1 gallons)   |
| CCI      | Construction Cost Index                         |
| CIP      | Capital improvement program                     |
| District | San Lorenzo Valley Water District               |
| FY       | Fiscal year (July 1 to June 30)                 |
| ENR      | Engineering News Record                         |
| FY 14    | July 1, 2013 to June 30, 2014                   |
| gpd      | gallons per Day                                 |
| mgd      | million gallons per day                         |
| NPDES    | National Pollutant Discharge Elimination System |
| OMWC     | Olympia Mutual Water Company                    |
| O&M      | Operation and maintenance                       |
| SLVWD    | San Lorenzo Valley Water District               |
| TSS      | Total Suspended Solids                          |

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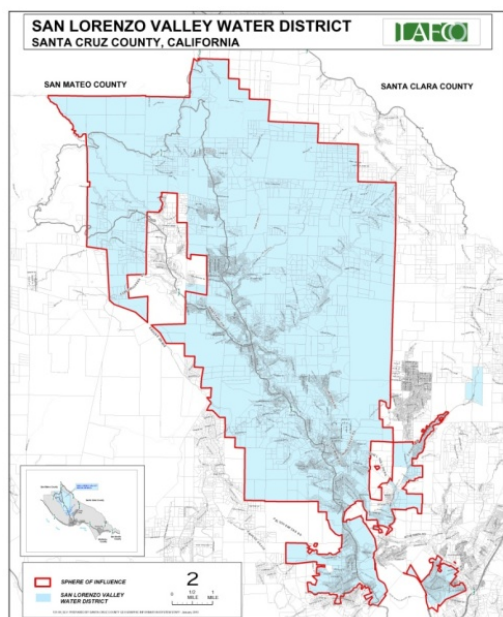
# Executive Summary

The precursor to the San Lorenzo Valley Water District (SLVWD or District) was formed in 1941 pursuant to provisions in the California Water Code. The District is located in the mountains of Northern Santa Cruz County in the community of Boulder Creek. It was created to develop a water supply for domestic requirements as well as for fire protection and recreational facilities in the San Lorenzo Valley. The District contains approximately 60 square miles and serves approximately 7,300 water customers and 55 sewer customers. The District is governed by a five person Board of Directors elected to four year terms by registered voters throughout the District's boundaries.

The District has two proprietary funds – the Water Enterprise Fund and the Wastewater Enterprise Fund. The objective of this study is to develop rates that adequately provide for utility operations, capital costs, reserves, and bonded debt, while minimizing the impact on users as much as is reasonably possible.

## Water System Description

The District supplies water to the communities of Boulder Creek, Brookdale, Ben Lomond, Zayante, Scotts Valley, Manana Woods and Felton.



The District relies on six surface water sources in the upper watershed, primarily during the wet season, and on several groundwater sources, which tap the Santa Margarita Sandstone and the Lompico aquifers, primarily in the dry season.

The District owns approximately 1,800 acres serving as watershed for its surface water intakes and wells.

The District has four separate water systems: the Northern, the Southern, Felton, and Mañana Woods. Felton is served by surface and spring water. The Northern system is served by both surface water and groundwater. The Southern system and Mañana Woods are currently served only by groundwater.

Key elements of the District's water production, treatment and distribution system are: 1) 8 groundwater wells and pumps with peak capacity of 1.25 million gallons per day (mgd); 2) Surface Water Treatment Plant with peak capacity of 1.5 mgd; 3) 150 miles of water lines, 4) approximately

2000 level indicators, alarms, switches as part of the Supervisory, Control and Data Acquisition (SCADA) system; and 5) the Administrative Headquarters Building.

## Wastewater System Description

The District supplies wastewater collection and treatment services to the community of Bear Creek Estates.

## Recommended Water Charges and Projected Revenues from Water Charges

Current and FY14 – FY18 recommended quantity charges and basic charges are listed in the tables below. The recommended quantity charges for each rate structure (the current structure and an updated structure using a combination of tier rate structure options) are shown in a table separate from the basic charges. Note that the quantity charges for the updated tier rate structure are projected to produce approximately \$163,000 less (two percent) over the five year period than the quantity charges for the current tier rate structure.

**Table ES-1. Current and Recommended Basic Charges**

|                            | Current  | Recommended |            |            |            |            |
|----------------------------|----------|-------------|------------|------------|------------|------------|
|                            |          | FY14        | FY15       | FY16       | FY17       | FY18       |
| Basic Charges, \$/2 months |          |             |            |            |            |            |
| Annual Increase, %         |          | 13%         | 13%        | 9%         | 9%         | 9%         |
| 5/8-inch                   | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 5/8A-inch                  | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 5/8B-inch                  | \$166.92 | \$189.00    | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 5/8C-inch                  | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 3/4-inch                   | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 3/4A-inch                  | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1-inch                     | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1A-inch                    | \$166.92 | \$189.00    | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 1B-inch                    | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 1F-inch                    | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 1-1/2-inch                 | \$166.92 | \$189.00    | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 1-1/2A-inch                | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 1-1/2C-inch                | \$829.76 | \$938.00    | \$1,060.00 | \$1,155.00 | \$1,259.00 | \$1,372.00 |
| 1-1/2F-inch                | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1-1/2G-inch                | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 1-1/2S-inch                | \$531.36 | \$600.00    | \$678.00   | \$739.00   | \$806.00   | \$879.00   |
| 2-inch                     | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 2A-inch                    | \$498.62 | \$563.00    | \$636.00   | \$693.00   | \$755.00   | \$823.00   |
| 2G/L-inch                  | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 3-inch                     | \$498.62 | \$563.00    | \$636.00   | \$693.00   | \$755.00   | \$823.00   |
| 4-inch                     | \$829.76 | \$938.00    | \$1,060.00 | \$1,155.00 | \$1,259.00 | \$1,372.00 |

**Table ES-2. Current and Recommended Quantity Charges**

|                                     | Current | Recommended |        |        |        |        |
|-------------------------------------|---------|-------------|--------|--------|--------|--------|
|                                     |         | FY14        | FY15   | FY16   | FY17   | FY18   |
| Current Rate Structure              |         |             |        |        |        |        |
| Annual Increase, %                  |         | 13%         | 13%    | 8%     | 8%     | 8%     |
| First 10 units                      | \$2.71  | \$3.06      | \$3.46 | \$3.74 | \$4.04 | \$4.36 |
| 11 - 40 units                       | \$3.54  | \$4.00      | \$4.52 | \$4.88 | \$5.27 | \$5.69 |
| 41 - 100 units                      | \$4.24  | \$4.79      | \$5.41 | \$5.84 | \$6.31 | \$6.81 |
| 101 - 200 units                     | \$4.59  | \$5.19      | \$5.86 | \$6.33 | \$6.84 | \$7.39 |
| Over 200 units                      | \$5.00  | \$5.65      | \$6.38 | \$6.89 | \$7.44 | \$8.04 |
| Updated Rate Structure, All Options |         |             |        |        |        |        |
| Annual Increase, %                  |         | 16%         | 13%    | 8%     | 8%     | 8%     |
| First 8 units                       | \$2.71  | \$3.14      | \$3.55 | \$3.83 | \$4.14 | \$4.47 |
| 9 - 30 units                        | \$3.54  | \$4.11      | \$4.64 | \$5.01 | \$5.41 | \$5.84 |
| 31 - 100 units                      | \$4.24  | \$4.93      | \$5.57 | \$6.02 | \$6.50 | \$7.02 |
| Over 100 units                      | na      | \$5.45      | \$6.16 | \$6.65 | \$7.18 | \$7.76 |
| Flat Rate                           | na      | \$3.84      | \$4.34 | \$4.69 | \$5.07 | \$5.48 |

The recommended water charges are projected to increase revenues by approximately \$9.2 million over the next five fiscal years, FY14 – FY18. The annual amount of revenues from basic and quantity charges, and the cumulative revenues from increases in the water charges, are shown in the figure below.

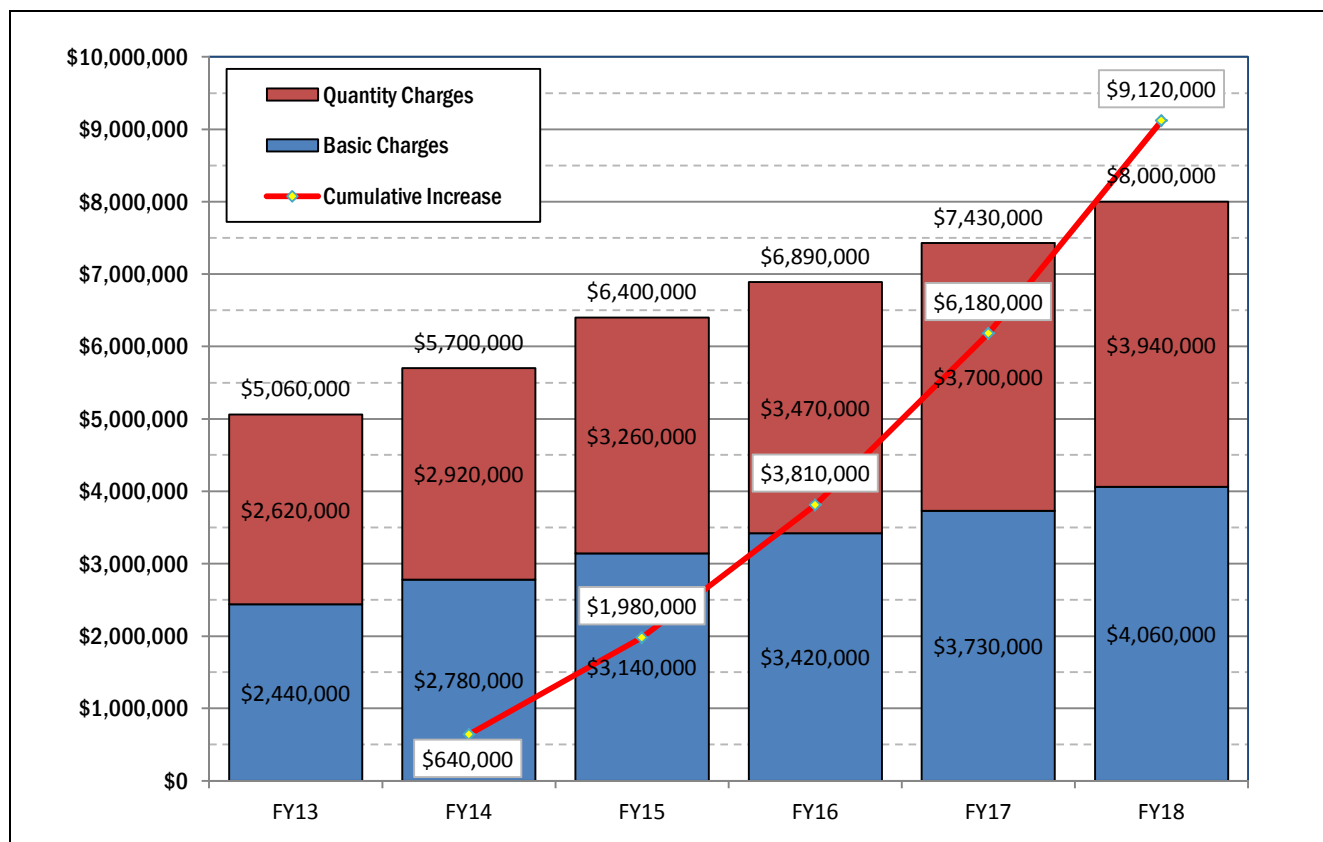


Figure ES-1. Annual Projected Revenues from Basic and Quantity Charges

## Recommended Wastewater Charges

The District's current and recommended wastewater charges are shown in the table below.

| Table ES-3. Current and Recommended Wastewater Charges |         |             |       |       |       |       |
|--|---------|-------------|-------|-------|-------|-------|
| Wastewater Charges                                     | Current | Recommended |       |       |       |       |
|  |         | FY14        | FY15  | FY16  | FY17  | FY18  |
| Annual Increase, %                                     |         | 15%         | 15%   | 15%   | 15%   | 3%    |
| Service Charge, \$/2 months                            | \$298   | \$343       | \$394 | \$453 | \$521 | \$537 |

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## Section 1

# Introduction

The District's meter and quantity rates (for the water utility) and sewer rates (for the wastewater utility) are intended to recover revenues sufficient to adequately fund utility operations, maintenance, and capital replacement expenditures, and meet debt service obligations, while keeping rates as competitive as possible and maintaining a prudent level of reserves.

## 1.1 Overview of Utility Rate Setting Process

Rate studies classically have three categories of technical analysis – the development of revenue required from rates, the allocation of costs among functional cost categories (cost-of-service analysis) and the design of a rate structure. An overview of the rate-setting analytical steps is shown in Figure 1-1.

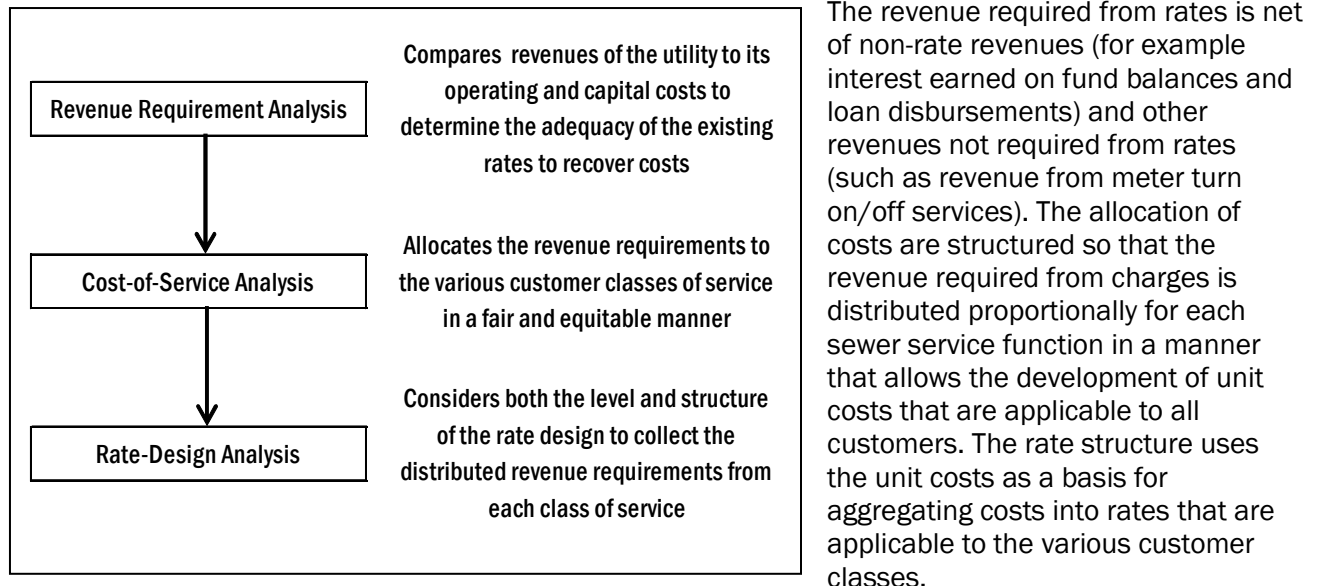


Figure 1-1. Overview of Rate Setting Analytical Steps

This rate study includes only the revenue requirement analysis and rate design analysis steps. The cost-of-service analysis step was not conducted. The cost-of-service design incorporated in the current rates is retained.

## 1.2 Rate-Making Objectives

There are numerous rate-making objectives that must be considered when developing rates and rate structures.

**Revenue sufficiency.** Generate sufficient revenue to fund operating costs, capital costs and bonded debt, and maintain adequate reserves.

**Revenue stability.** Recover revenue from fixed and variable charges that will cover fixed and variable costs (barring water shortages when rationing may be required).

**Conservation signal.** Reward customer for efficient water use and discourage its waste.

**Administrative ease.** Enable easy implementation and ongoing administration, including monitoring and updating.

**Affordability.** Be as affordable as possible while maintaining the utilities sound financial position and credit rating.

**Customer acceptance.** Be as simple as possible to facilitate customer understanding and acceptance.

**Fairness.** Provide for each customer class to pay its proportionate share of the required revenue in compliance with legal rate-making requirements.

**Economic development.** Rates must be competitive with local jurisdictions to retain and attract economic development.

**Consideration of water intensive industries and users.** Recognize that certain industries and users comprise a critical component of the local and regional community and their constant water demand patterns should be accommodated in the rate structure, not penalized.



## 1.3 Rates and User Accounts

The District has separate rates and rate structures for its water utility and sewer utility. The District's current water and wastewater rates are shown below in the sidebar.

| BI-MONTHLY BASIC                                  |              | RATES  |  |
|---|--------------|--|--|
| Meter Size  | Basic Charge | 1 unit of water = 100 Cubic Feet<br>100 Cubic Feet = 748 Gallons |  |
| 5/8   | 49.73        | First 10 units = 2.71 a unit                                     |  |
| 5/8A  | 82.90        | 11 - 40 units = 3.54   |  |
| 5/8B  | 166.92       | 41 - 100 units = 4.24  |  |
| 5/8C  | 265.68       | 101 - 200 units = 4.59   |  |
| 3/4   | 49.73        | Over 200 units = 5.00  |  |
| 3/4A  | 82.90        |  |  |
| 1   | 82.90        |  |  |
| 1A  | 166.92       |  |  |
| 1B  | 265.68       |  |  |
| 1F  | 49.73        |  |  |
| 1K  | 49.73        |  |  |
| 1.5   | 166.92       |  |  |
| 1.5A  | 265.68       |  |  |
| 1.5C  | 829.76       |  |  |
| 1.5F  | 82.90        |  |  |
| 1.5G  | 49.73        |  |  |
| 1.5S  | 531.36       |  |  |
| 2   | 265.68       |  |  |
| 2A  | 498.62       |  |  |
| 2G  | 82.90        |  |  |
| 2H  | 49.73        |  |  |
| 2L  | 82.90        |  |  |
| 3   | 498.62       |  |  |
| 4   | 829.76       |  |  |
| Surplus Water                                     | 49.73        |  |  |
| Sewer   | 298.00       |  |  |
| The above charges do not include any water usage. |              |  |  |

| RATES      |           |
|------------|-----------|
| Meter Size | Charge    |
| 5/8        | 4966.00   |
| 3/4        | 4966.00   |
| 1          | 9932.00   |
| 1.5        | 19,864.00 |
| 2          | 39,728.00 |

| METER CONNECTION FEES |           |
|-----------------------|-----------|
| Meter Size            | Charge    |
| 5/8                   | 4966.00   |
| 3/4                   | 4966.00   |
| 1                     | 9932.00   |
| 1.5                   | 19,864.00 |
| 2                     | 39,728.00 |

| INSTALLATION DEPOSIT      |         |
|---------------------------|---------|
| 5/8 or 3/4                | 2500.00 |
| 1                         | 2500.00 |
| Meter Drop In Charges     |         |
| 5/8                       | 90.00   |
| 3/4                       | 110.00  |
| 1                         | 155.00  |
| Backflows                 | 500.00  |
| Deposit                   | 75.00   |
| Establishment Charge      | 20.00   |
| Copies                    | .15     |
| Special Bill (in advance) | 20.00   |
| Meter Test (in advance)   | 15.00   |
| 1"                        | 17.50   |

Each water account has one or more meters and each meter is billed for metered water use at the rates shown (except fire service accounts which are not billed for water use).

The District has 11 categories of user accounts.

- Single Family
- Multiple Family
- Commercial
- Institutional
- Landscape
- Other
- Vacant
- Fire Service
- Holding Accounts
- Private Mutuals (Redwood Christian Park, Wildwood Mutual, Wildwood Woodlands, and Forrest Springs)
- Surplus

The meter size assigned to an account is based on the maximum number of dwelling units served. The table below lists the maximum number of Residential Dwelling Units served for each meter size.

**Table 1-1. Water Meter Sizing Standards**

| Meter Size           | Maximum Number of Residential Dwelling Units Served |
|----------------------|---|
| 5/8-inch or 3/4-inch | 1   |
| 1-inch               | 2 to 6  |
| 1½-inch              | 7 to 21   |
| 2-inch               | 22 to 38  |
| 3-inch               | 39 to 80  |
| 4-inch               | 81 to 200   |

## 1.4 Basis for Current Rates

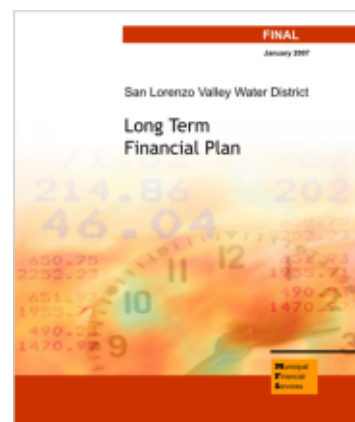
The current rates are based on escalation of previous rates. The escalation method for setting rates has been in use for over 10 years.

## 1.5 Recent Evaluations of Rates

The District conducted two formal evaluations of water and wastewater rates during the past eight years. Those studies and the rates during 2005 – 2013 are summarized in this section.

### 1.5.1 2007 Long Term Financial Plan

In January 2007 the District completed a Long Term Financial Plan for its water and wastewater utilities. The District had not yet incorporated the Felton community into its service area. The Plan evaluated growth in customer accounts, water sales, and operating and capital expenditures over a 50 year period (2005 – 2055) and the impact on reserves. The long term financial plan unified the many separate planning efforts typically conducted by a water enterprise or sewer enterprise. On July 2, 2007, the District increased its water rates 11 percent. On June 1, 2008 wastewater rates were increased to \$240 per year.



### 1.5.2 2008 Water Rates Update

On September 5th 2008, the District assumed ownership and operation of the Felton water system. The District was also exploring the issuance of additional debt. Water rates were updated to evaluate the impact of the addition of the Felton community and the impact of the issuance of additional debt. As a result, the District raised the water quantity charges in 2009, 2010 and 2011 by 15%, 10% and 5%, respectively. The water meter charges were increased by 12%, 8% and 10%, respectively, over the same three years. Wastewater rates were increased to \$270 per year in 2010 and to \$298 per year in 2011.

### 1.5.3 Water Rates 2005 - 2013

Water rates implemented by the District from 2005 – 2013 are listed in the table below. Only the meter charge for a 5/8-inch meter is shown; charges for other meter sizes are omitted for clarity.

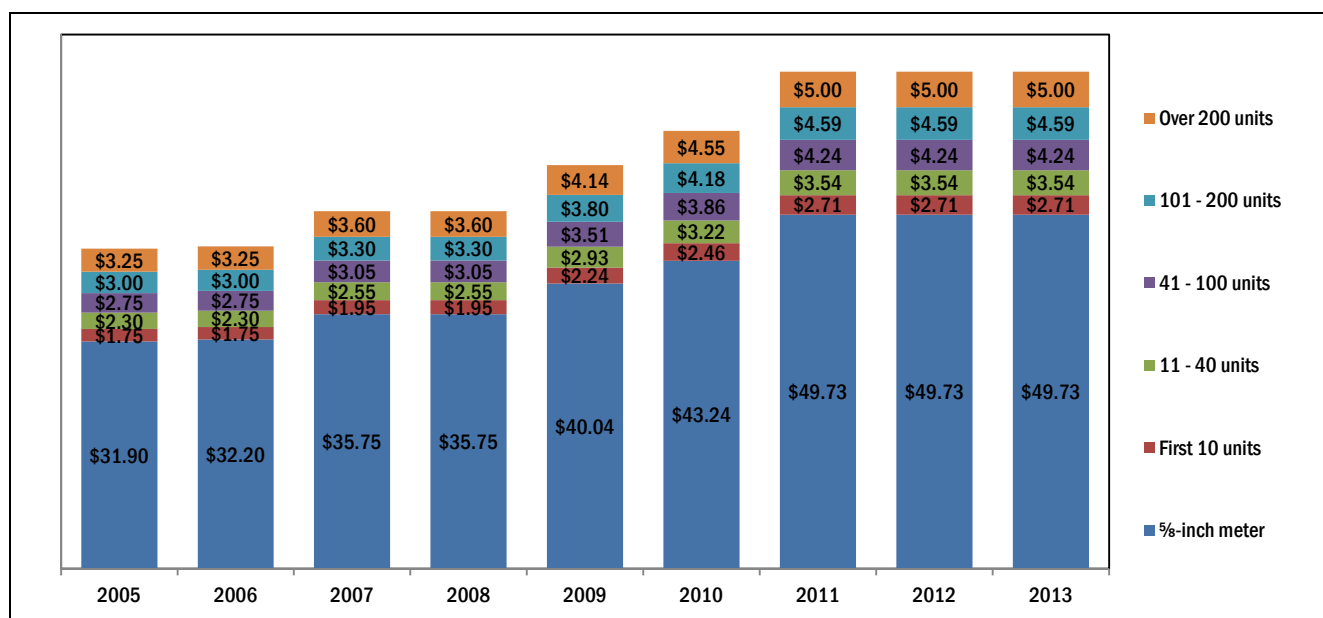


Figure 1-1. Water Rates, 2005 - 2013



## Section 2

# User Characteristics

The purpose of this section is to summarize the identification of residential and nonresidential users and their corresponding water use characteristics.

## 2.1 Historic and Projected Water Use

Water use by tier and customer class for calendar years 2010, 2011 and 2012 are shown in Figure 2-1 in units of 100 cubic feet (cf). Figure 2-2 shows projected usage (in 100 cf). For the purpose of projecting water use for FY13 onward, the average of calendar years 2010 and 2011 is used as a starting point for FY13 water use. Water use for FY14 onward includes approximately 4,500 100 cf per year for accounts annexed from the Olympia Mutual Water Company. Monthly water use data for 2010-2012 by customer class and tier is included in Appendix A. Projected water use calculations are included in Appendix B.

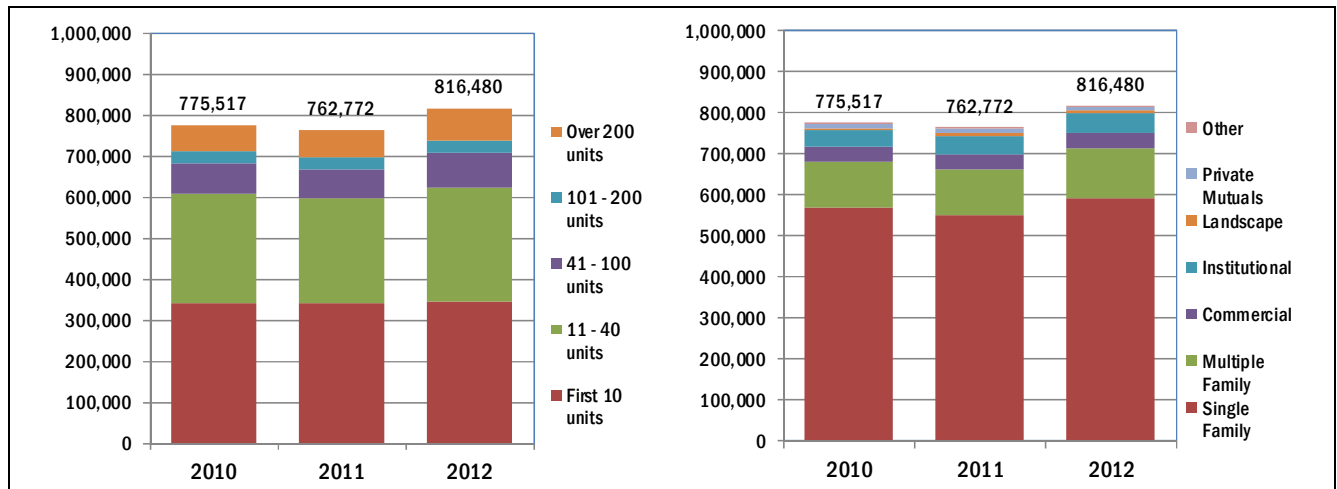


Figure 2-1. Water Use by Tier and Customer Class, 100 cubic feet

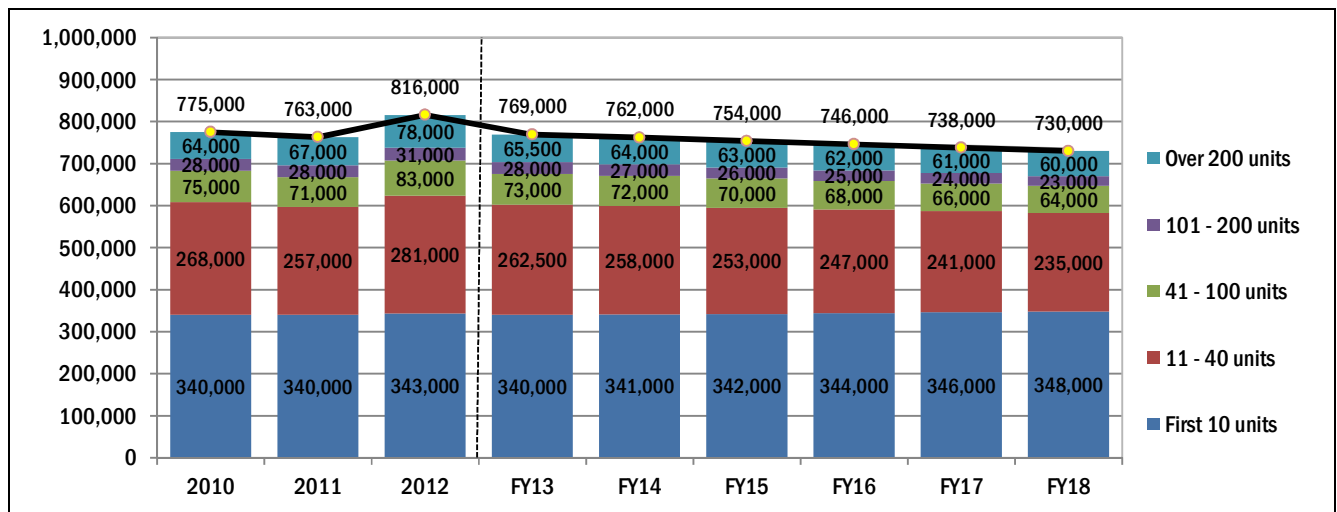


Figure 2-2. Projected Water Use by Tier, 100 cubic feet

## 2.2 Historic and Projected Number and Type of Meters

The number of water meters by customer class as of February 2013 is shown below in Figure 2-3. Table 2-1 shows projected number of meters by size and type. The number of meters by type and size as of February 2013 is used as the basis for FY13 estimates. Annexation of the Olympia Mutual Water Company is expected to add 51 accounts in FY14 (another 2 accounts incidental to the annexation are included, for a total of 53 accounts). All accounts are assumed to be 5/8-inch meter connections. Fire service meters are excluded from the totals as they do not pay the bimonthly meter charge. Detailed February 2013 meter data showing meters by size, type and customer class is included in Appendix A. calculations of the projected number of meters are included in Appendix B.

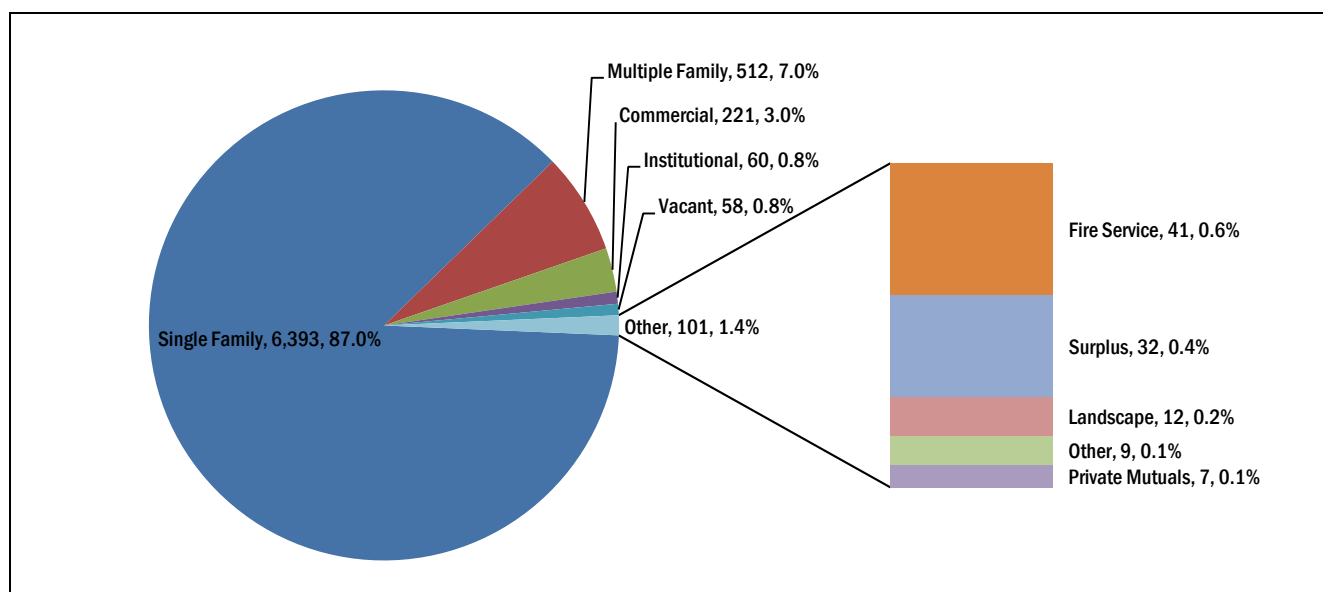


Figure 2-3. Meters by Customer Class, February 2013

Table 2-1. Projected Number of Water Meters by Type

| Meter Size | FY13  | FY14  | FY15  | FY16  | FY17  | FY18  |
|------------|-------|-------|-------|-------|-------|-------|
| 5/8 *      | 6,095 | 6,148 | 6,148 | 6,148 | 6,148 | 6,148 |
| 5/8A       | 417   | 417   | 417   | 417   | 417   | 417   |
| 5/8B       | 10    | 10    | 10    | 10    | 10    | 10    |
| 5/8C       | 1     | 1     | 1     | 1     | 1     | 1     |
| 3/4        | 405   | 405   | 405   | 405   | 405   | 405   |
| 3/4A       | 4     | 4     | 4     | 4     | 4     | 4     |
| 1          | 84    | 84    | 84    | 84    | 84    | 84    |
| 1A         | 87    | 87    | 87    | 87    | 87    | 87    |
| 1B         | 1     | 1     | 1     | 1     | 1     | 1     |
| 1F/K       | 115   | 115   | 115   | 115   | 115   | 115   |
| 1-1/2      | 23    | 23    | 23    | 23    | 23    | 23    |
| 1-1/2A     | 2     | 2     | 2     | 2     | 2     | 2     |
| 1-1/2C     | 0     | 0     | 0     | 0     | 0     | 0     |
| 1-1/2F     | 2     | 2     | 2     | 2     | 2     | 2     |
| 1-1/2G     | 1     | 1     | 1     | 1     | 1     | 1     |
| 1-1/2S     | 1     | 1     | 1     | 1     | 1     | 1     |
| 2          | 32    | 32    | 32    | 32    | 32    | 32    |
| 2A         | 1     | 1     | 1     | 1     | 1     | 1     |
| 2G/L       | 2     | 2     | 2     | 2     | 2     | 2     |
| 3          | 3     | 3     | 3     | 3     | 3     | 3     |
| 4          | 1     | 1     | 1     | 1     | 1     | 1     |
| Total      | 7,287 | 7,340 | 7,340 | 7,340 | 7,340 | 7,340 |

## 2.3 Evaluation of Use by Tier and Customer Class

Water use by tier and customer class for calendar years 2010, 2011 and 2012 are shown below in Figure 2-4 as a percent of the total for each year.

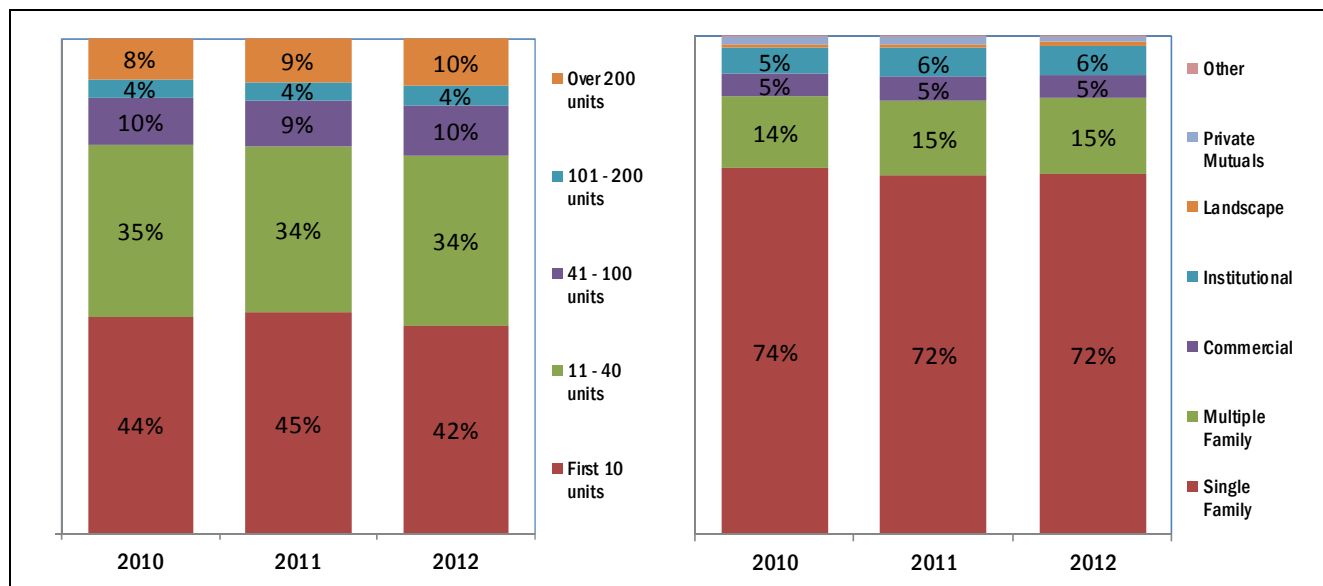


Figure 2-4. Water Use by Tier and Customer Class as a Percent of Total Use

### 2.3.1 Four-Tier Rate Structure

As shown in the left hand figure in Figure 2-4, the percent of total water use in Tiers 3, 4 and 5 varied between 22 and 24 percent during the three years. The percent of total water use in Tier 4 was constant at 4 percent during the three years.

The small amount of water use in the top three tiers and the minimal amount of water use in Tier 4 provides the basis for our recommendation of combining Tier 4 and Tier 5 into a single tier and charging the weighted average water rate for the two tiers. The new top tier would be for water use “Over 100 units.” The change would be revenue neutral with the current tier structure. As a result of the change, some customer bills would decrease and some would increase depending on the weighting of their water use in each tier.

### 2.3.2 Decline in Average Water Use and Distribution of Water Use Among Tiers

Water use has declined significantly since the prior rate evaluation in 2008. Based on data available during the time of the 2008 evaluation (FY8), average bimonthly water use per account was 21 100 cf. Average bimonthly water use for single family accounts was 17.9 100 cf. Based on projected FY13 water use (which is the average of 2010 and 2011 use), the decline in water use among all customers since FY8 is approximately 17 percent. The calculation of average bimonthly water use is shown below in Table 2-2.

The same rate structure for water use applies to all customer class. As shown below in Table 2-2, within the single family customer class, 53 percent of water use is in Tier 1 and 90 percent of all water use is in the first two tiers. No other customer class has a similar pattern of water use distribution among the tiers (except the combined classes of Surplus, Other and Vacant which have very few accounts).

As a result of the radically different water use patterns among customer classes combined with a rate structure that promotes water conservation for the single family customer class, the revenues from quantity charges for each customer class are distributed in radically different patterns.

**Table 2-2. Water Use Per Tier for FY13 and Comparison of FY8 and FY13 Average Water Use**

|                                      | Single<br>Family | Multiple<br>Family | Commercial    | Institutional | Landscape    | Private<br>Mutuals | Surplus,<br>Other,<br>Vacant | FY13<br>Projected<br>Total |
|--------------------------------------|------------------|--------------------|---------------|---------------|--------------|--------------------|------------------------------|----------------------------|
| <b>Water Sales, 100 cf</b>           |                  |                    |               |               |              |                    |                              |                            |
| First 10 units                       | 299,414          | 27,676             | 9,537         | 2,492         | 416          | 350                | 395                          | 340,280                    |
| 11 - 40 units                        | 208,265          | 34,617             | 12,777        | 4,836         | 754          | 1,023              | 310                          | 262,581                    |
| 41 - 100 units                       | 42,168           | 12,810             | 8,705         | 6,643         | 805          | 1,767              | 79                           | 72,976                     |
| 101 - 200 units                      | 7,384            | 5,823              | 4,117         | 7,941         | 578          | 2,421              | 4                            | 28,267                     |
| Over 200 units                       | 2,919            | 31,204             | 1,426         | 19,889        | 3,400        | 6,206              | 0                            | 65,042                     |
| <b>Total</b>                         | <b>560,150</b>   | <b>112,129</b>     | <b>36,561</b> | <b>41,800</b> | <b>5,952</b> | <b>11,766</b>      | <b>788</b>                   | <b>769,145</b>             |
| <b>Percent of Total</b>              | <b>73%</b>       | <b>15%</b>         | <b>5%</b>     | <b>5%</b>     | <b>1%</b>    | <b>2%</b>          | <b>0.1%</b>                  | <b>100%</b>                |
| <b>Water Sales, %</b>                |                  |                    |               |               |              |                    |                              |                            |
| First 10 units                       | 53%              | 25%                | 26%           | 6%            | 7%           | 3%                 | 50%                          | 44%                        |
| 11 - 40 units                        | 37%              | 31%                | 35%           | 12%           | 13%          | 9%                 | 39%                          | 34%                        |
| 41 - 100 units                       | 8%               | 11%                | 24%           | 16%           | 14%          | 15%                | 10%                          | 9%                         |
| 101 - 200 units                      | 1%               | 5%                 | 11%           | 19%           | 10%          | 21%                | 1%                           | 4%                         |
| Over 200 units                       | 1%               | 28%                | 4%            | 48%           | 57%          | 53%                | 0%                           | 8%                         |
| <b>Total</b>                         | <b>100%</b>      | <b>100%</b>        | <b>100%</b>   | <b>100%</b>   | <b>100%</b>  | <b>100%</b>        | <b>100%</b>                  | <b>100%</b>                |
| <b>Average Bimonthly Use, 100 cf</b> |                  |                    |               |               |              |                    |                              |                            |
| Meters                               | 6,393            | 512                | 221           | 60            | 12           | 7                  | 99                           | 7,304                      |
| <b>Bimonthly Use, 100 cf</b>         |                  |                    |               |               |              |                    |                              |                            |
| FY13 Projected                       | 14.6             | 37                 | 28            | 116           | 83           | 280                | 1.3                          | 18                         |
| FY8 (Prior Study)                    | 17.9             | 46                 | 39            | 163           | 134          | 341                | 1.4                          | 21                         |
| % change from FY8                    | -18%             | -20%               | -29%          | -29%          | -38%         | -18%               | -6%                          | -17%                       |

### 2.3.3 Average Quantity Charge for Each Customer Class

Because the revenues from quantity charges for each customer class are distributed in radically different patterns, the average quantity charge for each customer class varies significantly. The average quantity charge for each customer class varies from a low of \$3.17 per 100 cf for the Single Family customer class to highs of \$4.51 per 100 cf for the Landscape customer class and \$4.61 per 100 cf for the Private Mutual customer class. Calculations of the average quantity charge for each customer class are shown below in Table 2-3. Revenues by customer class and tier for 2010, 2011 and 2012 used in the calculation of the FY13 projected total are shown in Appendix C.

**Table 2-3. Water Use Revenues by Tier and Average Quantity Charge per Customer Class**

|   | Single<br>Family   | Multiple<br>Family | Commercial       | Institutional    | Landscape       | Private<br>Mutuals | Surplus,<br>Other,<br>Vacant | FY13<br>Projected<br>Total |
|---|--------------------|--------------------|------------------|------------------|-----------------|--------------------|------------------------------|----------------------------|
| <b>Water Sales Revenue</b>                |                    |                    |                  |                  |                 |                    |                              |                            |
| First 10 units                            | \$811,412          | \$75,002           | \$25,845         | \$6,753          | \$1,126         | \$949              | \$1,070                      | \$922,157                  |
| 11 - 40 units                             | \$737,258          | \$122,544          | \$45,229         | \$17,119         | \$2,669         | \$3,620            | \$1,097                      | \$929,537                  |
| 41 - 100 units                            | \$178,792          | \$54,312           | \$36,909         | \$28,164         | \$3,413         | \$7,492            | \$333                        | \$309,416                  |
| 101 - 200 units                           | \$33,893           | \$26,728           | \$18,895         | \$36,447         | \$2,653         | \$11,110           | \$18                         | \$129,743                  |
| Over 200 units                            | \$14,593           | \$156,018          | \$7,130          | \$99,445         | \$16,998        | \$31,028           | \$0                          | \$325,210                  |
| <b>Total</b>                              | <b>\$1,775,947</b> | <b>\$434,603</b>   | <b>\$134,008</b> | <b>\$187,929</b> | <b>\$26,859</b> | <b>\$54,198</b>    | <b>\$2,519</b>               | <b>\$2,616,064</b>         |
| <b>Percent of Total</b>                   | <b>68%</b>         | <b>17%</b>         | <b>5%</b>        | <b>7%</b>        | <b>1%</b>       | <b>2%</b>          | <b>0.1%</b>                  | <b>100%</b>                |
| <b>Water Sales Revenue, %</b>             |                    |                    |                  |                  |                 |                    |                              |                            |
| First 10 units                            | 46%                | 17%                | 19%              | 4%               | 4%              | 2%                 | 42%                          | 35%                        |
| 11 - 40 units                             | 42%                | 28%                | 34%              | 9%               | 10%             | 7%                 | 44%                          | 36%                        |
| 41 - 100 units                            | 10%                | 12%                | 28%              | 15%              | 13%             | 14%                | 13%                          | 12%                        |
| 101 - 200 units                           | 2%                 | 6%                 | 14%              | 19%              | 10%             | 20%                | 1%                           | 5%                         |
| Over 200 units                            | 1%                 | 36%                | 5%               | 53%              | 63%             | 57%                | 0%                           | 12%                        |
| <b>Total</b>                              | <b>100%</b>        | <b>100%</b>        | <b>100%</b>      | <b>100%</b>      | <b>100%</b>     | <b>100%</b>        | <b>100%</b>                  | <b>100%</b>                |
| <b>Average Quantity Charge, \$/100 cf</b> |                    |                    |                  |                  |                 |                    |                              |                            |
| <b>Customer Classes</b>                   |                    |                    |                  |                  |                 |                    |                              |                            |
| Total Quantity Charge Revenue             | \$1,775,947        | \$434,603          | \$134,008        | \$187,929        | \$26,859        | \$54,198           | \$2,519                      | \$2,616,064                |
| Average Water Use, FY13 Projected         | 560,150            | 112,129            | 36,561           | 41,800           | 5,952           | 11,766             | 788                          | 769,145                    |
| <b>Average Quantity Charge</b>            | <b>\$3.17</b>      | <b>\$3.88</b>      | <b>\$3.67</b>    | <b>\$4.50</b>    | <b>\$4.51</b>   | <b>\$4.61</b>      | <b>\$3.20</b>                | <b>\$3.40</b>              |

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## Section 3

# Water Rates

Revenue, expenditures, reserve levels, water rates, and debt coverage for the water utility are summarized in this section.

### 3.1 Water Operating Revenues and Expenditures

Budgeted and projected operating revenues and expenditures are shown in the table below. Revenues (except revenues from water fees) and expenditures for FY13 are from the District's budget. Projected revenues and expenditures are based on annual escalation rates provided by the District.

**Table 3-1. Budgeted and Projected Operating Expenditures**

| Item  | FY13  | FY14               | FY15               | FY16               | FY17               | FY18               |
|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Non-restricted Revenues [1]</b>  |   |                    |                    |                    |                    |                    |
| 4101 Water Charges for Service  | \$5,058,467   | \$5,699,884        | \$6,399,558        | \$6,897,271        | \$7,432,051        | \$8,007,812        |
| 4209 Property Taxes   | \$470,000   | \$470,000          | \$470,000          | \$470,000          | \$470,000          | \$470,000          |
| 4308 Charges and Penalties  | \$58,000  | \$58,000           | \$58,000           | \$58,000           | \$58,000           | \$58,000           |
| 4314 Meter Sales  | \$25,000  | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000           |
| 4319 Lease Fees   | \$15,000  | \$15,000           | \$15,000           | \$15,000           | \$15,000           | \$15,000           |
| 4320 Miscellaneous  | \$5,000   | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            |
| 4446 Johnson Property Rentals   | \$9,600   | \$9,600            | \$9,600            | \$9,600            | \$9,600            | \$9,600            |
| <b>Total Non-restricted Revenues</b>  | <b>\$5,641,067</b>  | <b>\$6,282,484</b> | <b>\$6,982,158</b> | <b>\$7,479,871</b> | <b>\$8,014,651</b> | <b>\$8,590,412</b> |
| <b>Restricted Revenues [2]</b>  |   |                    |                    |                    |                    |                    |
| 4429 Sale of Surplus Property   | \$3,000   | \$3,000            | \$3,000            | \$3,000            | \$3,000            | \$3,000            |
| 4449 Reimbursement for Manana Woods O&M   | \$50,000  | \$0                | \$0                | \$0                | \$0                | \$0                |
| 4454 Transfer in From Capital Reserve Fund  | \$535,000   | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Total Restricted Revenues</b>  | <b>\$588,000</b>  | <b>\$3,000</b>     | <b>\$3,000</b>     | <b>\$3,000</b>     | <b>\$3,000</b>     | <b>\$3,000</b>     |
| <b>Operating Expenses [3]</b>   |   |                    |                    |                    |                    |                    |
| Personnel   | \$2,827,035   | \$2,911,846        | \$2,999,201        | \$3,089,177        | \$3,181,853        | \$3,277,308        |
| Materials & Services  | \$1,337,000   | \$1,377,110        | \$1,418,423        | \$1,460,976        | \$1,504,805        | \$1,549,949        |
| Capital R&R   | \$1,290,200   | \$1,290,200        | \$1,290,200        | \$1,290,200        | \$1,290,200        | \$1,290,200        |
| <b>Total Operating Expenditures</b>   | <b>\$5,454,235</b>  | <b>\$5,579,156</b> | <b>\$5,707,825</b> | <b>\$5,840,353</b> | <b>\$5,976,858</b> | <b>\$6,117,458</b> |
| <b>Summary</b>  |   |                    |                    |                    |                    |                    |
| Non-restricted Revenues   | \$5,641,067   | \$6,282,484        | \$6,982,158        | \$7,479,871        | \$8,014,651        | \$8,590,412        |
| Restricted Revenues   | \$588,000   | \$3,000            | \$3,000            | \$3,000            | \$3,000            | \$3,000            |
| <b>Total Revenues</b>   | <b>\$6,229,067</b>  | <b>\$6,285,484</b> | <b>\$6,985,158</b> | <b>\$7,482,871</b> | <b>\$8,017,651</b> | <b>\$8,593,412</b> |
| <b>Operating Expenditures</b>   | <b>\$5,454,235</b>  | <b>\$5,579,156</b> | <b>\$5,707,825</b> | <b>\$5,840,353</b> | <b>\$5,976,858</b> | <b>\$6,117,458</b> |
| <b>Net Income / (Shortfall)</b>   | <b>\$774,832</b>  | <b>\$706,328</b>   | <b>\$1,277,334</b> | <b>\$1,642,518</b> | <b>\$2,040,793</b> | <b>\$2,475,955</b> |
| <b>Notes:</b>   |   |                    |                    |                    |                    |                    |
| 1   | Water Charges for Service are summarized in Table 3-6. Revenues for other Non-restricted items were provided by the District.                 |                    |                    |                    |                    |                    |
| 2   | Revenues from the Restricted revenue categories were provided by the District.  |                    |                    |                    |                    |                    |
| 3   | Personnel and Materials & Services expenditures for FY13 are from the District's budget. Values for FY14 onward are escalated as shown below: |                    |                    |                    |                    |                    |
|   |   | <u>FY14</u>        | <u>FY15</u>        | <u>FY16</u>        | <u>FY17</u>        | <u>FY18</u>        |
|   | Personnel   | 3%                 | 3%                 | 3%                 | 3%                 | 3%                 |
|   | Materials & Services  | 3%                 | 3%                 | 3%                 | 3%                 | 3%                 |
| Debt Service and Capital Repair and Refurbishment (R&R) expenditures were provided by the District. |   |                    |                    |                    |                    |                    |

## 3.2 Water System Capital Project Expenditures and Source of Funds

The District's projected Capital Project expenditures are shown in the table below. The source of funds for each Project is also shown. The Capital Project expenditures shown in the table exclude capital expenditures for renewal and replacement which are part of Operating expenditures.

The District's Capital Project expenditures are for three projects:

**Capital Improvement Program Projects.** The District's CIP identifies fifty-five proposed projects with an aggregate value of \$27,500,000.<sup>1</sup>

**Campus Development Project.** Consolidates the operations of three existing SLVWD facilities on one site. This includes combining five contiguous parcels, remodeling an existing commercial building for a new administration building and adding a new annex, constructing a new operations building, and developing associated parking and storage areas.<sup>2</sup>

**Olympia Annexation and Distribution System Project.** Expands SLVWD's service boundary to absorb the existing Olympia Mutual Water Company service area and associated water distribution system improvements. SLVWD proposes to expand and annex its current service boundary by approximately 35.3 acres, which includes the service area of OMWC and four additional parcels. The proposed annexation area is located within SLVWD's Sphere of Influence. The proposed annexation will allow SLVWD to move forward with the OMWC consolidation project and associated water system improvements. The consolidation of the OMWC and SLVWD eliminates OMWC as a separate water system. SLVWD proposes to provide new and replacement water distribution main lines and required appurtenances such as isolation valves and fire hydrants in order to connect the OMWC service area to the existing SLVWD water distribution system in the nearby area.<sup>3</sup>

**Table 3-2. Capital Project Expenditures and Source of Funds**

| Item   | FY13               | FY14               | FY15                | FY16                    | FY17               | FY18               |
|--|--------------------|--------------------|---------------------|-------------------------|--------------------|--------------------|
| <b>Capital Project Expenditures</b>              |                    |                    |                     |                         |                    |                    |
| Prop 50 Grant Projects                           | \$400,000          | \$1,000,000        | \$3,000,000         | \$1,000,000             | \$0                | \$0                |
| Campus Development Project                       | \$350,000          | \$0                | \$4,000,000         | \$2,000,000             | \$0                | \$0                |
| Olympia Mutual Annexation                        | \$10,000           | \$0                | \$0                 | \$0                     | \$0                | \$0                |
| <b>Total Capital Project Expenditures</b>        | <b>\$760,000</b>   | <b>\$1,000,000</b> | <b>\$7,000,000</b>  | <b>\$3,000,000</b>      | <b>\$0</b>         | <b>\$0</b>         |
| <b>Debt Service [1]</b>                          |                    |                    |                     |                         |                    |                    |
| Current  | \$1,004,353        | \$1,009,483        | \$1,004,308         | \$999,108               | \$896,508          | \$896,508          |
| Campus Development                               |                    |                    | \$464,989           | \$464,989               | \$464,989          | \$464,989          |
| Olympia Mutual Annexation                        |                    | \$67,356           | \$67,356            | \$67,356                | \$67,356           | \$67,356           |
| <b>Total Debt Service</b>                        | <b>\$1,004,353</b> | <b>\$1,076,839</b> | <b>\$1,536,653</b>  | <b>\$1,531,453</b>      | <b>\$1,428,853</b> | <b>\$1,428,853</b> |
| <b>Loan Disbursement</b>                         |                    |                    |                     |                         |                    |                    |
| Debt Service, Campus Development                 |                    |                    | \$6,000,000         |                         |                    |                    |
| Olympia Mutual Annexation                        |                    |                    |                     |                         |                    |                    |
| <b>Total Loan Disbursement</b>                   | <b>\$0</b>         | <b>\$0</b>         | <b>\$6,000,000</b>  | <b>\$0</b>              | <b>\$0</b>         | <b>\$0</b>         |
| <b>Notes:</b>                                    |                    |                    |                     |                         |                    |                    |
| 1 Debt service payments are calculated as shown: | Biannual Rate      | Number of Payments | Capital Expenditure | Issuance Cost & Reserve | Principal Amount   | Biannual Payment   |
| Campus Development Project                       | 2.000%             | 40                 | \$6,000,000         | \$360,000               | \$6,360,000        | \$232,495          |
| Olympia Mutual Annexation                        | 1.125%             | 40                 |                     |                         | \$1,080,000        | \$33,678           |

<sup>1</sup> 2010 Capital Improvement Program.

<sup>2</sup> Initial Study/Mitigated Negative Declaration for the San Lorenzo Valley Water District's Campus Development Project dated November 2010.

<sup>3</sup> Initial Study/Mitigated Negative Declaration for the San Lorenzo Valley Water District's Olympia Annexation and Distribution System Project dated February 2012.



### 3.3 Water Enterprise Cash Flow

Cash flow is shown in the table and figure below. The development of revenues from water charges is described in a subsequent Section 3.6 of the report.

**Table 3-3. Water Enterprise Cash Flow**

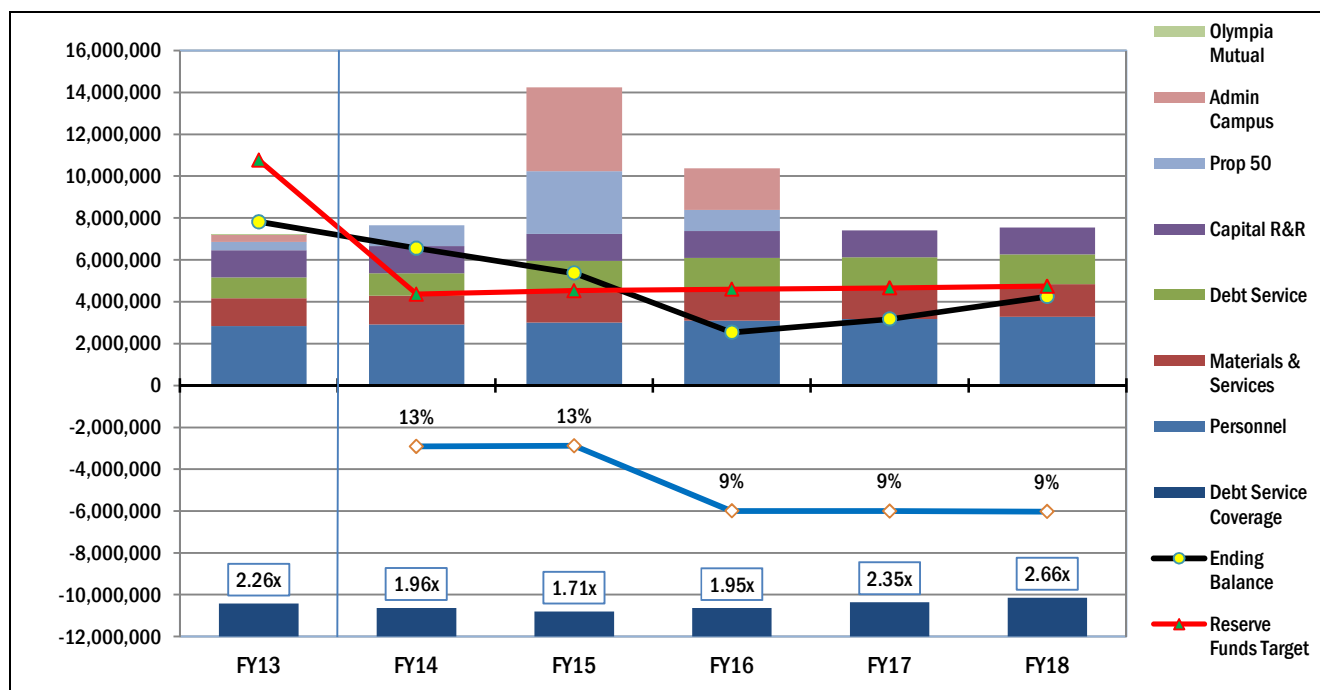
| Item                                    | FY13        | FY14        | FY15          | FY16        | FY17        | FY18        | Five Years<br>FY14 - FY18 |
|---|-------------|-------------|---------------|-------------|-------------|-------------|---------------------------|
| Beginning Balance, July 1 [1]           | \$8,598,514 | \$7,808,993 | \$6,555,617   | \$5,361,854 | \$2,526,537 | \$3,163,742 |                           |
| Revenues                                |             |             |               |             |             |             |                           |
| Non-restricted Revenues                 |             |             |               |             |             |             |                           |
| Water Charges for Service               | \$5,058,467 | \$5,699,884 | \$6,399,558   | \$6,897,271 | \$7,432,051 | \$8,007,812 | \$34,436,577              |
| All Other                               | \$582,600   | \$582,600   | \$582,600     | \$582,600   | \$582,600   | \$582,600   | \$2,913,000               |
| Restricted Revenues                     | \$588,000   | \$3,000     | \$3,000       | \$3,000     | \$3,000     | \$3,000     | \$15,000                  |
| Total Revenues                          | \$6,229,067 | \$6,285,484 | \$6,985,158   | \$7,482,871 | \$8,017,651 | \$8,593,412 | \$37,364,577              |
| Operating Expenditures                  | \$5,454,235 | \$5,579,156 | \$5,707,825   | \$5,840,353 | \$5,976,858 | \$6,117,458 | \$29,221,650              |
| Debt Service                            | \$1,004,353 | \$1,076,839 | \$1,536,653   | \$1,531,453 | \$1,428,853 | \$1,428,853 | \$7,002,651               |
| Capital Project Expenditures            |             |             |               |             |             |             |                           |
| Capital Project Expenditures            | \$760,000   | \$1,000,000 | \$7,000,000   | \$3,000,000 | \$0         | \$0         | \$11,000,000              |
| Loan Disbursements                      | \$0         | \$0         | (\$6,000,000) | \$0         | \$0         | \$0         | (\$6,000,000)             |
| Total Debt Service and Capital Projects | \$760,000   | \$1,000,000 | \$1,000,000   | \$3,000,000 | \$0         | \$0         | \$5,000,000               |
| Interest Earnings [2]                   | \$200,000   | \$117,135   | \$65,556      | \$53,619    | \$25,265    | \$31,637    | \$293,212                 |
| Ending Balance                          | \$7,808,993 | \$6,555,617 | \$5,361,854   | \$2,526,537 | \$3,163,742 | \$4,242,481 |                           |

Notes:

- The Beginning Balance for FY13 is based on Unrestricted Net Assets from page 33 of the Financial Statements and Supplementary Information June 30, 2012 and 2011.
- Interest Earnings for FY13 are updated from the District's budget amount to reflect a steady decrease in yield in rates on investment.

Values for FY14 onward are the previous years' ending balance times the interest rates shown below provided by the District.

|             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|
| <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
| 1.5%        | 1.0%        | 1.0%        | 1.0%        | 1.0%        |



**Figure 3-1. Water Fund Cash Flow, Debt Service Coverage and % Increase in Single Family Bills**

### 3.4 Debt Service Coverage

Issuers of public enterprise revenue bonds generally covenant in the bond resolution or indenture to establish rates and charges for the products or services provided by the enterprise in a manner sufficient to provide revenues to pay such amounts and to provide coverage.

Projected coverage ratios and the dollar amount over or under the coverage requirement for a coverage test with Net Revenues equal to 125 percent of the estimated debt service is shown below in Table 3-4.

**Table 3-4. Debt Service Coverage Evaluation**

|  | FY13               | FY14               | FY15               | FY16               | FY17               | FY18               |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Debt Service</b>  |                    |                    |                    |                    |                    |                    |
| Current  | \$1,004,353        | \$1,009,483        | \$1,004,308        | \$999,108          | \$896,508          | \$896,508          |
| Campus Development   | \$0                | \$0                | \$464,989          | \$464,989          | \$464,989          | \$464,989          |
| Olympia Mutual Annexation  | \$0                | \$67,356           | \$67,356           | \$67,356           | \$67,356           | \$67,356           |
| <b>Total Debt Service</b>  | <b>\$1,004,353</b> | <b>\$1,076,839</b> | <b>\$1,536,653</b> | <b>\$1,531,453</b> | <b>\$1,428,853</b> | <b>\$1,428,853</b> |
| Coverage Ratio Required  | 1.25 x             | 1.25 x             | 1.25 x             | 1.25 x             | 1.25 x             | 1.25 x             |
| Net Revenue Required *   | \$1,255,441        | \$1,346,049        | \$1,920,816        | \$1,914,316        | \$1,786,066        | \$1,786,066        |
| * Net revenue required equals 1.25x times the principal and interest due in the next fiscal year.  |                    |                    |                    |                    |                    |                    |
| <b>Gross Revenue **</b>  |                    |                    |                    |                    |                    |                    |
| Non-restricted Revenues  | \$5,641,067        | \$6,282,484        | \$6,982,158        | \$7,479,871        | \$8,014,651        | \$8,590,412        |
| Restricted Revenues  | \$588,000          | \$3,000            | \$3,000            | \$3,000            | \$3,000            | \$3,000            |
| Interest on Fund Balance   | \$200,000          | \$117,135          | \$65,556           | \$53,619           | \$25,265           | \$31,637           |
| <b>Total Gross Revenue</b>   | <b>\$6,429,067</b> | <b>\$6,402,619</b> | <b>\$7,050,715</b> | <b>\$7,536,490</b> | <b>\$8,042,916</b> | <b>\$8,625,050</b> |
| ** Gross revenue equals revenue from charges for services of the Enterprise which include rates, capacity charges, interest on the fund balance and other operating revenue. |                    |                    |                    |                    |                    |                    |
| <b>Net Revenue from Rates ***</b>  |                    |                    |                    |                    |                    |                    |
| Gross Revenue  | \$6,429,067        | \$6,402,619        | \$7,050,715        | \$7,536,490        | \$8,042,916        | \$8,625,050        |
| Less Operating Expenses  |                    |                    |                    |                    |                    |                    |
| Personnel  | \$2,827,035        | \$2,911,846        | \$2,999,201        | \$3,089,177        | \$3,181,853        | \$3,277,308        |
| Materials & Services   | \$1,337,000        | \$1,377,110        | \$1,418,423        | \$1,460,976        | \$1,504,805        | \$1,549,949        |
| <b>Net Revenue from Rates</b>  | <b>\$2,265,032</b> | <b>\$2,113,663</b> | <b>\$2,633,090</b> | <b>\$2,986,336</b> | <b>\$3,356,258</b> | <b>\$3,797,792</b> |
| *** Net revenue equals gross revenue less O&M expenditures.  |                    |                    |                    |                    |                    |                    |
| <b>Evaluation of Covenant Performance</b>  |                    |                    |                    |                    |                    |                    |
| Net Revenue from Rates   | \$2,265,032        | \$2,113,663        | \$2,633,090        | \$2,986,336        | \$3,356,258        | \$3,797,792        |
| Net Revenue Required   | \$1,255,441        | \$1,346,049        | \$1,920,816        | \$1,914,316        | \$1,786,066        | \$1,786,066        |
| Amount Over/(Under) Requirement  | \$1,009,591        | \$767,615          | \$712,273          | \$1,072,020        | \$1,570,192        | \$2,011,726        |
| Calculated Coverage Ratio  | 2.26 x             | 1.96 x             | 1.71 x             | 1.95 x             | 2.35 x             | 2.66 x             |

### 3.5 Reserve Fund Policy

The District adopted a *San Lorenzo Valley Water District Reserve Fund Policy* on January 15, 2009 in Resolution No. 17 (08-09). The Introduction in the *Reserve Fund Policy* reads as follows:

“San Lorenzo Valley Water District recognizes the importance of adopted policies relative to reserves and reserve funds. Written adopted financial policies relative to designated reserves

| <u>RESERVE FUND</u>                                 | <u>TARGET LEVEL</u> |
|---|---------------------|
| Working Capital Reserve Fund.                       | \$ 750,000          |
| Emergency Reserve Fund.                             | \$1,000,000         |
| Watershed Property Asset Reserve Fund.              | \$6,500,000         |
| Capital Replacement/System Improvement Reserve Fund | \$1,250,000         |
| Equipment Replacement Reserve Fund.                 | \$ 350,000          |
| Rate Stabilization Reserve Fund                     | \$ 350,000          |
| Sick/Annual Leave Liability Reserve Fund.           | \$ 300,000          |

and reserve funds have many benefits, and represents a critical element of sound fiscal management. Reserves and reserve funds are prudent fiscal management tools, which are a cornerstone of long-term financial planning. A written and adopted Reserve Fund Policy provides for and facilitates attainment of program and financial goals relative to the prudent accumulation and management of designated reserves and reserve funds. This Reserve Fund Policy was developed to clearly identify specific designated reserves and

reserve funds. It is the intent of this Reserve Fund Policy to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are consistent with the District’s mission statement, the uniqueness of the District, and the philosophy of the District’s Board of Directors. This policy shall be known and may be cited as the San Lorenzo Valley Water District Reserve Fund Policy.”

Projected reserve fund levels based on the *Reserve Fund Policy* are shown in the table below.

**Table 3-5. Reserve Fund Target Levels**

| Reserve Component                        | Type           | Minimum or   | Calculated                   | FY13         | FY14        | FY15        | FY16        | FY17        | FY18        |
|--|----------------|--------------|------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|
| Working Capital Reserve Fund             | non-restricted | \$750,000    | 2 months of O&M expenditures | \$861,000    | \$883,000   | \$981,000   | \$1,002,000 | \$1,008,000 | \$1,031,000 |
| Emergency Reserve Fund                   | restricted     | \$1,000,000  | board directive              | \$1,000,000  | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| Watershed Property Asset Reserve Fund    | restricted     | \$6,500,000  | board directive              | \$6,500,000  | \$0         | \$0         | \$0         | \$0         | \$0         |
| Capital Replacement/System Improvement   | restricted     | \$1,250,000  | board directive              | \$1,250,000  | \$1,250,000 | \$1,250,000 | \$1,250,000 | \$1,250,000 | \$1,250,000 |
| Equipment Replacement Reserve Fund       | restricted     | \$350,000    | board directive              | \$350,000    | \$350,000   | \$350,000   | \$350,000   | \$350,000   | \$350,000   |
| Rate Stabilization Reserve Fund          | restricted     | \$350,000    | 10% of water fee revenues    | \$506,000    | \$570,000   | \$640,000   | \$690,000   | \$743,000   | \$801,000   |
| Sick/Annual Leave Liability Reserve Fund | restricted     | \$300,000    | board directive              | \$300,000    | \$300,000   | \$300,000   | \$300,000   | \$300,000   | \$300,000   |
| Total Reserve Fund Target                |                | \$10,500,000 |                              | \$10,767,000 | \$4,353,000 | \$4,521,000 | \$4,592,000 | \$4,651,000 | \$4,732,000 |

## 3.6 Revenue from Water Charges

In order to generate revenues that adequately provide for utility operations, capital renewal and replacement costs, capital project costs, reserves, and bonded debt, rates need to be raised to generate approximately \$3 million per year in additional revenue by FY18. The recommended water charges are projected to increase revenues by approximately \$9.2 million over the next five fiscal years, FY14 – FY18. Concurrent with generating additional revenue from rates, the District will reduce its cash reserves from approximately \$8.5 million (as of July 1, 2012) to \$4 million at the end of FY18. The amount of revenue projected from water rates is summarized below in Table 3-6. Detailed calculations of revenue from charges are shown in Appendix D.

**Table 3-6. Summary of Revenue from Water Rates**

| Item                        | FY13                    | FY14               | FY15               | FY16               | FY17               | FY18               | Five Years<br>FY14 - FY18 |
|-----------------------------|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------|
| <b>Annual Fee Increases</b> |                         |                    |                    |                    |                    |                    |                           |
| Basic Charges               | 0%                      | 13%                | 13%                | 9%                 | 9%                 | 9%                 |                           |
| Quantity Charges            | 0%                      | 13%                | 13%                | 8%                 | 8%                 | 8%                 |                           |
| <b>Revenue from Fees</b>    |                         |                    |                    |                    |                    |                    |                           |
| Basic Charges               | \$2,442,467             | \$2,777,884        | \$3,139,558        | \$3,423,271        | \$3,730,051        | \$4,064,812        | \$17,135,577              |
| Quantity Charges            | \$2,616,000             | \$2,922,000        | \$3,260,000        | \$3,474,000        | \$3,702,000        | \$3,943,000        | \$17,301,000              |
| <b>Total</b>                | <b>\$5,058,467</b>      | <b>\$5,699,884</b> | <b>\$6,399,558</b> | <b>\$6,897,271</b> | <b>\$7,432,051</b> | <b>\$8,007,812</b> | <b>\$34,436,577</b>       |
| <b>Percent of Total</b>     |                         |                    |                    |                    |                    |                    |                           |
| Basic Charges               | 48%                     | 49%                | 49%                | 50%                | 50%                | 51%                | 50%                       |
| Quantity Charges            | 52%                     | 51%                | 51%                | 50%                | 50%                | 49%                | 50%                       |
| <b>Revenue Increases</b>    |                         |                    |                    |                    |                    |                    |                           |
| <b>Annual</b>               | <i><u>FY13 base</u></i> |                    |                    |                    |                    |                    |                           |
| Basic Charges               | <i>\$2,442,467</i>      | \$335,418          | \$697,092          | \$980,805          | \$1,287,584        | \$1,622,346        |                           |
| Quantity Charges            | <i>\$2,616,000</i>      | \$306,000          | \$644,000          | \$858,000          | \$1,086,000        | \$1,327,000        |                           |
| <b>Total</b>                | <i>\$5,058,467</i>      | <b>\$641,418</b>   | <b>\$1,341,092</b> | <b>\$1,838,805</b> | <b>\$2,373,584</b> | <b>\$2,949,346</b> |                           |
| <b>Cumulative</b>           |                         |                    |                    |                    |                    |                    |                           |
| Basic Charges               |                         | \$335,418          | \$1,032,510        | \$2,013,314        | \$3,300,899        | \$4,923,244        |                           |
| Quantity Charges            |                         | \$306,000          | \$950,000          | \$1,808,000        | \$2,894,000        | \$4,221,000        |                           |
| <b>Total</b>                |                         | <b>\$641,418</b>   | <b>\$1,982,510</b> | <b>\$3,821,314</b> | <b>\$6,194,899</b> | <b>\$9,144,244</b> |                           |

The annual amount of revenues from basic and quantity charges, and the cumulative revenues from increases in the water charges, are shown in the figure below.

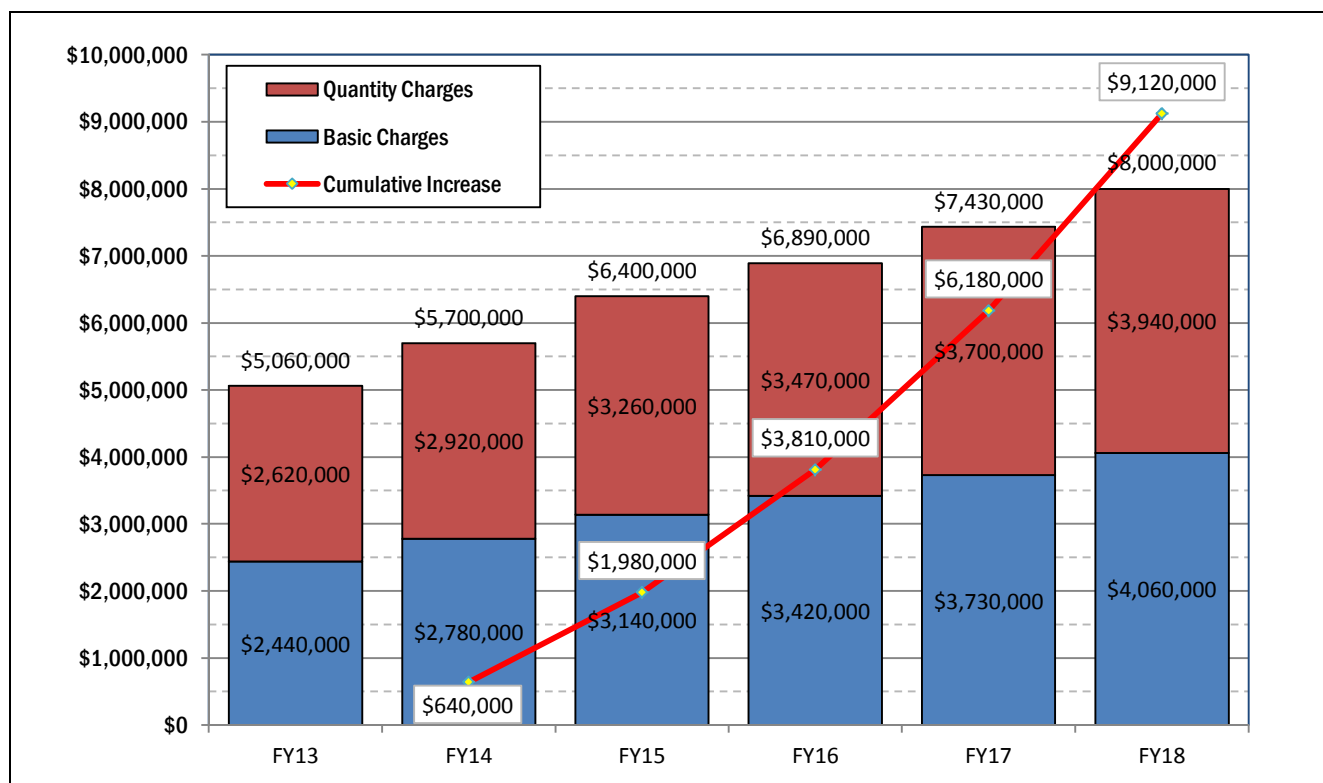


Figure 3-2. Annual Projected Revenues from Basic and Quantity Charges

## 3.7 Evaluation of Optional Tier Structure Changes

Five optional changes to the tiered rate structure are presented in this section. The changes are first evaluated individually. Then, the cumulative impact of the changes on the rate structure is evaluated. Finally, rates based on the current rate structure and the revised rate structure are compared after applying the recommended percent increase in rates.

### 3.7.1 Option 1—Flat Water Rate for Six Customer Classes

Many water purveyors charge nonresidential customer classes a flat rate for all water use while using a tiered water rate structure for residential customer classes. The current water rate structure was updated to evaluate the impact of using a flat rate for all water use for six, nonresidential customer classes – Commercial, Institutional, Landscape, Surplus, Other and Vacant. These six customer classes comprise approximately 11 percent of all water use. The update calculation, using projected FY13 water use, is shown in the table below. The updated rate structure with the flat rate is designed to be revenue neutral with the current rate structure. The difference in revenue from rates for the updated and current rate structure is \$175 which is 0.01% of the total revenue.

**Table 3-7. Flat Water Rate for Six Customer Classes**

|   | Single<br>Family         | Multiple<br>Family  | Commercial        | Institutional        | Landscape        | Private<br>Mutuals         | Surplus, Other,<br>Vacant         | Projected<br>FY13 Total         |
|---|--------------------------|---|-------------------|----------------------|------------------|----------------------------|-----------------------------------|---------------------------------|
| <b>Water Sales Revenue</b>                        |                          |   |                   |                      |                  |                            |                                   |                                 |
| First 10 units                                    | \$832,371                | \$76,939  | \$32,426          | \$8,473              | \$1,413          | \$973                      | \$1,343                           | \$953,938                       |
| 11 - 40 units                                     | \$758,085                | \$126,006   | \$43,440          | \$16,442             | \$2,564          | \$3,722                    | \$1,054                           | \$951,312                       |
| 41 - 100 units                                    | \$183,852                | \$55,849  | \$29,597          | \$22,585             | \$2,737          | \$7,704                    | \$267                             | \$302,591                       |
| 101 - 200 units                                   | \$34,852                 | \$27,485  | \$13,996          | \$26,998             | \$1,965          | \$11,425                   | \$14                              | \$116,734                       |
| Over 200 units                                    | \$15,001                 | \$160,386   | \$4,848           | \$67,623             | \$11,558         | \$31,896                   | \$0                               | \$291,313                       |
| <b>Total</b>                                      | <b>\$1,824,162</b>       | <b>\$446,665</b>  | <b>\$124,307</b>  | <b>\$142,120</b>     | <b>\$20,237</b>  | <b>\$55,720</b>            | <b>\$2,678</b>                    | <b>\$2,615,888</b>              |
| <b>Percent of Total</b>                           | <b>70%</b>               | <b>17%</b>  | <b>5%</b>         | <b>5%</b>            | <b>1%</b>        | <b>2%</b>                  | <b>0.1%</b>                       | <b>100%</b>                     |
| <b>Water Rates, \$/100 cf</b>                     | <b>current</b>           | <b>Current Tiered Rates Increased by 2.75% to remain revenue neutral Using Flat Rate equal to Average Rate.</b> |                   |                      |                  |                            |                                   |                                 |
| First 10 units                                    | \$2.71                   | \$2.78  | \$2.78            | \$3.40               | \$3.40           | \$3.40                     | \$2.78                            | \$3.40                          |
| 11 - 40 units                                     | \$3.54                   | \$3.64  | \$3.64            | \$3.40               | \$3.40           | \$3.40                     | \$3.64                            | \$3.40                          |
| 41 - 100 units                                    | \$4.24                   | \$4.36  | \$4.36            | \$3.40               | \$3.40           | \$3.40                     | \$4.36                            | \$3.40                          |
| 101 - 200 units                                   | \$4.59                   | \$4.72  | \$4.72            | \$3.40               | \$3.40           | \$3.40                     | \$4.72                            | \$3.40                          |
| Over 200 units                                    | \$5.00                   | \$5.14  | \$5.14            | \$3.40               | \$3.40           | \$3.40                     | \$5.14                            | \$3.40                          |
| <b>Revenues Using<br/>Average Quantity Charge</b> | <b>Single<br/>Family</b> | <b>Multiple<br/>Family</b>  | <b>Commercial</b> | <b>Institutional</b> | <b>Landscape</b> | <b>Private<br/>Mutuals</b> | <b>Surplus, Other,<br/>Vacant</b> | <b>Projected<br/>FY13 Total</b> |
| <b>Before Assignment of Flat Rates</b>            |                          |   |                   |                      |                  |                            |                                   |                                 |
| Total Quantity Charge Revenue                     | \$1,775,947              | \$434,603   | \$134,008         | \$187,929            | \$26,859         | \$54,198                   | \$2,519                           | \$2,616,064                     |
| Average Water Use, 100 cf                         | 560,150                  | 112,129   | 36,561            | 41,800               | 5,952            | 11,766                     | 788                               | 769,145                         |
| Average Quantity Charge, \$/100 cf                | \$3.17                   | \$3.88  | \$3.67            | \$4.50               | \$4.51           | \$4.61                     | \$3.20                            | \$3.40                          |
| <b>After Assignment of Flat Rates</b>             |                          |   |                   |                      |                  |                            |                                   |                                 |
| Total Quantity Charge Revenue                     | \$1,824,162              | \$446,665   | \$124,307         | \$142,120            | \$20,237         | \$55,720                   | \$2,678                           | \$2,615,888                     |
| Average Water Use, 100 cf                         | 560,150                  | 112,129   | 36,561            | 41,800               | 5,952            | 11,766                     | 788                               | 769,145                         |
| Average Quantity Charge, \$/100 cf                | \$3.26                   | \$3.98  | \$3.40            | \$3.40               | \$3.40           | \$4.74                     | \$3.40                            | \$3.40                          |
| <b>Difference</b>                                 | <b>\$48,214</b>          | <b>\$12,062</b>   | <b>(\$9,701)</b>  | <b>(\$45,809)</b>    | <b>(\$6,622)</b> | <b>\$1,522</b>             | <b>\$158</b>                      | <b>(\$175)</b>                  |

Note that the average price of water for all use is \$3.40 per 100 cf. The average price is used as a flat rate for the six, nonresidential customer classes. Because the average rate for all water use is less than the current average rate for the Commercial (\$3.67 per 100 cf), Institutional (\$4.50 per 100 cf), and Landscape (\$4.51 per 100 cf) customer classes, the tiered rates for Residential, Multiple Family and Private Mutual are increased in order to maintain total revenues from water rates of approximately \$2,616,000. The percent increase in tiered rates is 2.75 percent. The result is a rate structure that is

revenue neutral with the current rate structure (within \$175) and more equitable for nonresidential customers.

### 3.7.2 Option 2—Lower Residential Tiers

The tiers for Residential customer classes were evaluated. Actual water use data for 2010 and 2011 and projected water use data for FY13 were used in the evaluation. The evaluation suggests the current lowest tier may be decreased to include the first 8 units instead of the first 10 units. The second tier would be adjusted to 9-30 units (the next 22 units) instead of 11-40 units (the next 30 units) and the third tier would be adjusted from 41-100 units (the next 60 units) to 31-100 units (the next 70 units). Tier 4 and Tier 5 remain the same. The amounts of water in each tier for the current water rate structure and revised water rate structure for the Residential customer class are shown in the figures below (the Tier 5 water use labels and % water use labels are not shown for clarity).

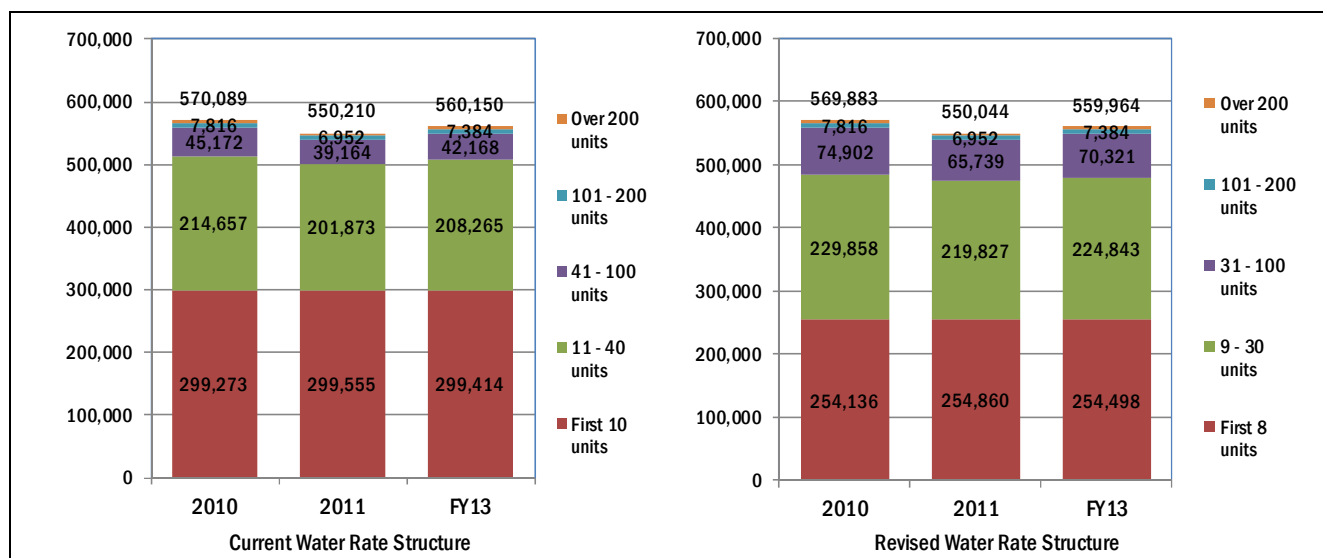


Figure 3-3. Lower Residential Tiers, 100 cf in Each Tier

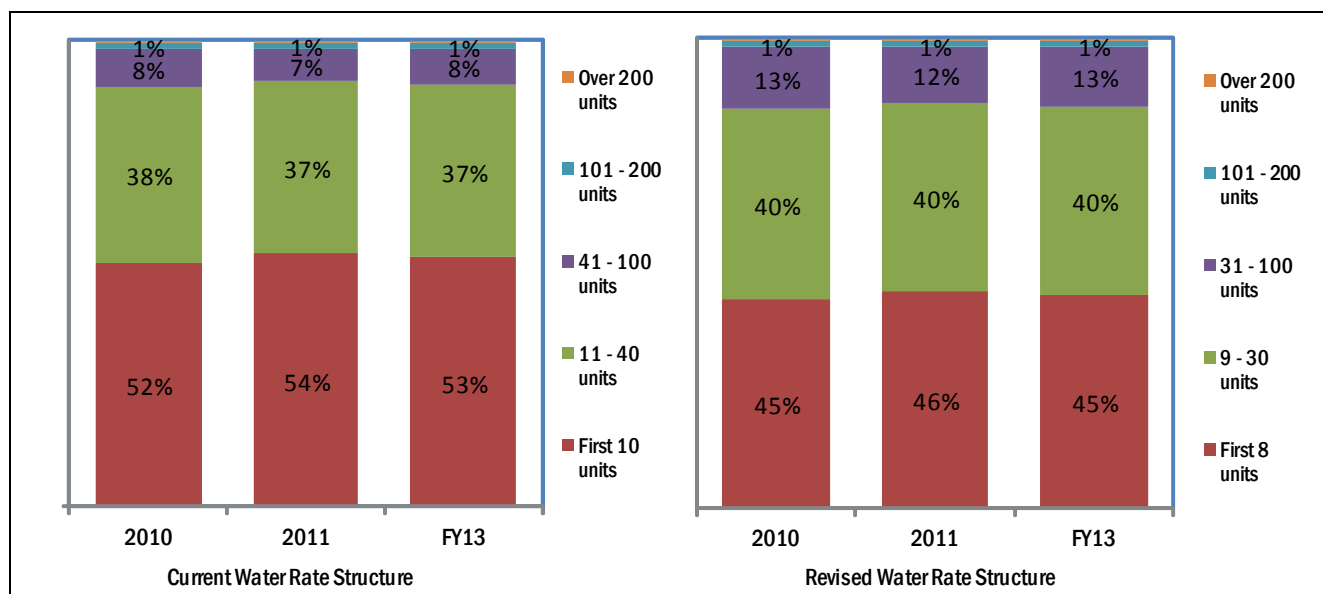


Figure 3-4. Lower Residential Tiers, % Use in Each Tier

The impact on revenues from quantity charges using the revised water rate structure for the Residential customer class is summarized in the table below. As a result of lowering the number of units in Tier 1 (from 10 to 8) and Tier 2 (from 30 to 22) more water is priced at higher tier prices and more revenue is generated from the same amount of water sales (note that the difference in water use of 186 units is due to slight changes in the source data used to evaluate the water use in each tier).

**Table 3-8. Impact of Lower Residential Tiers on Residential Water Use and Revenues**

| Current Rate Structure |               |                 | Updated Rate Structure |               |                 | Difference |         |
|------------------------|---------------|-----------------|------------------------|---------------|-----------------|------------|---------|
| Tier                   | Units in Tier | Sales<br>100 cf | Tier                   | Units in Tier | Sales<br>100 cf | 100 cf     | Percent |
| First 10 units         | 10            | 299,414         | First 8 units          | 8             | 254,498         | (44,916)   | -15%    |
| 11 - 40 units          | 30            | 208,265         | 9 - 30 units           | 22            | 224,843         | 16,578     | 8%      |
| 41 - 100 units         | 60            | 42,168          | 31 - 100 units         | 70            | 70,321          | 28,153     | 67%     |
| 101 - 200 units        | 100           | 7,384           | 101 - 200 units        | 100           | 7,384           | 0          | 0%      |
| Over 200 units         | no limit      | 2,919           | Over 200 units         | no limit      | 2,919           | 0          | 0%      |
| Total                  |               | 560,150         | Total                  |               | 559,964         | (186)      | 0%      |

| Current Rate Structure |               |                    | Updated Rate Structure |               |                    | Difference  |         |
|------------------------|---------------|--------------------|------------------------|---------------|--------------------|-------------|---------|
| Tier                   | Units in Tier | Revenue<br>Dollars | Tier                   | Units in Tier | Revenue<br>Dollars | Dollars     | Percent |
| First 10 units         | 10            | \$811,412          | First 8 units          | 8             | \$689,690          | (\$121,722) | -15%    |
| 11 - 40 units          | 30            | \$737,258          | 9 - 30 units           | 22            | \$795,942          | \$58,684    | 8%      |
| 41 - 100 units         | 60            | \$178,792          | 31 - 100 units         | 70            | \$298,159          | \$119,367   | 67%     |
| 101 - 200 units        | 100           | \$33,893           | 101 - 200 units        | 100           | \$33,893           | \$0         | 0%      |
| Over 200 units         | no limit      | \$14,593           | Over 200 units         | no limit      | \$14,593           | \$0         | 0%      |
| Total                  |               | \$1,775,947        | Total                  |               | \$1,832,276        | \$56,329    | 3%      |

The impact of the revised water rate structure on the Residential customer class is an increase in revenues of approximately 3 percent.



### 3.7.3 Option 3—Adjust Tiers for Dwelling Units for Multiple Family and Private Mutuals

This section evaluates two separate adjustments for the Multiple Family and Private Mutual customer classes – 1) adjustment of tiers based on the number of dwelling units served by a meter; and 2) lowering of tiers as was illustrated in the previous section for the Residential customer class. The first adjustment will lower revenues from water rates; the second adjustment will slightly increase revenue from water rates (as was the case for the Residential customer class). The table below shows the current rate structure for Multiple Family and Private Mutuals customer classes on the left hand side, with and without adjustment of tiers based on the number of dwelling units. The same amount of water use (within a fraction of a percent) is used on the right hand side of the table with a rate structure with lower Residential tiers.

**Table 3-9. Impact of Tier Adjustment for Dwelling Units and Lower Residential Tiers on Multiple Family and Private Mutuals Water Use and Revenues**

| Current Tiers          |              |                 |              |                 | Lower Residential Tiers                         |                        |              |            |          |
|------------------------|--------------|-----------------|--------------|-----------------|---|------------------------|--------------|------------|----------|
| Multiple Family        |              | Private Mutuals |              | Multiple Family |   | Private Mutuals        |              |            |          |
| No                     | Adjust Tiers | No              | Adjust Tiers | No              | Adjust Tiers                                    | No                     | Adjust Tiers |            |          |
| Adjustment             | for Units    | Adjustment      | for Units    | Adjustment      | for Units                                       | Adjustment             | for Units    |            |          |
| Water Sales, 100 cf    |              |                 |              |                 | Water Sales, 100 cf                             |                        |              |            |          |
| First 10 units         | 27,676       | 59,936          | 350          | 6,289           | First 8 units                                   | 22,737                 | 50,962       | 280        | 5,472    |
| 11 - 40 units          | 34,617       | 41,690          | 1,023        | 4,374           | 9 - 30 units                                    | 33,332                 | 45,023       | 757        | 4,834    |
| 41 - 100 units         | 12,810       | 8,441           | 1,767        | 886             | 31 - 100 units                                  | 19,034                 | 14,081       | 2,103      | 1,512    |
| 101 - 200 units        | 5,823        | 1,478           | 2,421        | 155             | 101 - 200 units                                 | 5,823                  | 1,479        | 2,421      | 159      |
| Over 200 units         | 31,204       | 584             | 6,206        | 61              | Over 200 units                                  | 31,204                 | 584          | 6,479      | 63       |
| Total                  | 112,129      | 112,129         | 11,766       | 11,766          | Total   | 112,129                | 112,129      | 12,039     | 12,039   |
| Water Sales, %         |              |                 |              |                 | Water Sales, %                                  |                        |              |            |          |
| First 10 units         | 25%          | 53%             | 3%           | 53%             | First 8 units                                   | 20%                    | 45%          | 2%         | 45%      |
| 11 - 40 units          | 31%          | 37%             | 9%           | 37%             | 9 - 30 units                                    | 30%                    | 40%          | 6%         | 40%      |
| 41 - 100 units         | 11%          | 8%              | 15%          | 8%              | 31 - 100 units                                  | 17%                    | 13%          | 17%        | 13%      |
| 101 - 200 units        | 5%           | 1%              | 21%          | 1%              | 101 - 200 units                                 | 5%                     | 1%           | 20%        | 1%       |
| Over 200 units         | 28%          | 1%              | 53%          | 1%              | Over 200 units                                  | 28%                    | 1%           | 54%        | 1%       |
| Total                  | 100%         | 100%            | 100%         | 100%            | Total   | 100%                   | 100%         | 100%       | 100%     |
| Water Rates, \$/100 cf |              |                 |              |                 | Water Rates, \$/100 cf                          |                        |              |            |          |
| First 10 units         | \$2.71       | \$2.71          | \$2.71       | \$2.71          | First 8 units                                   | \$2.71                 | \$2.71       | \$2.71     | \$2.71   |
| 11 - 40 units          | \$3.54       | \$3.54          | \$3.54       | \$3.54          | 9 - 30 units                                    | \$3.54                 | \$3.54       | \$3.54     | \$3.54   |
| 41 - 100 units         | \$4.24       | \$4.24          | \$4.24       | \$4.24          | 31 - 100 units                                  | \$4.24                 | \$4.24       | \$4.24     | \$4.24   |
| 101 - 200 units        | \$4.59       | \$4.59          | \$4.59       | \$4.59          | 101 - 200 units                                 | \$4.59                 | \$4.59       | \$4.59     | \$4.59   |
| Over 200 units         | \$5.00       | \$5.00          | \$5.00       | \$5.00          | Over 200 units                                  | \$5.00                 | \$5.00       | \$5.00     | \$5.00   |
| Revenue                |              |                 |              |                 | Revenue   |                        |              |            |          |
| First 10 units         | \$75,002     | \$162,426       | \$949        | \$17,043        | First 8 units                                   | \$61,616               | \$138,106    | \$759      | \$14,828 |
| 11 - 40 units          | \$122,544    | \$147,582       | \$3,620      | \$15,486        | 9 - 30 units                                    | \$117,995              | \$159,382    | \$2,680    | \$17,112 |
| 41 - 100 units         | \$54,312     | \$35,790        | \$7,492      | \$3,755         | 31 - 100 units                                  | \$80,704               | \$59,704     | \$8,915    | \$6,410  |
| 101 - 200 units        | \$26,728     | \$6,785         | \$11,110     | \$712           | 101 - 200 units                                 | \$26,728               | \$6,787      | \$11,110   | \$729    |
| Over 200 units         | \$156,018    | \$2,921         | \$31,028     | \$307           | Over 200 units                                  | \$156,018              | \$2,922      | \$32,395   | \$314    |
| Total                  | \$434,603    | \$355,504       | \$54,198     | \$37,302        | Total   | \$443,060              | \$366,901    | \$55,858   | \$39,393 |
| reduction in revenue > |              | (\$79,100)      |              | (\$16,895)      |   | reduction in revenue > |              | (\$76,159) |          |
|                        |              |                 |              |                 | difference in revenue due to changes in tiers > |                        |              |            |          |
|                        |              |                 |              |                 | \$2,941   |                        |              |            |          |
|                        |              |                 |              |                 | \$430   |                        |              |            |          |

With both the current rate structure and the updated rate structure, the adjustment of tiers based on the number of dwelling units results in less revenue from the Multiple Family customer class for both the current rate structure (a decrease of \$79,100) and updated rate structure (a decrease of \$76,200). A similar loss of revenues is evident for the Private Mutuals customer class for the current rate structure (a decrease of \$16,900) and updated rate structure (a decrease of \$16,500).

### 3.7.4 Option 4—Lower Residential Tiers for Multiple Family and Private Mutuals

Isolation of the impact of the updated rate structure (lower Residential tiers) separate from the impact of adjustment of tiers based on the number of dwelling units is done by subtracting the revenue value for the updated rate structure from the revenue value for the current rate structure. For example, the Multiple Family customer class has a decrease in revenue of \$76,200 for the updated rate structure and a decrease in revenue of \$79,100 for the current rate structure. The difference, a positive \$2,900, is the slight increase in revenue from using lower Residential tiers. The difference for the Private Mutuals customer class is approximately \$400.

### 3.7.5 Option 5–Four-Tier Rate Structure

The small amount of water use in the top three tiers and the minimal amount of water use in Tier 4 provides the basis for our recommendation of combining Tier 4 and Tier 5 into a single tier and charging the weighted average water rate for the two tiers. The new top tier would be for water use “Over 100 units.” The change would be revenue neutral with the current tier structure. As a result of the change, some customer bills would decrease and some would increase depending on the weighting of their water use in each tier.

Calculation of a Tier 4 rate for a four-tier rate structure is shown in the table below for both the current rates and rates based on all other optional updates. Note that only three customer classes would have tiered water rates (Residential, Multiple Family and Private Mutuals) and the amount of water priced in Tiers 3 and 4 for the updated rate structure is approximately 12 percent of water sales. In the current water rate structure approximately 22 percent of the water is priced in Tiers 3, 4 and 5.

**Table 3-10. Calculation of a Tier 4 Rate for a Four-Tier Rate Structure**

| Water Fees   | Projected |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
|  | FY14      | FY15      | FY16      | FY17      | FY18      |
| <b>Current Rate Structure</b>                                  |           |           |           |           |           |
| Water Use, 100 cf  |           |           |           |           |           |
| 101 - 200 units  | 28,000    | 27,000    | 26,000    | 25,000    | 24,000    |
| Over 200 units   | 65,500    | 64,000    | 63,000    | 62,000    | 61,000    |
| Total  | 93,500    | 91,000    | 89,000    | 87,000    | 85,000    |
| Water Rate, \$/100 cf  |           |           |           |           |           |
| 101 - 200 units  | \$5.19    | \$5.86    | \$6.33    | \$6.84    | \$7.39    |
| Over 200 units   | \$5.65    | \$6.38    | \$6.89    | \$7.44    | \$8.04    |
| Revenue  |           |           |           |           |           |
| 101 - 200 units  | \$145,320 | \$158,220 | \$164,580 | \$171,000 | \$177,360 |
| Over 200 units   | \$370,075 | \$408,320 | \$434,070 | \$461,280 | \$490,440 |
| Total  | \$515,395 | \$566,540 | \$598,650 | \$632,280 | \$667,800 |
| <b>Combined Tier 4 and Tier 5</b>                              |           |           |           |           |           |
| Revenue  | \$515,395 | \$566,540 | \$598,650 | \$632,280 | \$667,800 |
| Water Use, 100 cf  | 93,500    | 91,000    | 89,000    | 87,000    | 85,000    |
| Tier 4 Over 100 Units  | \$5.51    | \$6.23    | \$6.73    | \$7.27    | \$7.86    |
| <b>Updated Rate Structure</b>                                  |           |           |           |           |           |
| Water Use, 100 cf  |           |           |           |           |           |
| 101 - 200 units  | 9,000     | 9,000     | 9,000     | 9,000     | 9,000     |
| Over 200 units   | 3,000     | 3,000     | 3,000     | 3,000     | 3,000     |
| Total  | 12,000    | 12,000    | 12,000    | 12,000    | 12,000    |
| Water Rate, \$/100 cf  |           |           |           |           |           |
| 101 - 200 units  | \$5.33    | \$6.02    | \$6.50    | \$7.02    | \$7.58    |
| Over 200 units   | \$5.81    | \$6.57    | \$7.10    | \$7.67    | \$8.28    |
| Revenue  |           |           |           |           |           |
| 101 - 200 units  | \$47,970  | \$54,180  | \$58,500  | \$63,180  | \$68,220  |
| Over 200 units   | \$17,430  | \$19,710  | \$21,300  | \$23,010  | \$24,840  |
| Total  | \$65,400  | \$73,890  | \$79,800  | \$86,190  | \$93,060  |
| <b>Combined Tier 4 and Tier 5</b>                              |           |           |           |           |           |
| Revenue  | \$65,400  | \$73,890  | \$79,800  | \$86,190  | \$93,060  |
| Water Use, 100 cf  | 12,000    | 12,000    | 12,000    | 12,000    | 12,000    |
| Tier 4 Over 100 Units  | \$5.45    | \$6.16    | \$6.65    | \$7.18    | \$7.76    |
| <b>Summary for Combined Tier 4 and Tier 5 (Over 100 Units)</b> |           |           |           |           |           |
| Current Rate Structure   | \$5.51    | \$6.23    | \$6.73    | \$7.27    | \$7.86    |
| Updated Rate Structure   | \$5.45    | \$6.16    | \$6.65    | \$7.18    | \$7.76    |

## 3.8 Fiscal Impact of Optional Tier Structure Changes

The fiscal impact for each of the five optional tier structure changes is presented in three different ways – 1) changes in revenues from quantity charges recovered from each customer class; 2) changes in the average price of water for each customer class; and 3) changes in sample bimonthly bills using the current rate structure and an FY14 rate structure that includes rate increases and adjusted quantity charges using the five optional tier structure changes.

### 3.8.1 Changes in Revenues from Quantity Charges

The fiscal impact for each of the five optional tier structure changes is itemized in the table below using projected revenue from quantity charges for FY13 of approximately \$2,616,000. The summary shows the projected total revenues in each tier for each customer class using the current rate structure and the revenue impact for each of the optional tier structure changes. Note that the change to flat rates for six customer classes and the combination of Tier 4 and Tier 5 rates are both revenue neutral on a system wide basis but shift revenues between customer classes (flat rates) and between customers within a customer class (combination of Tier 4 and Tier 5). Options 2, 3 and 4 are not revenue neutral and, taken together, result in a net loss in revenue of approximately \$36,000. It is recommended that Option 2, Option 3 and Option 4 be implemented jointly or not at all to minimize the fiscal impact on a system wide basis.

**Table 3-11. Revenue Impact of Optional Tier Structure Changes on Each Customer Class**

| Revenues from Current Tier Rate Structure    | Single Family      | Multiple Family   | Commercial       | Institutional     | Landscape        | Private Mutuals   | Surplus, Other, Vacant | FY13 Projected Total |
|--|--------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------------|----------------------|
| <b>Water Sales Revenue</b>                   |                    |                   |                  |                   |                  |                   |                        |                      |
| First 10 units                               | \$811,412          | \$75,002          | \$25,845         | \$6,753           | \$1,126          | \$949             | \$1,070                | \$922,157            |
| 11 - 40 units                                | \$737,258          | \$122,544         | \$45,229         | \$17,119          | \$2,669          | \$3,620           | \$1,097                | \$929,537            |
| 41 - 100 units                               | \$178,792          | \$54,312          | \$36,909         | \$28,164          | \$3,413          | \$7,492           | \$333                  | \$309,416            |
| 101 - 200 units                              | \$33,893           | \$26,728          | \$18,895         | \$36,447          | \$2,653          | \$11,110          | \$18                   | \$129,743            |
| Over 200 units                               | \$14,593           | \$156,018         | \$7,130          | \$99,445          | \$16,998         | \$31,028          | \$0                    | \$325,210            |
| <b>Total</b>                                 | <b>\$1,775,947</b> | <b>\$434,603</b>  | <b>\$134,008</b> | <b>\$187,929</b>  | <b>\$26,859</b>  | <b>\$54,198</b>   | <b>\$2,519</b>         | <b>\$2,616,064</b>   |
|  |                    | \$443,060         | -\$434,603       |                   |                  |                   |                        |                      |
| <b>Summary of Rate Structure Options</b>     |                    |                   |                  |                   |                  |                   |                        |                      |
| 1 Flat Rate for C, I, L, S, O and V          | \$48,214           | \$12,062          | (\$9,701)        | (\$45,809)        | (\$6,622)        | \$1,522           | \$158                  | (\$175)              |
| 2 Tiers Adjusted for Units for MF and PM     |                    |                   |                  |                   |                  |                   |                        |                      |
| Multiple Family                              |                    | (\$79,100)        |                  |                   |                  |                   |                        | (\$79,100)           |
| Private Mutuals                              |                    |                   |                  |                   |                  | (\$16,895)        |                        | (\$16,895)           |
| <b>Total</b>                                 |                    |                   |                  |                   |                  |                   |                        | <b>(\$95,995)</b>    |
| 3 Change Tiers 1, 2 and 3 for Residential    | \$56,329           |                   |                  |                   |                  |                   |                        | \$56,329             |
| 4 Option 2 with Option 3 Tiers for MF and PM |                    |                   |                  |                   |                  |                   |                        |                      |
| Multiple Family                              |                    | \$2,941           |                  |                   |                  |                   |                        | \$2,941              |
| Private Mutuals                              |                    |                   |                  |                   |                  | \$430             |                        | \$430                |
| <b>Total</b>                                 |                    |                   |                  |                   |                  |                   |                        | <b>\$3,371</b>       |
| 5 Combine Tiers 4 and 5                      | \$0                | \$0               |                  |                   |                  | \$0               |                        | \$0                  |
| <b>Total All Options</b>                     | <b>\$104,543</b>   | <b>(\$64,098)</b> | <b>(\$9,701)</b> | <b>(\$45,809)</b> | <b>(\$6,622)</b> | <b>(\$14,943)</b> | <b>\$158</b>           | <b>(\$36,471)</b>    |
| <b>% Change from Current</b>                 | <b>6%</b>          | <b>-15%</b>       | <b>-7%</b>       | <b>-24%</b>       | <b>-25%</b>      | <b>-28%</b>       | <b>6%</b>              | <b>-1%</b>           |

The net impact of the five optional tier structure changes will result in percent increases in water bills for users in the Residential customer class that are greater than average as approximately \$105,000 is shifted from the nonresidential customer classes (except the Surplus, Other and Vacant customer classes) to the Residential customer class. The same shift of revenues to the Residential customer class is, of course, a shift in revenues from the nonresidential customer classes. Nonresidential customers with water use greater than the typical Residential customer should experience percent increases in water bills that are less than average for the system.

### 3.8.2 Average Quantity Charges Using Updated Rate Structure

The evaluation of the average quantity charge for each customer class using the current rate structure was presented in Section 2.3.3. The average quantity charge for each customer class using the updated rate structure is shown in the table below. For comparison, the table includes a summary of the average quantity charges using the current rate structure.

The FY13 projected average quantity charge for all customer classes combined decreases from \$3.40 per unit using the current rate structure to \$3.35 per unit using the updated rate structure because the updated rate structure is projected to bring in less revenue (approximately \$36,000 less).

The variation from the average quantity charge among all customer classes is lower for the updated rate structure and varies from +\$0.05 to -\$0.08. The variation from the average quantity charge among all customer classes for the current rate structure varies from +\$1.21 to -\$0.23.

**Table 3-12. Water Use Revenues by Tier and Average Quantity Charge per Customer Class**

|  | Single<br>Family   | Multiple<br>Family | Commercial       | Institutional    | Landscape       | Private<br>Mutuals | Surplus,<br>Other,<br>Vacant | FY13<br>Projected<br>Total |
|--|--------------------|--------------------|------------------|------------------|-----------------|--------------------|------------------------------|----------------------------|
| <b>Water Sales Revenue</b>                     |                    |                    |                  |                  |                 |                    |                              |                            |
| First 8 units                                  | \$707,504          | \$138,106          |                  |                  |                 | \$14,828           |                              | \$860,438                  |
| 9 - 30 units                                   | \$818,427          | \$159,382          |                  |                  |                 | \$17,112           |                              | \$994,921                  |
| 31 - 100 units                                 | \$306,597          | \$59,704           |                  |                  |                 | \$6,410            |                              | \$372,712                  |
| Over 100 units                                 | \$49,854           | \$9,985            |                  |                  |                 | \$1,072            |                              | \$60,911                   |
| Flat Rate                                      |                    |                    | \$124,307        | \$142,120        | \$20,237        |                    | \$2,678                      | \$289,342                  |
| <b>Total</b>                                   | <b>\$1,882,382</b> | <b>\$367,177</b>   | <b>\$124,307</b> | <b>\$142,120</b> | <b>\$20,237</b> | <b>\$39,423</b>    | <b>\$2,678</b>               | <b>\$2,578,324</b>         |
| <b>Percent of Total</b>                        | <b>73%</b>         | <b>14%</b>         | <b>5%</b>        | <b>6%</b>        | <b>1%</b>       | <b>2%</b>          | <b>0.1%</b>                  | <b>100%</b>                |
| <b>Water Sales Revenue, %</b>                  |                    |                    |                  |                  |                 |                    |                              |                            |
| First 8 units                                  | 38%                | 38%                | 0%               | 0%               | 0%              | 38%                | 0%                           | 33%                        |
| 9 - 30 units                                   | 43%                | 43%                | 0%               | 0%               | 0%              | 43%                | 0%                           | 39%                        |
| 31 - 100 units                                 | 16%                | 16%                | 0%               | 0%               | 0%              | 16%                | 0%                           | 14%                        |
| Over 100 units                                 | 3%                 | 3%                 | 0%               | 0%               | 0%              | 3%                 | 0%                           | 2%                         |
| Flat Rate                                      | 0%                 | 0%                 | 100%             | 100%             | 100%            | 0%                 | 100%                         | 11%                        |
| <b>Total</b>                                   | <b>100%</b>        | <b>100%</b>        | <b>100%</b>      | <b>100%</b>      | <b>100%</b>     | <b>100%</b>        | <b>100%</b>                  | <b>100%</b>                |
| <b>Average Quantity Charge, \$/100 cf</b>      |                    |                    |                  |                  |                 |                    |                              |                            |
| <b>Customer Classes</b>                        |                    |                    |                  |                  |                 |                    |                              |                            |
| Total Quantity Charge Revenue                  | \$1,882,382        | \$367,177          | \$124,307        | \$142,120        | \$20,237        | \$39,423           | \$2,678                      | \$2,578,324                |
| Average Water Use, FY13 Projected              | 560,150            | 112,129            | 36,561           | 41,800           | 5,952           | 11,766             | 788                          | 769,145                    |
| <b>Average Quantity Charge</b>                 | <b>\$3.36</b>      | <b>\$3.27</b>      | <b>\$3.40</b>    | <b>\$3.40</b>    | <b>\$3.40</b>   | <b>\$3.35</b>      | <b>\$3.40</b>                | <b>\$3.35</b>              |
| <b>Current Rate Structure, FY 13 Projected</b> |                    |                    |                  |                  |                 |                    |                              |                            |
| Total Quantity Charge Revenue                  | \$1,775,947        | \$434,603          | \$134,008        | \$187,929        | \$26,859        | \$54,198           | \$2,519                      | \$2,616,064                |
| Average Water Use, FY13 Projected              | 560,150            | 112,129            | 36,561           | 41,800           | 5,952           | 11,766             | 788                          | 769,145                    |
| <b>Average Quantity Charge</b>                 | <b>\$3.17</b>      | <b>\$3.88</b>      | <b>\$3.67</b>    | <b>\$4.50</b>    | <b>\$4.51</b>   | <b>\$4.61</b>      | <b>\$3.20</b>                | <b>\$3.40</b>              |

### 3.8.3 Bimonthly Bills Using Updated Rate Structure

A summary of the impact of the optional tier structure changes on water bills for six customer classes is shown in the table below. The impact is assessed by comparing bimonthly bills based on the current rates and rate structure versus rates for FY14 using the updated rate structure.

**Table 3-13. Impact of Optional Tier Structure Changes on Bimonthly Water Bills**

|                                  | Residential |          | Multiple Family |          | Commercial |          |          | Institutional |          |          | Landscape |          |          | Private Mutuals |            |
|----------------------------------|-------------|----------|-----------------|----------|------------|----------|----------|---------------|----------|----------|-----------|----------|----------|-----------------|------------|
|                                  | Avg Use     | High Use | Avg Use         | High Use | Low Use    | Avg Use  | High Use | Low Use       | Avg Use  | High Use | Low Use   | Avg Use  | High Use | Small           | Large      |
| <b>Current Rates</b>             |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Dwelling Units                   | 1           | 1        | 2               | 6        | 1          | 1        | 1        | 1             | 1        | 1        | 1         | 1        | 1        | 4               | 12         |
| Meter Size                       | %           | %        | %A              | 2        | ¾          | ¾        | ¾        | 1             | 2        | 3        | %         | 1        | 2        | %A              | 1-½S       |
| Meter Charge                     | \$49.73     | \$49.73  | \$82.90         | \$265.68 | \$82.90    | \$82.90  | \$82.90  | \$82.90       | \$265.68 | \$498.62 | \$49.73   | \$82.90  | \$265.68 | \$82.90         | \$531.36   |
| <b>Quantity Charge</b>           |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Water Use, 100 cf                | 14          | 28       | 28              | 84       | 28         | 150      | 250      | 100           | 150      | 300      | 50        | 150      | 250      | 56              | 168        |
| First 10 units                   | 10          | 10       | 10              | 10       | 10         | 10       | 10       | 10            | 10       | 10       | 10        | 10       | 10       | 10              | 10         |
| 11 - 40 units                    | 4           | 18       | 18              | 30       | 18         | 30       | 30       | 30            | 30       | 30       | 40        | 30       | 30       | 30              | 30         |
| 41 - 100 units                   |             |          |                 | 44       |            | 60       | 60       | 60            | 60       | 60       |           | 60       | 60       | 16              | 60         |
| 101 - 200 units                  |             |          |                 |          |            | 50       | 100      |               | 50       | 100      |           | 50       | 100      |                 | 68         |
| Over 200 units                   |             |          |                 |          |            |          | 50       |               |          | 100      |           |          | 50       |                 |            |
| <b>Rate, \$/100 cf</b>           |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| First 10 units                   | \$2.71      | \$2.71   | \$2.71          | \$2.71   | \$2.71     | \$2.71   | \$2.71   | \$2.71        | \$2.71   | \$2.71   | \$2.71    | \$2.71   | \$2.71   | \$2.71          | \$2.71     |
| 11 - 40 units                    | \$3.54      | \$3.54   | \$3.54          | \$3.54   | \$3.54     | \$3.54   | \$3.54   | \$3.54        | \$3.54   | \$3.54   | \$3.54    | \$3.54   | \$3.54   | \$3.54          | \$3.54     |
| 41 - 100 units                   | \$4.24      | \$4.24   | \$4.24          | \$4.24   | \$4.24     | \$4.24   | \$4.24   | \$4.24        | \$4.24   | \$4.24   | \$4.24    | \$4.24   | \$4.24   | \$4.24          | \$4.24     |
| 101 - 200 units                  | \$4.59      | \$4.59   | \$4.59          | \$4.59   | \$4.59     | \$4.59   | \$4.59   | \$4.59        | \$4.59   | \$4.59   | \$4.59    | \$4.59   | \$4.59   | \$4.59          | \$4.59     |
| Over 200 units                   | \$5.00      | \$5.00   | \$5.00          | \$5.00   | \$5.00     | \$5.00   | \$5.00   | \$5.00        | \$5.00   | \$5.00   | \$5.00    | \$5.00   | \$5.00   | \$5.00          | \$5.00     |
| <b>Charge</b>                    | \$41.26     | \$90.82  | \$90.82         | \$319.86 | \$90.82    | \$617.20 | \$1,097  | \$387.70      | \$617.20 | \$1,347  | \$168.70  | \$617.20 | \$1,097  | \$201.14        | \$699.82   |
| <b>Bimonthly Bill</b>            | \$90.99     | \$140.55 | \$173.72        | \$585.54 | \$173.72   | \$700.10 | \$1,180  | \$470.60      | \$882.88 | \$1,845  | \$218.43  | \$700.10 | \$1,362  | \$284.04        | \$1,231.18 |
| <b>FY14 Rates, All Options</b>   |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Dwelling Units                   | 1           | 1        | 2               | 2        | 1          | 1        | 1        | 1             | 1        | 1        | 1         | 1        | 1        | 2               | 2          |
| Meter Charge                     | \$56.19     | \$56.19  | \$93.68         | \$300.00 | \$93.68    | \$93.68  | \$93.68  | \$93.68       | \$300.00 | \$563.00 | \$56.19   | \$93.68  | \$300.00 | \$93.68         | \$600.00   |
| <b>Quantity Charge</b>           |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Water Use, 100 cf                | 14          | 28       | 28              | 84       | 28         | 150      | 250      | 100           | 150      | 300      | 50        | 150      | 250      | 56              | 168        |
| First 8 units                    | 8           | 8        | 16              | 84       |            |          |          |               |          |          |           |          |          | 32              | 96         |
| 9 - 30 units                     | 6           | 20       | 12              |          |            |          |          |               |          |          |           |          |          | 24              | 72         |
| 31 - 100 units                   |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Over 100 units                   |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| <b>Flat Charge</b>               |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
|                                  |             |          |                 |          | 28         | 150      | 250      | 100           | 150      | 300      | 50        | 150      | 250      |                 |            |
| <b>Rate, \$/100 cf</b>           |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| First 8 units                    | \$3.14      | \$3.14   | \$3.14          | \$3.14   |            |          |          |               |          |          |           |          |          | \$3.14          | \$3.14     |
| 9 - 30 units                     | \$4.11      | \$4.11   | \$4.11          | \$4.11   |            |          |          |               |          |          |           |          |          | \$4.11          | \$4.11     |
| 31 - 100 units                   | \$4.93      | \$4.93   | \$4.93          | \$4.93   |            |          |          |               |          |          |           |          |          | \$4.93          | \$4.93     |
| Over 100 units                   | \$5.45      | \$5.45   | \$5.45          | \$5.45   |            |          |          |               |          |          |           |          |          | \$5.45          | \$5.45     |
| <b>Flat Charge</b>               |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
|                                  |             |          |                 |          | \$3.84     | \$3.84   | \$3.84   | \$3.84        | \$3.84   | \$3.84   | \$3.84    | \$3.84   | \$3.84   |                 |            |
| <b>Charge</b>                    | \$49.78     | \$107.32 | \$99.56         | \$263.76 | \$107.52   | \$576.00 | \$960    | \$384.00      | \$576.00 | \$1,152  | \$192.00  | \$576.00 | \$960    | \$199.12        | \$597.36   |
| <b>Bimonthly Bill</b>            | \$105.97    | \$163.51 | \$193.24        | \$563.76 | \$201.20   | \$669.68 | \$1,054  | \$477.68      | \$876.00 | \$1,715  | \$248.19  | \$669.68 | \$1,260  | \$292.80        | \$1,197.36 |
| <b>Increase in Bills</b>         |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Dollars                          | \$14.98     | \$22.96  | \$19.52         | -\$21.78 | \$27.48    | -\$30.42 | -\$126   | \$7.08        | -\$6.88  | -\$130   | \$29.76   | -\$30.42 | -\$102   | \$8.76          | -\$33.82   |
| Percent                          | 16%         | 16%      | 11%             | -4%      | 16%        | -4%      | -11%     | 2%            | -1%      | -7%      | 14%       | -4%      | -8%      | 3%              | -3%        |
| <b>Percent Increase in Rates</b> |             |          |                 |          |            |          |          |               |          |          |           |          |          |                 |            |
| Basic Charges                    | 13%         | 13%      | 13%             | 13%      | 13%        | 13%      | 13%      | 13%           | 13%      | 13%      | 13%       | 13%      | 13%      | 13%             | 13%        |
| Quantity Charges                 | varies      | varies   | varies          | varies   | varies     | varies   | varies   | varies        | varies   | varies   | varies    | varies   | varies   | varies          | varies     |

### 3.9 Current and Recommended Water Rates

Current and FY14 – FY18 recommended quantity charges and basic charges are listed in the tables below. The recommended quantity charges for each rate structure (the current structure and an updated structure using all five options) are shown in a table separate from the basic charges.

**Table 3-14. Current and Recommended Basic Charges**

|                            | Current  | Recommended |            |            |            |            |
|----------------------------|----------|-------------|------------|------------|------------|------------|
|                            |          | FY14        | FY15       | FY16       | FY17       | FY18       |
| Basic Charges, \$/2 months |          |             |            |            |            |            |
| Annual Increase, %         |          | 13%         | 13%        | 9%         | 9%         | 9%         |
| 5/8-inch                   | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 5/8A-inch                  | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 5/8B-inch                  | \$166.92 | \$189.00    | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 5/8C-inch                  | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 3/4-inch                   | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 3/4A-inch                  | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1-inch                     | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1A-inch                    | \$166.92 | \$189.00    | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 1B-inch                    | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 1F-inch                    | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 1-1/2-inch                 | \$166.92 | \$189.00    | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 1-1/2A-inch                | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 1-1/2C-inch                | \$829.76 | \$938.00    | \$1,060.00 | \$1,155.00 | \$1,259.00 | \$1,372.00 |
| 1-1/2F-inch                | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1-1/2G-inch                | \$49.73  | \$56.19     | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 1-1/2S-inch                | \$531.36 | \$600.00    | \$678.00   | \$739.00   | \$806.00   | \$879.00   |
| 2-inch                     | \$265.68 | \$300.00    | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 2A-inch                    | \$498.62 | \$563.00    | \$636.00   | \$693.00   | \$755.00   | \$823.00   |
| 2G/L-inch                  | \$82.90  | \$93.68     | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 3-inch                     | \$498.62 | \$563.00    | \$636.00   | \$693.00   | \$755.00   | \$823.00   |
| 4-inch                     | \$829.76 | \$938.00    | \$1,060.00 | \$1,155.00 | \$1,259.00 | \$1,372.00 |

**Table 3-15. Current and Recommended Quantity Charges**

|                                     | Current | Recommended |        |        |        |        |
|-------------------------------------|---------|-------------|--------|--------|--------|--------|
|                                     |         | FY14        | FY15   | FY16   | FY17   | FY18   |
| Current Rate Structure              |         |             |        |        |        |        |
| Annual Increase, %                  |         | 13%         | 13%    | 8%     | 8%     | 8%     |
| First 10 units                      | \$2.71  | \$3.06      | \$3.46 | \$3.74 | \$4.04 | \$4.36 |
| 11 - 40 units                       | \$3.54  | \$4.00      | \$4.52 | \$4.88 | \$5.27 | \$5.69 |
| 41 - 100 units                      | \$4.24  | \$4.79      | \$5.41 | \$5.84 | \$6.31 | \$6.81 |
| 101 - 200 units                     | \$4.59  | \$5.19      | \$5.86 | \$6.33 | \$6.84 | \$7.39 |
| Over 200 units                      | \$5.00  | \$5.65      | \$6.38 | \$6.89 | \$7.44 | \$8.04 |
| Updated Rate Structure, All Options |         |             |        |        |        |        |
| Annual Increase, %                  |         | 16%         | 13%    | 8%     | 8%     | 8%     |
| First 8 units                       | \$2.71  | \$3.14      | \$3.55 | \$3.83 | \$4.14 | \$4.47 |
| 9 - 30 units                        | \$3.54  | \$4.11      | \$4.64 | \$5.01 | \$5.41 | \$5.84 |
| 31 - 100 units                      | \$4.24  | \$4.93      | \$5.57 | \$6.02 | \$6.50 | \$7.02 |
| Over 100 units                      | na      | \$5.45      | \$6.16 | \$6.65 | \$7.18 | \$7.76 |
| Flat Rate                           | na      | \$3.84      | \$4.34 | \$4.69 | \$5.07 | \$5.48 |

### 3.10 Single Family Bills and Survey

Calculation of the average Single Family bimonthly water bill is shown in the tables below. The top table shows the bills using the current rate structure. The lower table shows bills using the updated rate structure for all options.

**Table 3-16. Single Family Average Water Use and Bimonthly Bills Using Current Rate Structure**

|                              | Current        | FY14            | FY15            | FY16            | FY17            | FY18            |
|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Average Bimonthly Use</b> |                |                 |                 |                 |                 |                 |
| Water Use, 100 cf            | 560,150        | 554,548         | 549,003         | 543,512         | 538,077         | 532,697         |
| Accounts                     | 6,393          | 6,446           | 6,446           | 6,446           | 6,446           | 6,446           |
| <b>Average Use</b>           |                |                 |                 |                 |                 |                 |
| 100 cf/month                 | 14.6           | 14.3            | 14.2            | 14.1            | 13.9            | 13.8            |
| gallons per day              | 180            | 176             | 175             | 173             | 171             | 169             |
| <b>Bimonthly Bill</b>        |                |                 |                 |                 |                 |                 |
| Meter Charge                 | \$49.73        | \$56.19         | \$63.49         | \$69.20         | \$75.43         | \$82.22         |
| Quantity Charge              |                |                 |                 |                 |                 |                 |
| Water Use, 100 cf            | 14             | 14              | 14              | 14              | 14              | 14              |
| First 10 units               | 10             | 10              | 10              | 10              | 10              | 10              |
| 11 - 40 units                | 4              | 4               | 4               | 4               | 4               | 4               |
| Rate, \$/100 cf              |                |                 |                 |                 |                 |                 |
| First 10 units               | \$2.71         | \$3.06          | \$3.46          | \$3.74          | \$4.04          | \$4.36          |
| 11 - 40 units                | \$3.54         | \$4.00          | \$4.52          | \$4.88          | \$5.27          | \$5.69          |
| <b>Charge</b>                | <b>\$41.26</b> | <b>\$46.60</b>  | <b>\$52.68</b>  | <b>\$56.92</b>  | <b>\$61.48</b>  | <b>\$66.36</b>  |
| <b>Bimonthly Bill</b>        | <b>\$90.99</b> | <b>\$102.79</b> | <b>\$116.17</b> | <b>\$126.12</b> | <b>\$136.91</b> | <b>\$148.58</b> |
| <b>Increase</b>              |                |                 |                 |                 |                 |                 |
| Dollars                      |                | \$11.80         | \$13.38         | \$9.95          | \$10.79         | \$11.67         |
| Percent                      |                | 13%             | 13%             | 9%              | 9%              | 9%              |

**Table 3-17. Single Family Average Water Use and Bimonthly Bills Using All Updated Rate Structure Options**

|                              | Current        | FY14            | FY15            | FY16            | FY17            | FY18            |
|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Average Bimonthly Use</b> |                |                 |                 |                 |                 |                 |
| Water Use, 100 cf            | 560,150        | 554,548         | 549,003         | 543,512         | 538,077         | 532,697         |
| Accounts                     | 6,393          | 6,446           | 6,446           | 6,446           | 6,446           | 6,446           |
| <b>Average Use</b>           |                |                 |                 |                 |                 |                 |
| 100 cf/month                 | 14.6           | 14.3            | 14.2            | 14.1            | 13.9            | 13.8            |
| gallons per day              | 180            | 176             | 175             | 173             | 171             | 169             |
| <b>Bimonthly Bill</b>        |                |                 |                 |                 |                 |                 |
| Meter Charge                 | \$49.73        | \$56.19         | \$63.49         | \$69.20         | \$75.43         | \$82.22         |
| Quantity Charge              |                |                 |                 |                 |                 |                 |
| Water Use, 100 cf            | 14             | 14              | 14              | 14              | 14              | 14              |
| First 8 units                | 10             | 8               | 8               | 8               | 8               | 8               |
| 9 - 30 units                 | 4              | 6               | 6               | 6               | 6               | 6               |
| Rate, \$/100 cf              |                |                 |                 |                 |                 |                 |
| First 8 units                | \$2.71         | \$3.14          | \$3.55          | \$3.83          | \$4.14          | \$4.47          |
| 9 - 30 units                 | \$3.54         | \$4.11          | \$4.64          | \$5.01          | \$5.41          | \$5.84          |
| <b>Charge</b>                | <b>\$41.26</b> | <b>\$49.78</b>  | <b>\$56.24</b>  | <b>\$60.70</b>  | <b>\$65.58</b>  | <b>\$70.80</b>  |
| <b>Bimonthly Bill</b>        | <b>\$90.99</b> | <b>\$105.97</b> | <b>\$119.73</b> | <b>\$129.90</b> | <b>\$141.01</b> | <b>\$153.02</b> |
| <b>Increase</b>              |                |                 |                 |                 |                 |                 |
| Dollars                      |                | \$14.98         | \$13.76         | \$10.17         | \$11.11         | \$12.01         |
| Percent                      |                | 16%             | 13%             | 8%              | 9%              | 9%              |



Comparison of current water bills and water bills based on the two sets of FY14 recommended rates with those of other municipalities is shown in Figure 3-5.

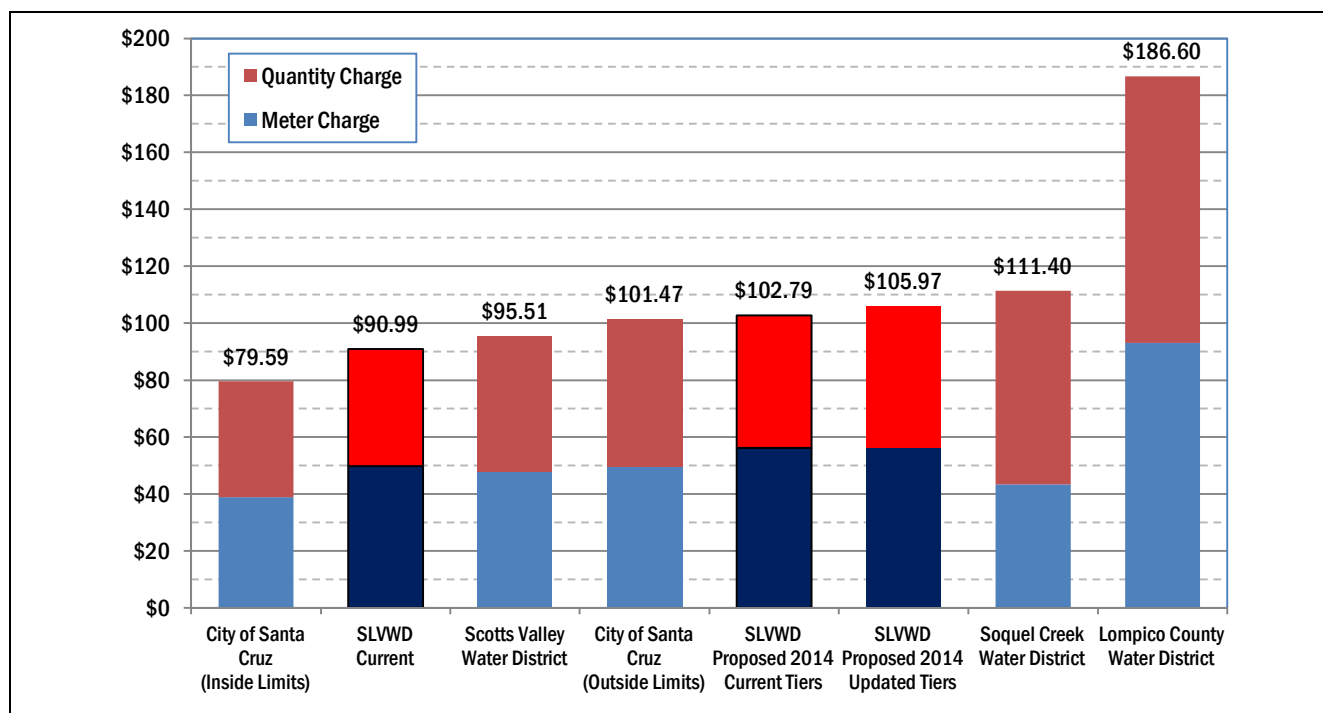


Figure 3-5. Single Family Bimonthly Water Bills Survey

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## Section 4

# Wastewater Rates

Revenue, expenditures, reserve levels, water rates, and debt coverage for the wastewater utility are summarized in this section.

### 4.1 Wastewater Operating Revenues and Expenditures

Budgeted and projected operating revenues and expenditures are shown in the table below. Revenues (except revenues from wastewater charges) and expenditures for FY13 are from the District's budget. Projected revenues and expenditures are based on annual escalation rates provided by the District.

| Table 4-1. Budgeted and Projected Operating Expenditures                           |   |             |             |             |             |             |
|--|---|-------------|-------------|-------------|-------------|-------------|
| Item   | FY13  | FY14        | FY15        | FY16        | FY17        | FY18        |
| Non-restricted Revenues [1]  |   |             |             |             |             |             |
| 4102 Sewer Charges for Service   | \$100,000   | \$113,190   | \$130,020   | \$149,490   | \$171,930   | \$177,210   |
| Total Non-restricted Revenues  | \$100,000   | \$113,190   | \$130,020   | \$149,490   | \$171,930   | \$177,210   |
| Operating Expenses [2]   |   |             |             |             |             |             |
| Personnel  | \$15,860  | \$16,336    | \$16,826    | \$17,331    | \$17,851    | \$18,386    |
| Materials & Services   | \$54,950  | \$56,599    | \$58,296    | \$60,045    | \$61,847    | \$63,702    |
| Capital R&R  | \$0   | \$0         | \$0         | \$0         | \$50,000    | \$50,000    |
| Total Operating Expenditures   | \$70,810  | \$72,934    | \$75,122    | \$77,376    | \$129,697   | \$132,088   |
| Summary  |   |             |             |             |             |             |
| Non-restricted Revenues  | \$100,000   | \$113,190   | \$130,020   | \$149,490   | \$171,930   | \$177,210   |
| Operating Expenditures   | \$70,810  | \$72,934    | \$75,122    | \$77,376    | \$129,697   | \$132,088   |
| Net Income / (Shortfall)   | \$29,190  | \$40,256    | \$54,898    | \$72,114    | \$42,233    | \$45,122    |
| Notes:   |   |             |             |             |             |             |
| 1  | Sewer Charges for Service are summarized in Table 4-2. Revenues for other Non-restricted items were provided by the District.                 |             |             |             |             |             |
| 2  | Personnel and Materials & Services expenditures for FY13 are from the District's budget. Values for FY14 onward are escalated as shown below: |             |             |             |             |             |
|  |   | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
|  | Personnel   | 3%          | 3%          | 3%          | 3%          | 3%          |
|  | Materials & Services  | 3%          | 3%          | 3%          | 3%          | 3%          |
| Capital Repair and Refurbishment (R&R) expenditures were provided by the District. |   |             |             |             |             |             |

## 4.2 Wastewater Enterprise Cash Flow

Cash flow for the wastewater enterprise is shown in the table and figure below.

**Table 4-2. Wastewater Enterprise Cash Flow**

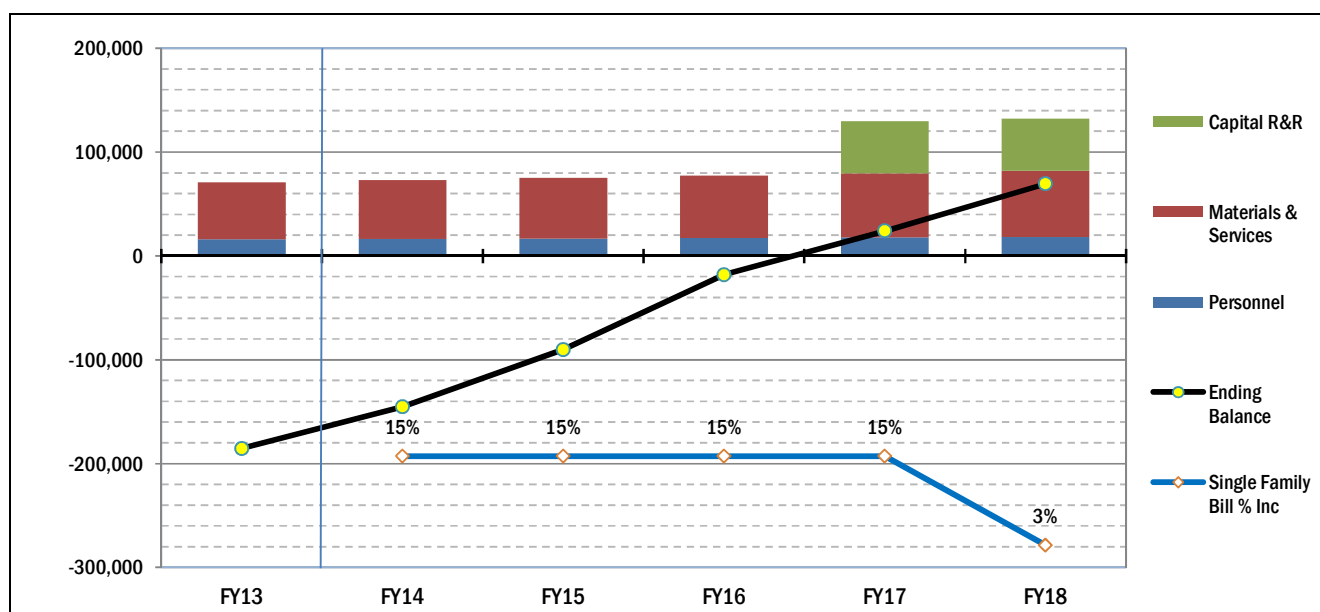
| Item                          | FY13       | FY14       | FY15       | FY16      | FY17      | FY18      | Five Years<br>FY14 - FY18 |
|-------------------------------|------------|------------|------------|-----------|-----------|-----------|---------------------------|
| Beginning Balance, July 1 [1] | -\$214,603 | -\$185,413 | -\$145,157 | -\$90,260 | -\$18,146 | \$24,087  |                           |
| Revenues                      |            |            |            |           |           |           |                           |
| Non-restricted Revenues       |            |            |            |           |           |           |                           |
| Wastewater Charges [2]        | \$100,000  | \$113,190  | \$130,020  | \$149,490 | \$171,930 | \$177,210 | \$741,840                 |
| Total Revenues                | \$100,000  | \$113,190  | \$130,020  | \$149,490 | \$171,930 | \$177,210 | \$741,840                 |
| Operating Expenditures        | \$70,810   | \$72,934   | \$75,122   | \$77,376  | \$129,697 | \$132,088 | \$487,218                 |
| Debt Service                  | \$0        | \$0        | \$0        | \$0       | \$0       | \$0       | \$0                       |
| Capital Project Expenditures  | \$0        | \$0        | \$0        | \$0       | \$0       | \$0       | \$0                       |
| Interest Earnings [3]         | \$0        | \$0        | \$0        | \$0       | \$0       | \$241     | \$241                     |
| Ending Balance                | -\$185,413 | -\$145,157 | -\$90,260  | -\$18,146 | \$24,087  | \$69,450  |                           |

Notes:

- The Beginning Balance for FY13 based on Unrestricted Net Assets from page 33 of the Financial Statements and Supplementary Information June 30, 2012 and 2011.
- Revenues from Wastewater Charges are calculated based on the number of users and rates shown below:

|                                |             |             |             |             |             |             |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                | <u>FY13</u> | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
| number of users >              |             | 55          | 55          | 55          | 55          | 55          |
| wastewater rate, \$/2 months > | \$298       | \$343       | \$394       | \$453       | \$521       | \$537       |
|                                |             | 15%         | 15%         | 15%         | 15%         | 3%          |
| revenue >                      |             | \$113,190   | \$130,020   | \$149,490   | \$171,930   | \$177,210   |
- Interest Earnings for FY13 are updated from the District's budget amount to reflect a steady decrease in yield in rates on investment. Values for FY14 onward are the previous years' ending balance times the interest rates shown below provided by the District.

|  |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|
|  | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
|  | 1.5%        | 1.0%        | 1.0%        | 1.0%        | 1.0%        |



**Figure 4-1. Wastewater Enterprise Cash Flow and % Increase in Single Family Bills**

### 4.3 Wastewater Charges

Current and recommended wastewater charges are listed in the table below.

| Table 4-3. Current and Recommended Wastewater Charges |         |             |       |       |       |       |
|---|---------|-------------|-------|-------|-------|-------|
| Wastewater Charges                                    | Current | Recommended |       |       |       |       |
|   |         | FY14        | FY15  | FY16  | FY17  | FY18  |
| Annual Increase, %                                    |         | 15%         | 15%   | 15%   | 15%   | 3%    |
| Service Charge, \$/2 months                           | \$298   | \$343       | \$394 | \$453 | \$521 | \$537 |

Past and current wastewater bimonthly charges from 1995 – 2013 and recommended for 2014 – 2018 are shown in the table below. The compound annual increase in charges for the 19 years, 1995 – 2013, is 8.4 percent. The compound annual increase in charges for the 24 years, 1995 – 2018 increases to 9.3 percent when the five years of recommended rate increases are included.

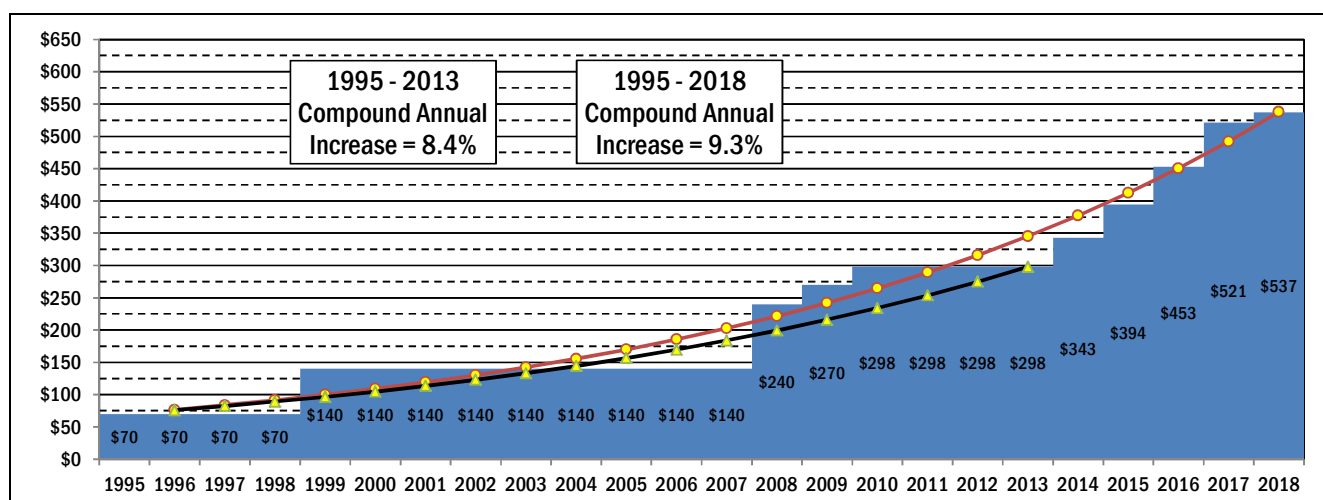


Figure 4-2. Wastewater Single Family Bills 1995 - 2018

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## Section 5

# Findings and Recommendations

## 5.1 Findings

Based on our evaluation of the District's finances, charges and customer water use data we have developed the following findings:

- Projected FY14 – FY18 operating expenditures are approximately \$29.2 million.
- Projected FY14 – FY18 capital expenditures are approximately \$11.0 million.
- Projected FY14 – FY18 debt service expenditures are approximately \$7.0 million.
- Projected FY14 – FY18 loan disbursements are approximately \$6.0 million.
- Projected FY14 – FY 18 revenue required from water charges is \$34.4 million.
- Projected FY14 – FY 18 revenue from water charges with no increase in charges is \$24.9 million.
- Annual increases in charges of 13 percent for FY14 and FY15, and approximately 9 percent in FY16, FY17 and FY18 should generate an additional \$9.1 million in revenue.
- The current tier rate structure may be made more equitable, acceptable and fair, without compromising revenue sufficiency or revenue stability, by adjusting tier unit amounts, tier prices and incorporating adjustment of tier unit amounts for multiple family residential and private mutual customer classes.

## 5.2 Recommendations

The following recommendations are offered regarding the District's water and wastewater service charges:

**Recommendation 1.** Adopt the projected water charges for the updated tier rate structure for FY14 – FY18, effective July 1 of each Fiscal Year.

**Recommendation 2.** Amend the water tiers structure to replace the “200 Units and Over” tier with a “100 Units and Over” tier and eliminate the “101 – 200 Units” tier.

**Recommendation 3.** Amend the water tiers structure as follows: a) replace the “First 10 units” tier with a “First 8 units” tier; b) replace the “11 - 40 units” tier with a “9 - 30 units” tier; and c) replace the “41 - 100 units” tier with a “31 - 100 units” tier.

**Recommendation 4.** Apply a flat rate (which represents the average price of water) for all water use to customers in the Commercial, Institutional and Landscape customer classes.

**Recommendation 5.** Adjust the tier unit amounts for multiple family residential and private mutual customer classes for the number of dwelling units served by the meter.

**Recommendation 6.** Adopt the projected wastewater rates for FY14 – FY18, effective July 1 of each Fiscal Year.

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## Section 6

# Public Review and Board Action

A summary of the public review process and actions taken by the Board of Directors and the Board's Finance Committee during the course of the studies is included in this section.

**Finance Committee.** District staff evaluated water and wastewater rates with its Board's Finance Committee on March 1 and March 15, 2013.

**Board of Directors.** District staff plan presented findings and recommendations from the draft report of the water and wastewater charge study to the Board of Directors at the March 21, 2013 meeting. The Board of Directors approved the start of the notification procedure required by Proposition 218 for the adoption of rate increases.

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## Section 7

# Limitations

This document was prepared solely for the San Lorenzo Valley Water District in accordance with professional standards at the time the services were performed and in accordance with the contract between San Lorenzo Valley Water District and Municipal Financial Services. This document is governed by the specific scope of work authorized by San Lorenzo Valley Water District; it is not intended to be relied upon by any other party. We have relied on information or instructions provided by San Lorenzo Valley Water District and, unless otherwise expressly indicated, have made no independent investigation as to the validity, completeness, or accuracy of such information.

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## **Appendix A: Monthly Water Use - 2010, 2011 and 2012 and Meters as of October 2012**

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Table A-1  
Water Use by Tiers and  
Customer Class, 2010-2012

| USE CODE         | TIER            | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10  | Aug-10 | Sep-10  | Oct-10 | Nov-10 | Dec-10 |
|------------------|-----------------|--------|--------|--------|--------|--------|--------|---------|--------|---------|--------|--------|--------|
| R                | First 10 units  | 25,410 | 21,373 | 24,105 | 22,656 | 25,905 | 23,786 | 28,259  | 25,607 | 28,013  | 25,183 | 26,648 | 22,328 |
| R                | 11 - 40 units   | 13,544 | 6,312  | 8,765  | 8,087  | 15,615 | 13,118 | 36,654  | 22,478 | 36,936  | 19,443 | 25,383 | 8,322  |
| R                | 41 - 100 units  | 1,574  | 654    | 690    | 689    | 1,660  | 1,642  | 11,437  | 5,271  | 12,012  | 3,933  | 4,623  | 987    |
| R                | 101 - 200 units | 336    | 287    | 36     | 187    | 252    | 215    | 1,925   | 958    | 1,788   | 1,189  | 388    | 255    |
| R                | Over 200 units  | 81     | 136    | 19     | 62     | 108    | 83     | 663     | 500    | 495     | 368    | 518    | 138    |
| MR               | First 10 units  | 1,967  | 2,538  | 1,941  | 2,615  | 1,940  | 2,644  | 2,039   | 2,703  | 2,078   | 2,681  | 2,025  | 2,591  |
| MR               | 11 - 40 units   | 2,090  | 2,339  | 1,796  | 2,859  | 2,184  | 3,285  | 3,358   | 4,122  | 3,465   | 3,746  | 2,713  | 2,578  |
| MR               | 41 - 100 units  | 880    | 646    | 681    | 810    | 744    | 1,264  | 1,296   | 1,960  | 1,374   | 1,388  | 922    | 659    |
| MR               | 101 - 200 units | 469    | 183    | 472    | 246    | 479    | 465    | 570     | 756    | 602     | 520    | 678    | 229    |
| MR               | Over 200 units  | 3,946  | 11     | 3,186  | 16     | 4,614  | 76     | 6,502   | 229    | 6,515   | 35     | 5,129  | 166    |
| C                | First 10 units  | 911    | 586    | 934    | 578    | 955    | 614    | 1,029   | 663    | 971     | 650    | 946    | 609    |
| C                | 11 - 40 units   | 1,124  | 657    | 1,033  | 780    | 1,116  | 902    | 1,498   | 1,021  | 1,400   | 958    | 1,201  | 765    |
| C                | 41 - 100 units  | 618    | 372    | 656    | 425    | 837    | 714    | 1,012   | 910    | 983     | 599    | 847    | 422    |
| C                | 101 - 200 units | 305    | 127    | 283    | 216    | 345    | 237    | 885     | 477    | 491     | 334    | 211    | 207    |
| C                | Over 200 units  | 105    |        | 63     | 4      | 107    | 23     | 260     | 378    | 94      | 400    | 48     | 91     |
| I                | First 10 units  | 257    | 122    | 261    | 124    | 291    | 132    | 300     | 136    | 291     | 136    | 294    | 141    |
| I                | 11 - 40 units   | 491    | 166    | 401    | 173    | 517    | 252    | 654     | 280    | 660     | 300    | 601    | 282    |
| I                | 41 - 100 units  | 558    | 282    | 443    | 272    | 607    | 347    | 903     | 447    | 918     | 480    | 764    | 401    |
| I                | 101 - 200 units | 474    | 292    | 422    | 263    | 539    | 425    | 1,231   | 700    | 1,300   | 725    | 876    | 290    |
| I                | Over 200 units  | 439    | 102    | 400    | 33     | 543    | 606    | 5,057   | 1,769  | 5,723   | 1,386  | 2,430  | 267    |
| L                | First 10 units  | 35     | 26     | 27     | 30     | 38     | 30     | 44      | 30     | 40      | 40     | 38     | 40     |
| L                | 11 - 40 units   | 45     | 7      | 37     | 37     | 50     | 48     | 109     | 60     | 94      | 89     | 84     | 52     |
| L                | 41 - 100 units  | 44     |        | 55     | 32     |        | 60     | 71      | 99     | 84      | 87     | 74     | 60     |
| L                | 101 - 200 units |        |        |        |        |        | 100    | 72      | 100    | 25      | 100    | 4      | 100    |
| L                | Over 200 units  |        |        |        |        |        | 698    |         | 1,963  |         | 986    |        | 16     |
| PM               | First 10 units  | 30     | 30     | 30     | 30     | 30     | 30     | 30      | 30     | 30      | 30     | 30     | 10     |
| PM               | 11 - 40 units   | 90     | 90     | 71     | 90     | 63     | 90     | 90      | 90     | 90      | 90     | 90     | 30     |
| PM               | 41 - 100 units  | 126    | 180    | 120    | 180    | 120    | 180    | 180     | 180    | 155     | 180    | 123    | 36     |
| PM               | 101 - 200 units | 200    | 206    | 200    | 239    | 200    | 283    | 272     | 233    | 200     | 293    | 200    | -2     |
| PM               | Over 200 units  | 73     | 536    | 292    | 535    | 196    | 544    | 474     | 1,529  | 716     | 1,291  | 358    | -585   |
| S                | First 10 units  | 22     |        | 1      |        | 5      |        | 19      |        | 27      |        | 44     |        |
| S                | 11 - 40 units   | 6      |        |        |        |        |        | 5       |        |         |        | 27     |        |
| S                | 41 - 100 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| S                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| S                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| O                | First 10 units  | 35     |        | 32     |        | 29     |        | 34      |        | 40      |        | 38     |        |
| O                | 11 - 40 units   | 56     |        | 51     |        | 23     |        | 57      |        | 68      |        | 55     |        |
| O                | 41 - 100 units  | 31     |        | 60     |        |        |        | 25      |        | 33      |        | 2      |        |
| O                | 101 - 200 units |        |        | 8      |        |        |        |         |        |         |        |        |        |
| O                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | First 10 units  |        | 1      |        |        | 8      | 6      | 11      | 13     | 10      | 30     | 5      | 5      |
| V                | 11 - 40 units   |        |        |        |        |        |        |         | 4      |         | 7      |        |        |
| V                | 41 - 100 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| TOTAL            |                 | 56,372 | 38,261 | 47,571 | 42,268 | 60,120 | 52,899 | 107,025 | 75,696 | 107,721 | 67,677 | 78,417 | 41,490 |
| SUMMARY BY CLASS |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| R                |                 | 40,945 | 28,762 | 33,615 | 31,681 | 43,540 | 38,844 | 78,938  | 54,814 | 79,244  | 50,116 | 57,560 | 32,030 |
| MR               |                 | 9,352  | 5,717  | 8,076  | 6,546  | 9,961  | 7,734  | 13,765  | 9,770  | 14,034  | 8,370  | 11,467 | 6,223  |
| C                |                 | 3,063  | 1,742  | 2,969  | 2,003  | 3,360  | 2,490  | 4,684   | 3,449  | 3,939   | 2,941  | 3,253  | 2,094  |
| I                |                 | 2,219  | 964    | 1,927  | 865    | 2,497  | 1,762  | 8,145   | 3,332  | 8,892   | 3,027  | 4,965  | 1,381  |
| L                |                 | 124    | 33     | 119    | 99     | 88     | 936    | 296     | 2,252  | 243     | 1,302  | 200    | 268    |
| PM               |                 | 519    | 1,042  | 713    | 1,074  | 609    | 1,127  | 1,046   | 2,062  | 1,191   | 1,884  | 801    | -511   |
| S                |                 | 28     | 0      | 1      | 0      | 5      | 0      | 24      | 0      | 27      | 0      | 71     | 0      |
| O                |                 | 122    | 0      | 151    | 0      | 52     | 0      | 116     | 0      | 141     | 0      | 95     | 0      |
| V                |                 | 0      | 1      | 0      | 0      | 8      | 6      | 11      | 17     | 10      | 37     | 5      | 5      |
| TOTAL            |                 | 56,372 | 38,261 | 47,571 | 42,268 | 60,120 | 52,899 | 107,025 | 75,696 | 107,721 | 67,677 | 78,417 | 41,490 |
| SUMMARY BY TIER  |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| First 10 units   |                 | 28,667 | 24,676 | 27,331 | 26,033 | 29,201 | 27,242 | 31,765  | 29,182 | 31,500  | 28,750 | 30,068 | 25,724 |
| 11 - 40 units    |                 | 17,446 | 9,571  | 12,154 | 12,026 | 19,568 | 17,695 | 42,425  | 28,055 | 42,713  | 24,633 | 30,154 | 12,029 |
| 41 - 100 units   |                 | 3,831  | 2,134  | 2,705  | 2,028  | 3,968  | 4,207  | 14,924  | 8,867  | 15,559  | 6,667  | 7,355  | 2,565  |
| 101 - 200 units  |                 | 1,784  | 1,095  | 1,421  | 1,151  | 1,815  | 1,725  | 4,955   | 3,224  | 4,406   | 3,161  | 2,357  | 1,079  |
| Over 200 units   |                 | 4,644  | 785    | 3,960  | 650    | 5,568  | 2,030  | 12,956  | 6,368  | 13,543  | 4,466  | 8,483  | 93     |
| TOTAL            |                 | 56,372 | 38,261 | 47,571 | 42,268 | 60,120 | 52,899 | 107,025 | 75,696 | 107,721 | 67,677 | 78,417 | 41,490 |

Table A-1  
Water Use by Tiers and  
Customer Class, 2010-2012

| USE CODE         | TIER            | Jan-11 | Feb-11 | Mar-11 | Apr-11 | May-11 | Jun-11 | Jul-11 | Aug-11 | Sep-11  | Oct-11 | Nov-11 | Dec-11 |
|------------------|-----------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|
| R                | First 10 units  | 25,422 | 22,157 | 24,598 | 22,253 | 26,308 | 23,715 | 27,939 | 25,371 | 28,164  | 24,893 | 26,313 | 22,422 |
| R                | 11 - 40 units   | 12,151 | 7,492  | 10,020 | 7,623  | 17,007 | 12,574 | 32,188 | 20,736 | 36,101  | 17,189 | 20,630 | 8,162  |
| R                | 41 - 100 units  | 1,126  | 988    | 1,031  | 632    | 2,025  | 1,538  | 8,406  | 4,368  | 11,403  | 3,490  | 3,176  | 981    |
| R                | 101 - 200 units | 118    | 353    | 225    | 358    | 541    | 339    | 1,470  | 561    | 1,564   | 779    | 488    | 156    |
| R                | Over 200 units  | 98     | 54     | 38     | 229    | 414    | 65     | 554    | 137    | 828     | 98     | 151    |        |
| MR               | First 10 units  | 1,963  | 2,564  | 1,935  | 2,581  | 1,947  | 2,638  | 2,021  | 2,715  | 2,011   | 2,668  | 1,976  | 2,571  |
| MR               | 11 - 40 units   | 2,225  | 2,771  | 1,868  | 2,849  | 2,243  | 3,346  | 3,188  | 4,154  | 3,373   | 3,603  | 2,375  | 2,704  |
| MR               | 41 - 100 units  | 758    | 832    | 664    | 959    | 734    | 1,354  | 1,269  | 1,928  | 1,371   | 1,410  | 772    | 944    |
| MR               | 101 - 200 units | 516    | 277    | 458    | 248    | 456    | 462    | 524    | 775    | 601     | 673    | 445    | 542    |
| MR               | Over 200 units  | 4,529  | 703    | 3,494  | 65     | 4,670  | 41     | 6,512  | 403    | 6,918   | 99     | 4,512  | 36     |
| C                | First 10 units  | 920    | 600    | 926    | 622    | 956    | 643    | 1,007  | 703    | 1,020   | 639    | 984    | 608    |
| C                | 11 - 40 units   | 1,122  | 790    | 1,098  | 864    | 1,167  | 957    | 1,395  | 1,161  | 1,477   | 1,015  | 1,190  | 862    |
| C                | 41 - 100 units  | 734    | 427    | 667    | 573    | 837    | 711    | 1,022  | 966    | 1,037   | 688    | 898    | 455    |
| C                | 101 - 200 units | 190    | 204    | 144    | 193    | 297    | 290    | 673    | 519    | 668     | 336    | 469    | 132    |
| C                | Over 200 units  | 53     |        | 21     |        | 40     | 35     | 246    | 415    | 257     | 185    | 27     |        |
| I                | First 10 units  | 265    | 137    | 261    | 144    | 279    | 138    | 288    | 145    | 289     | 135    | 280    | 138    |
| I                | 11 - 40 units   | 427    | 247    | 425    | 248    | 547    | 280    | 639    | 327    | 620     | 313    | 541    | 281    |
| I                | 41 - 100 units  | 510    | 325    | 471    | 385    | 699    | 431    | 925    | 543    | 873     | 550    | 680    | 471    |
| I                | 101 - 200 units | 613    | 277    | 519    | 215    | 923    | 603    | 1,184  | 804    | 1,300   | 732    | 813    | 361    |
| I                | Over 200 units  | 992    | 431    | 605    | 174    | 1,582  | 594    | 5,366  | 1,648  | 5,973   | 1,584  | 2,023  | 51     |
| L                | First 10 units  | 21     | 39     | 30     | 40     | 40     | 40     | 40     | 40     | 32      | 30     | 30     | 31     |
| L                | 11 - 40 units   | 44     | 62     | 44     | 50     | 59     | 97     | 97     | 95     | 90      | 60     | 55     | 43     |
| L                | 41 - 100 units  | 5      | 120    | 46     | 60     | 60     | 168    | 67     | 143    | 95      | 120    |        | 60     |
| L                | 101 - 200 units |        | 38     |        | 100    | 29     | 110    |        | 146    | 94      | 116    |        | 22     |
| L                | Over 200 units  |        |        |        | 36     |        | 809    |        | 1,650  |         | 641    |        |        |
| PM               | First 10 units  | 30     | 30     | 30     | 30     | 30     | 30     | 30     | 30     | 30      | 30     | 30     | 30     |
| PM               | 11 - 40 units   | 90     | 90     | 85     | 90     | 86     | 90     | 90     | 90     | 90      | 90     | 90     | 90     |
| PM               | 41 - 100 units  | 124    | 155    | 120    | 147    | 120    | 160    | 142    | 180    | 169     | 180    | 120    | 157    |
| PM               | 101 - 200 units | 200    | 165    | 200    | 125    | 200    | 200    | 200    | 245    | 200     | 221    | 200    | 161    |
| PM               | Over 200 units  | 263    | 379    | 126    |        | 190    | 777    | 531    | 2,066  | 530     | 1,085  | 180    | 325    |
| S                | First 10 units  | 8      |        | 5      |        | 17     |        | 27     |        | 35      |        | 30     |        |
| S                | 11 - 40 units   |        |        |        |        |        |        | 9      |        | 8       |        | 7      |        |
| S                | 41 - 100 units  |        |        |        |        |        |        |        |        |         |        |        |        |
| S                | 101 - 200 units |        |        |        |        |        |        |        |        |         |        |        |        |
| S                | Over 200 units  |        |        |        |        |        |        |        |        |         |        |        |        |
| O                | First 10 units  | 30     |        | 29     |        | 29     |        | 36     |        | 40      |        | 40     |        |
| O                | 11 - 40 units   | 26     |        | 16     |        | 24     |        | 56     |        | 60      |        | 55     |        |
| O                | 41 - 100 units  |        |        |        |        |        |        | 6      |        |         |        |        |        |
| O                | 101 - 200 units |        |        |        |        |        |        |        |        |         |        |        |        |
| O                | Over 200 units  |        |        |        |        |        |        |        |        |         |        |        |        |
| V                | First 10 units  | 1      | 2      |        | 2      | 2      | 2      | 6      | 12     | 7       | 9      | 3      | 3      |
| V                | 11 - 40 units   |        |        |        |        |        |        |        |        |         |        |        |        |
| V                | 41 - 100 units  |        |        |        |        |        |        |        |        |         |        |        |        |
| V                | 101 - 200 units |        |        |        |        |        |        |        |        |         |        |        |        |
| V                | Over 200 units  |        |        |        |        |        |        |        |        |         |        |        |        |
| TOTAL            |                 | 55,574 | 42,709 | 50,199 | 41,895 | 64,558 | 53,237 | 98,153 | 73,076 | 107,328 | 63,661 | 69,583 | 42,799 |
| SUMMARY BY CLASS |                 |        |        |        |        |        |        |        |        |         |        |        |        |
| R                |                 | 38,915 | 31,044 | 35,912 | 31,095 | 46,295 | 38,231 | 70,557 | 51,173 | 78,060  | 46,449 | 50,758 | 31,721 |
| MR               |                 | 9,991  | 7,147  | 8,419  | 6,702  | 10,050 | 7,841  | 13,514 | 9,975  | 14,274  | 8,453  | 10,080 | 6,797  |
| C                |                 | 3,019  | 2,021  | 2,856  | 2,252  | 3,297  | 2,636  | 4,343  | 3,764  | 4,459   | 2,863  | 3,568  | 2,057  |
| I                |                 | 2,807  | 1,417  | 2,281  | 1,166  | 4,030  | 2,046  | 8,402  | 3,467  | 9,055   | 3,314  | 4,337  | 1,302  |
| L                |                 | 70     | 259    | 120    | 286    | 188    | 1,224  | 204    | 2,074  | 311     | 967    | 85     | 156    |
| PM               |                 | 707    | 819    | 561    | 392    | 626    | 1,257  | 993    | 2,611  | 1,019   | 1,606  | 620    | 763    |
| S                |                 | 8      | 0      | 5      | 0      | 17     | 0      | 36     | 0      | 43      | 0      | 37     | 0      |
| O                |                 | 56     | 0      | 45     | 0      | 53     | 0      | 98     | 0      | 100     | 0      | 95     | 0      |
| V                |                 | 1      | 2      | 0      | 2      | 2      | 2      | 6      | 12     | 7       | 9      | 3      | 3      |
| TOTAL            |                 | 55,574 | 42,709 | 50,199 | 41,895 | 64,558 | 53,237 | 98,153 | 73,076 | 107,328 | 63,661 | 69,583 | 42,799 |
| SUMMARY BY TIER  |                 |        |        |        |        |        |        |        |        |         |        |        |        |
| First 10 units   |                 | 28,660 | 25,529 | 27,814 | 25,672 | 29,608 | 27,206 | 31,394 | 29,016 | 31,628  | 28,404 | 29,686 | 25,803 |
| 11 - 40 units    |                 | 16,085 | 11,452 | 13,556 | 11,724 | 21,133 | 17,344 | 37,662 | 26,563 | 41,819  | 22,270 | 24,943 | 12,142 |
| 41 - 100 units   |                 | 3,257  | 2,847  | 2,999  | 2,756  | 4,475  | 4,362  | 11,837 | 8,128  | 14,948  | 6,438  | 5,646  | 3,068  |
| 101 - 200 units  |                 | 1,637  | 1,314  | 1,546  | 1,239  | 2,446  | 2,004  | 4,051  | 3,050  | 4,427   | 2,857  | 2,415  | 1,374  |
| Over 200 units   |                 | 5,935  | 1,567  | 4,284  | 504    | 6,896  | 2,321  | 13,209 | 6,319  | 14,506  | 3,692  | 6,893  | 412    |
| TOTAL            |                 | 55,574 | 42,709 | 50,199 | 41,895 | 64,558 | 53,237 | 98,153 | 73,076 | 107,328 | 63,661 | 69,583 | 42,799 |



Table A-1  
Water Use by Tiers and  
Customer Class, 2010-2012

| USE CODE         | TIER            | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | Jul-12  | Aug-12 | Sep-12  | Oct-12 | Nov-12 | Dec-12 |
|------------------|-----------------|--------|--------|--------|--------|--------|--------|---------|--------|---------|--------|--------|--------|
| R                | First 10 units  | 26,131 | 22,686 | 25,187 | 21,602 | 26,169 | 24,539 | 28,452  | 25,239 | 28,211  | 24,754 | 27,225 | 22,066 |
| R                | 11 - 40 units   | 15,314 | 8,587  | 12,425 | 6,334  | 15,860 | 16,277 | 38,911  | 21,747 | 37,048  | 18,362 | 25,909 | 7,715  |
| R                | 41 - 100 units  | 1,987  | 898    | 1,075  | 575    | 1,401  | 2,600  | 12,985  | 6,100  | 11,950  | 4,005  | 5,505  | 852    |
| R                | 101 - 200 units | 646    | 355    | 375    | 263    | 296    | 110    | 2,300   | 1,112  | 1,652   | 514    | 817    | 241    |
| R                | Over 200 units  | 732    | 45     | 57     | 73     | 368    | 142    | 1,217   | 412    | 1,367   | 92     | 644    |        |
| MR               | First 10 units  | 1,955  | 2,604  | 1,923  | 2,558  | 1,931  | 2,683  | 2,012   | 2,726  | 1,987   | 2,668  | 1,983  | 2,574  |
| MR               | 11 - 40 units   | 2,301  | 2,977  | 1,979  | 2,675  | 2,109  | 3,805  | 3,544   | 4,214  | 3,283   | 3,812  | 2,705  | 2,629  |
| MR               | 41 - 100 units  | 837    | 1,176  | 749    | 865    | 707    | 1,834  | 1,484   | 2,110  | 1,416   | 1,594  | 953    | 903    |
| MR               | 101 - 200 units | 495    | 427    | 444    | 260    | 458    | 822    | 665     | 862    | 862     | 565    | 459    | 239    |
| MR               | Over 200 units  | 5,200  | 160    | 3,900  | 127    | 4,766  | 437    | 8,726   | 345    | 8,226   | 125    | 7,128  |        |
| C                | First 10 units  | 924    | 613    | 927    | 587    | 949    | 654    | 1,001   | 687    | 987     | 675    | 999    | 611    |
| C                | 11 - 40 units   | 1,070  | 884    | 982    | 735    | 1,103  | 964    | 1,470   | 1,110  | 1,371   | 1,117  | 1,321  | 734    |
| C                | 41 - 100 units  | 727    | 590    | 736    | 466    | 875    | 704    | 1,116   | 789    | 964     | 799    | 917    | 395    |
| C                | 101 - 200 units | 281    | 170    | 236    | 109    | 427    | 401    | 734     | 538    | 670     | 445    | 477    | 230    |
| C                | Over 200 units  | 40     |        | 16     |        | 35     | 7      | 281     | 75     | 78      | 203    | 28     | 311    |
| I                | First 10 units  | 266    | 135    | 269    | 131    | 275    | 123    | 293     | 127    | 294     | 127    | 294    | 135    |
| I                | 11 - 40 units   | 465    | 276    | 477    | 232    | 516    | 296    | 615     | 302    | 640     | 306    | 582    | 313    |
| I                | 41 - 100 units  | 547    | 370    | 541    | 360    | 561    | 461    | 898     | 489    | 900     | 489    | 792    | 437    |
| I                | 101 - 200 units | 712    | 253    | 659    | 293    | 651    | 700    | 1,274   | 712    | 1,279   | 716    | 910    | 406    |
| I                | Over 200 units  | 1,444  | 76     | 942    | 14     | 1,597  | 1,098  | 7,801   | 2,682  | 6,014   | 1,397  | 2,242  | 375    |
| L                | First 10 units  | 30     | 30     | 30     | 40     | 30     | 40     | 30      | 37     | 30      | 30     | 30     | 21     |
| L                | 11 - 40 units   | 45     | 67     | 49     | 84     | 71     | 94     | 90      | 70     | 90      | 61     | 86     | 8      |
| L                | 41 - 100 units  | 2      | 31     | 51     | 120    | 20     | 180    | 112     | 120    | 91      | 120    | 76     |        |
| L                | 101 - 200 units |        |        |        | 92     |        | 230    | 17      | 179    |         | 124    |        |        |
| L                | Over 200 units  |        |        |        |        |        | 1,471  |         | 1,648  |         | 743    |        |        |
| PM               | First 10 units  | 30     | 30     | 30     | 30     | 30     | 30     | 30      | 30     | 30      | 20     | 30     | 30     |
| PM               | 11 - 40 units   | 90     | 90     | 85     | 90     | 90     | 90     | 90      | 90     | 90      | 60     | 90     | 90     |
| PM               | 41 - 100 units  | 121    | 158    | 120    | 142    | 130    | 178    | 180     | 180    | 162     | 120    | 134    | 86     |
| PM               | 101 - 200 units | 200    | 151    | 197    | 143    | 200    | 200    | 205     | 201    | 200     | 108    | 200    | 83     |
| PM               | Over 200 units  | 61     | 302    | 76     | 273    | 184    | 850    | 531     | 243    | 391     | 104    | 206    |        |
| S                | First 10 units  | 26     |        | 12     |        | 14     |        | 25      |        | 39      |        | 51     |        |
| S                | 11 - 40 units   | 15     |        |        |        |        |        | 20      |        | 69      |        | 62     |        |
| S                | 41 - 100 units  |        |        |        |        |        |        |         |        | 69      |        | 10     |        |
| S                | 101 - 200 units |        |        |        |        |        |        |         |        | 22      |        |        |        |
| S                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| O                | First 10 units  | 36     |        | 34     |        | 39     |        | 40      |        | 37      |        | 36     |        |
| O                | 11 - 40 units   | 20     |        | 23     |        | 27     |        | 81      |        | 80      |        | 52     |        |
| O                | 41 - 100 units  |        |        |        |        |        |        | 5       |        | 6       |        | 8      |        |
| O                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| O                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | First 10 units  | 1      | 3      |        | 2      | 2      | 9      | 4       | 28     | 8       | 17     | 2      | 5      |
| V                | 11 - 40 units   |        |        |        |        |        |        |         | 4      |         |        |        |        |
| V                | 41 - 100 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| TOTAL            |                 | 62,751 | 44,144 | 54,606 | 39,275 | 61,891 | 62,029 | 117,239 | 75,208 | 110,613 | 64,272 | 82,963 | 41,489 |
| SUMMARY BY CLASS |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| R                |                 | 44,810 | 32,571 | 39,119 | 28,847 | 44,094 | 43,668 | 83,865  | 54,610 | 80,228  | 47,727 | 60,100 | 30,874 |
| MR               |                 | 10,788 | 7,344  | 8,995  | 6,485  | 9,971  | 9,581  | 16,431  | 10,257 | 15,774  | 8,764  | 13,228 | 6,345  |
| C                |                 | 3,042  | 2,257  | 2,897  | 1,897  | 3,389  | 2,730  | 4,602   | 3,199  | 4,070   | 3,239  | 3,742  | 2,281  |
| I                |                 | 3,434  | 1,110  | 2,888  | 1,030  | 3,600  | 2,678  | 10,881  | 4,312  | 9,127   | 3,035  | 4,820  | 1,666  |
| L                |                 | 77     | 128    | 130    | 336    | 121    | 2,015  | 249     | 2,054  | 211     | 1,078  | 192    | 29     |
| PM               |                 | 502    | 731    | 508    | 678    | 634    | 1,348  | 1,036   | 744    | 873     | 412    | 660    | 289    |
| S                |                 | 41     | 0      | 12     | 0      | 14     | 0      | 45      | 0      | 199     | 0      | 123    | 0      |
| O                |                 | 56     | 0      | 57     | 0      | 66     | 0      | 126     | 0      | 123     | 0      | 96     | 0      |
| V                |                 | 1      | 3      | 0      | 2      | 2      | 9      | 4       | 32     | 8       | 17     | 2      | 5      |
| TOTAL            |                 | 62,751 | 44,144 | 54,606 | 39,275 | 61,891 | 62,029 | 117,239 | 75,208 | 110,613 | 64,272 | 82,963 | 41,489 |
| SUMMARY BY TIER  |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| First 10 units   |                 | 29,399 | 26,101 | 28,412 | 24,950 | 29,439 | 28,078 | 31,887  | 28,874 | 31,623  | 28,291 | 30,650 | 25,442 |
| 11 - 40 units    |                 | 19,320 | 12,881 | 16,020 | 10,150 | 19,776 | 21,526 | 44,821  | 27,537 | 42,671  | 23,718 | 30,807 | 11,489 |
| 41 - 100 units   |                 | 4,221  | 3,223  | 3,272  | 2,528  | 3,694  | 5,957  | 16,780  | 9,788  | 15,558  | 7,127  | 8,395  | 2,673  |
| 101 - 200 units  |                 | 2,334  | 1,356  | 1,911  | 1,160  | 2,032  | 2,463  | 5,195   | 3,604  | 4,685   | 2,472  | 2,863  | 1,199  |
| Over 200 units   |                 | 7,477  | 583    | 4,991  | 487    | 6,950  | 4,005  | 18,556  | 5,405  | 16,076  | 2,664  | 10,248 | 686    |
| TOTAL            |                 | 62,751 | 44,144 | 54,606 | 39,275 | 61,891 | 62,029 | 117,239 | 75,208 | 110,613 | 64,272 | 82,963 | 41,489 |

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Table A-2  
Water Use by Tiers and  
Customer Class, 2010-2012

| USE CODE         | TIER            | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10  | Aug-10 | Sep-10  | Oct-10 | Nov-10 | Dec-10 |
|------------------|-----------------|--------|--------|--------|--------|--------|--------|---------|--------|---------|--------|--------|--------|
| R                | First 8 units   | 21,590 | 18,881 | 20,872 | 19,701 | 21,923 | 20,379 | 23,247  | 21,472 | 23,051  | 21,260 | 22,276 | 19,484 |
| R                | 9 - 30 units    | 16,197 | 8,378  | 11,419 | 10,521 | 18,159 | 15,204 | 34,830  | 23,233 | 34,780  | 20,696 | 26,016 | 10,425 |
| R                | 31 - 100 units  | 2,695  | 1,064  | 1,239  | 1,200  | 3,086  | 2,963  | 18,265  | 8,639  | 19,096  | 6,603  | 8,344  | 1,708  |
| R                | 101 - 200 units | 336    | 287    | 36     | 187    | 252    | 215    | 1,925   | 958    | 1,788   | 1,189  | 388    | 255    |
| R                | Over 200 units  | 81     | 136    | 19     | 62     | 108    | 83     | 663     | 500    | 495     | 368    | 518    | 138    |
| MR               | First 8 units   | 1,619  | 2,119  | 1,611  | 2,163  | 1,589  | 2,179  | 1,650   | 2,211  | 1,678   | 2,201  | 1,650  | 2,149  |
| MR               | 9 - 30 units    | 2,058  | 2,420  | 1,866  | 2,834  | 2,210  | 3,163  | 3,087   | 3,785  | 3,144   | 3,507  | 2,630  | 2,627  |
| MR               | 31 - 100 units  | 1,260  | 984    | 941    | 1,287  | 1,069  | 1,851  | 1,956   | 2,789  | 2,095   | 2,107  | 1,380  | 1,052  |
| MR               | 101 - 200 units | 469    | 183    | 472    | 246    | 479    | 465    | 570     | 756    | 602     | 520    | 678    | 229    |
| MR               | Over 200 units  | 3,946  | 11     | 3,186  | 16     | 4,614  | 76     | 6,502   | 229    | 6,515   | 35     | 5,129  | 166    |
| C                | First 8 units   | 771    | 500    | 789    | 489    | 807    | 518    | 852     | 550    | 797     | 542    | 791    | 518    |
| C                | 9 - 30 units    | 995    | 621    | 973    | 691    | 1,026  | 787    | 1,332   | 887    | 1,253   | 841    | 1,099  | 687    |
| C                | 31 - 100 units  | 887    | 494    | 861    | 603    | 1,075  | 925    | 1,351   | 1,157  | 1,296   | 824    | 1,104  | 591    |
| C                | 101 - 200 units | 305    | 127    | 283    | 216    | 345    | 237    | 885     | 477    | 491     | 334    | 211    | 207    |
| C                | Over 200 units  | 105    |        | 63     | 4      | 107    | 23     | 260     | 378    | 94      | 400    | 48     | 91     |
| I                | First 8 units   | 257    | 122    | 261    | 124    | 291    | 132    | 300     | 136    | 291     | 136    | 294    | 141    |
| I                | 9 - 30 units    | 491    | 166    | 401    | 173    | 517    | 252    | 654     | 280    | 660     | 300    | 601    | 282    |
| I                | 31 - 100 units  | 558    | 282    | 443    | 272    | 607    | 347    | 903     | 447    | 918     | 480    | 764    | 401    |
| I                | 101 - 200 units | 474    | 292    | 422    | 263    | 539    | 425    | 1,231   | 700    | 1,300   | 725    | 876    | 290    |
| I                | Over 200 units  | 439    | 102    | 400    | 33     | 543    | 606    | 5,057   | 1,769  | 5,723   | 1,386  | 2,430  | 267    |
| L                | First 8 units   | 29     | 23     | 23     | 25     | 32     | 24     | 36      | 24     | 32      | 32     | 32     | 32     |
| L                | 9 - 30 units    | 41     | 10     | 31     | 32     | 48     | 44     | 87      | 46     | 74      | 68     | 66     | 50     |
| L                | 31 - 100 units  | 54     |        | 65     | 42     | 8      | 70     | 101     | 119    | 112     | 116    | 98     | 70     |
| L                | 101 - 200 units |        |        |        |        |        | 100    | 72      | 100    | 25      | 100    | 4      | 100    |
| L                | Over 200 units  |        |        |        |        |        | 698    |         | 1,963  |         | 986    |        | 16     |
| PM               | First 8 units   | 24     | 24     | 24     | 24     | 24     | 24     | 24      | 24     | 24      | 24     | 24     | 8      |
| PM               | 9 - 30 units    | 66     | 66     | 57     | 66     | 49     | 66     | 66      | 66     | 66      | 66     | 66     | 22     |
| PM               | 31 - 100 units  | 156    | 210    | 140    | 210    | 140    | 210    | 210     | 210    | 185     | 210    | 153    | 46     |
| PM               | 101 - 200 units | 200    | 206    | 200    | 239    | 200    | 283    | 272     | 233    | 200     | 293    | 200    | -2     |
| PM               | Over 200 units  | 73     | 536    | 292    | 535    | 196    | 544    | 474     | 1,529  | 716     | 1,291  | 358    | -585   |
| S                | First 8 units   | 18     |        | 1      |        | 5      |        | 17      |        | 25      |        | 38     |        |
| S                | 9 - 30 units    | 10     |        |        |        |        |        | 7       |        | 2       |        | 33     |        |
| S                | 31 - 100 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| S                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| S                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| O                | First 8 units   | 29     |        | 26     |        | 25     |        | 28      |        | 32      |        | 32     |        |
| O                | 9 - 30 units    | 52     |        | 47     |        | 27     |        | 53      |        | 66      |        | 51     |        |
| O                | 31 - 100 units  | 41     |        | 70     |        |        |        | 35      |        | 43      |        | 12     |        |
| O                | 101 - 200 units |        |        | 8      |        |        |        |         |        |         |        |        |        |
| O                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | First 8 units   |        | 1      |        |        | 8      | 6      | 11      | 11     | 10      | 25     | 5      | 5      |
| V                | 9 - 30 units    |        |        |        |        |        |        |         | 6      |         | 12     |        |        |
| V                | 31 - 100 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| TOTAL            |                 | 56,326 | 38,245 | 47,541 | 42,258 | 60,108 | 52,899 | 107,013 | 75,684 | 107,679 | 67,677 | 78,399 | 41,470 |
| SUMMARY BY CLASS |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| R                |                 | 40,899 | 28,746 | 33,585 | 31,671 | 43,528 | 38,844 | 78,930  | 54,802 | 79,210  | 50,116 | 57,542 | 32,010 |
| MR               |                 | 9,352  | 5,717  | 8,076  | 6,546  | 9,961  | 7,734  | 13,765  | 9,770  | 14,034  | 8,370  | 11,467 | 6,223  |
| C                |                 | 3,063  | 1,742  | 2,969  | 2,003  | 3,360  | 2,490  | 4,680   | 3,449  | 3,931   | 2,941  | 3,253  | 2,094  |
| I                |                 | 2,219  | 964    | 1,927  | 865    | 2,497  | 1,762  | 8,145   | 3,332  | 8,892   | 3,027  | 4,965  | 1,381  |
| L                |                 | 124    | 33     | 119    | 99     | 88     | 936    | 296     | 2,252  | 243     | 1,302  | 200    | 268    |
| PM               |                 | 519    | 1,042  | 713    | 1,074  | 609    | 1,127  | 1,046   | 2,062  | 1,191   | 1,884  | 801    | -511   |
| S                |                 | 28     | 0      | 1      | 0      | 5      | 0      | 24      | 0      | 27      | 0      | 71     | 0      |
| O                |                 | 122    | 0      | 151    | 0      | 52     | 0      | 116     | 0      | 141     | 0      | 95     | 0      |
| V                |                 | 0      | 1      | 0      | 0      | 8      | 6      | 11      | 17     | 10      | 37     | 5      | 5      |
| TOTAL            |                 | 56,326 | 38,245 | 47,541 | 42,258 | 60,108 | 52,899 | 107,013 | 75,684 | 107,679 | 67,677 | 78,399 | 41,470 |
| SUMMARY BY TIER  |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| First 8 units    |                 | 24,337 | 21,670 | 23,607 | 22,526 | 24,704 | 23,262 | 26,165  | 24,428 | 25,940  | 24,220 | 25,142 | 22,337 |
| 9 - 30 units     |                 | 19,910 | 11,661 | 14,794 | 14,317 | 22,036 | 19,516 | 40,116  | 28,303 | 40,045  | 25,490 | 30,562 | 14,093 |
| 31 - 100 units   |                 | 5,651  | 3,034  | 3,759  | 3,614  | 5,985  | 6,366  | 22,821  | 13,361 | 23,745  | 10,340 | 11,855 | 3,868  |
| 101 - 200 units  |                 | 1,784  | 1,095  | 1,421  | 1,151  | 1,815  | 1,725  | 4,955   | 3,224  | 4,406   | 3,161  | 2,357  | 1,079  |
| Over 200 units   |                 | 4,644  | 785    | 3,960  | 650    | 5,568  | 2,030  | 12,956  | 6,368  | 13,543  | 4,466  | 8,483  | 93     |
| TOTAL            |                 | 56,326 | 38,245 | 47,541 | 42,258 | 60,108 | 52,899 | 107,013 | 75,684 | 107,679 | 67,677 | 78,399 | 41,470 |

Table A-2  
Water Use by Tiers and  
Customer Class, 2010-2012

| USE CODE                | TIER            | Jan-11        | Feb-11        | Mar-11        | Apr-11        | May-11        | Jun-11        | Jul-11        | Aug-11        | Sep-11         | Oct-11        | Nov-11        | Dec-11        |
|-------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
| R                       | First 8 units   | 21,674        | 19,372        | 21,183        | 19,436        | 22,184        | 20,370        | 23,111        | 21,398        | 23,199         | 21,107        | 22,204        | 19,622        |
| R                       | 9 - 30 units    | 14,866        | 9,785         | 12,691        | 9,889         | 19,487        | 14,585        | 31,476        | 21,712        | 34,331         | 18,668        | 22,082        | 10,255        |
| R                       | 31 - 100 units  | 2,107         | 1,480         | 1,739         | 1,163         | 3,649         | 2,866         | 13,946        | 7,359         | 18,132         | 5,777         | 5,833         | 1,688         |
| R                       | 101 - 200 units | 118           | 353           | 225           | 358           | 541           | 339           | 1,470         | 561           | 1,564          | 779           | 488           | 156           |
| R                       | Over 200 units  | 98            | 54            | 38            | 229           | 414           | 65            | 554           | 137           | 828            | 98            | 151           |               |
| MR                      | First 8 units   | 1,606         | 2,115         | 1,602         | 2,127         | 1,603         | 2,175         | 1,636         | 2,218         | 1,635          | 2,181         | 1,620         | 2,136         |
| MR                      | 9 - 30 units    | 2,210         | 2,738         | 1,923         | 2,811         | 2,270         | 3,172         | 2,970         | 3,779         | 3,099          | 3,381         | 2,311         | 2,669         |
| MR                      | 31 - 100 units  | 1,130         | 1,314         | 942           | 1,451         | 1,051         | 1,991         | 1,872         | 2,800         | 2,021          | 2,119         | 1,192         | 1,414         |
| MR                      | 101 - 200 units | 516           | 277           | 458           | 248           | 456           | 462           | 524           | 775           | 601            | 673           | 445           | 542           |
| MR                      | Over 200 units  | 4,529         | 703           | 3,494         | 65            | 4,670         | 41            | 6,512         | 403           | 6,918          | 99            | 4,512         | 36            |
| C                       | First 8 units   | 782           | 510           | 782           | 529           | 804           | 539           | 835           | 584           | 848            | 536           | 820           | 519           |
| C                       | 9 - 30 units    | 1,006         | 709           | 996           | 761           | 1,040         | 828           | 1,237         | 982           | 1,294          | 867           | 1,081         | 744           |
| C                       | 31 - 100 units  | 988           | 598           | 913           | 769           | 1,116         | 944           | 1,352         | 1,262         | 1,392          | 939           | 1,171         | 662           |
| C                       | 101 - 200 units | 190           | 204           | 144           | 193           | 297           | 290           | 673           | 519           | 668            | 336           | 469           | 132           |
| C                       | Over 200 units  | 53            |               | 21            |               | 40            | 35            | 246           | 415           | 257            | 185           | 27            |               |
| I                       | First 8 units   | 265           | 137           | 261           | 144           | 279           | 138           | 288           | 145           | 289            | 135           | 280           | 138           |
| I                       | 9 - 30 units    | 427           | 247           | 425           | 248           | 547           | 280           | 639           | 327           | 620            | 313           | 541           | 281           |
| I                       | 31 - 100 units  | 510           | 325           | 471           | 385           | 699           | 431           | 925           | 543           | 873            | 550           | 680           | 471           |
| I                       | 101 - 200 units | 613           | 277           | 519           | 215           | 923           | 603           | 1,184         | 804           | 1,300          | 732           | 813           | 361           |
| I                       | Over 200 units  | 992           | 431           | 605           | 174           | 1,582         | 594           | 5,366         | 1,648         | 5,973          | 1,584         | 2,023         | 51            |
| L                       | First 8 units   | 17            | 32            | 24            | 32            | 32            | 32            | 32            | 32            | 26             | 24            | 24            | 25            |
| L                       | 9 - 30 units    | 38            | 49            | 40            | 48            | 57            | 75            | 75            | 73            | 66             | 46            | 56            | 39            |
| L                       | 31 - 100 units  | 15            | 140           | 56            | 70            | 70            | 198           | 97            | 173           | 125            | 140           | 5             | 70            |
| L                       | 101 - 200 units |               | 38            |               | 100           | 29            | 110           |               | 146           | 94             | 116           |               | 22            |
| L                       | Over 200 units  |               |               |               | 36            |               | 809           |               | 1,650         |                | 641           |               |               |
| PM                      | First 8 units   | 24            | 24            | 24            | 24            | 24            | 24            | 24            | 24            | 24             | 24            | 24            | 24            |
| PM                      | 9 - 30 units    | 66            | 66            | 66            | 66            | 66            | 66            | 66            | 66            | 66             | 66            | 66            | 66            |
| PM                      | 31 - 100 units  | 154           | 185           | 145           | 177           | 146           | 190           | 172           | 210           | 199            | 210           | 150           | 187           |
| PM                      | 101 - 200 units | 200           | 165           | 200           | 125           | 200           | 200           | 200           | 245           | 200            | 221           | 200           | 161           |
| PM                      | Over 200 units  | 263           | 379           | 126           | 547           | 190           | 777           | 531           | 2,066         | 530            | 1,085         | 180           | 325           |
| S                       | First 8 units   | 8             |               | 5             |               | 17            |               | 25            |               | 31             |               | 28            |               |
| S                       | 9 - 30 units    |               |               |               |               |               |               | 11            |               | 12             |               | 9             |               |
| S                       | 31 - 100 units  |               |               |               |               |               |               |               |               |                |               |               |               |
| S                       | 101 - 200 units |               |               |               |               |               |               |               |               |                |               |               |               |
| S                       | Over 200 units  |               |               |               |               |               |               |               |               |                |               |               |               |
| O                       | First 8 units   | 26            |               | 25            |               | 25            |               | 30            |               | 32             |               | 32            |               |
| O                       | 9 - 30 units    | 29            |               | 20            |               | 28            |               | 52            |               | 59             |               | 63            |               |
| O                       | 31 - 100 units  | 1             |               |               |               |               |               | 16            |               | 9              |               |               |               |
| O                       | 101 - 200 units |               |               |               |               |               |               |               |               |                |               |               |               |
| O                       | Over 200 units  |               |               |               |               |               |               |               |               |                |               |               |               |
| V                       | First 8 units   | 1             | 2             |               | 2             | 2             | 2             | 6             | 11            | 7              | 9             | 3             | 3             |
| V                       | 9 - 30 units    |               |               |               |               |               |               |               |               |                |               |               |               |
| V                       | 31 - 100 units  |               |               |               |               |               |               |               |               |                |               |               |               |
| V                       | 101 - 200 units |               |               |               |               |               |               |               |               |                |               |               |               |
| V                       | Over 200 units  |               |               |               |               |               |               |               |               |                |               |               |               |
| <b>TOTAL</b>            |                 | <b>55,522</b> | <b>42,709</b> | <b>50,163</b> | <b>42,422</b> | <b>64,538</b> | <b>53,231</b> | <b>98,153</b> | <b>73,067</b> | <b>107,322</b> | <b>63,641</b> | <b>69,583</b> | <b>42,799</b> |
| <b>SUMMARY BY CLASS</b> |                 |               |               |               |               |               |               |               |               |                |               |               |               |
| R                       |                 | 38,863        | 31,044        | 35,876        | 31,075        | 46,275        | 38,225        | 70,557        | 51,167        | 78,054         | 46,429        | 50,758        | 31,721        |
| MR                      |                 | 9,991         | 7,147         | 8,419         | 6,702         | 10,050        | 7,841         | 13,514        | 9,975         | 14,274         | 8,453         | 10,080        | 6,797         |
| C                       |                 | 3,019         | 2,021         | 2,856         | 2,252         | 3,297         | 2,636         | 4,343         | 3,762         | 4,459          | 2,863         | 3,568         | 2,057         |
| I                       |                 | 2,807         | 1,417         | 2,281         | 1,166         | 4,030         | 2,046         | 8,402         | 3,467         | 9,055          | 3,314         | 4,337         | 1,302         |
| L                       |                 | 70            | 259           | 120           | 286           | 188           | 1,224         | 204           | 2,074         | 311            | 967           | 85            | 156           |
| PM                      |                 | 707           | 819           | 561           | 939           | 626           | 1,257         | 993           | 2,611         | 1,019          | 1,606         | 620           | 763           |
| S                       |                 | 8             | 0             | 5             | 0             | 17            | 0             | 36            | 0             | 43             | 0             | 37            | 0             |
| O                       |                 | 56            | 0             | 45            | 0             | 53            | 0             | 98            | 0             | 100            | 0             | 95            | 0             |
| V                       |                 | 1             | 2             | 0             | 2             | 2             | 2             | 6             | 11            | 7              | 9             | 3             | 3             |
| <b>TOTAL</b>            |                 | <b>55,522</b> | <b>42,709</b> | <b>50,163</b> | <b>42,422</b> | <b>64,538</b> | <b>53,231</b> | <b>98,153</b> | <b>73,067</b> | <b>107,322</b> | <b>63,641</b> | <b>69,583</b> | <b>42,799</b> |
| <b>SUMMARY BY TIER</b>  |                 |               |               |               |               |               |               |               |               |                |               |               |               |
| First 8 units           |                 | 24,403        | 22,192        | 23,906        | 22,294        | 24,970        | 23,280        | 25,987        | 24,412        | 26,091         | 24,016        | 25,035        | 22,467        |
| 9 - 30 units            |                 | 18,642        | 13,594        | 16,161        | 13,823        | 23,495        | 19,006        | 36,526        | 26,939        | 39,547         | 23,341        | 26,209        | 14,054        |
| 31 - 100 units          |                 | 4,905         | 4,042         | 4,266         | 4,015         | 6,731         | 6,620         | 18,380        | 12,347        | 22,751         | 9,735         | 9,031         | 4,492         |
| 101 - 200 units         |                 | 1,637         | 1,314         | 1,546         | 1,239         | 2,446         | 2,004         | 4,051         | 3,050         | 4,427          | 2,857         | 2,415         | 1,374         |
| Over 200 units          |                 | 5,935         | 1,567         | 4,284         | 1,051         | 6,896         | 2,321         | 13,209        | 6,319         | 14,506         | 3,692         | 6,893         | 412           |
| <b>TOTAL</b>            |                 | <b>55,522</b> | <b>42,709</b> | <b>50,163</b> | <b>42,422</b> | <b>64,538</b> | <b>53,231</b> | <b>98,153</b> | <b>73,067</b> | <b>107,322</b> | <b>63,641</b> | <b>69,583</b> | <b>42,799</b> |

Table A-2  
Water Use by Tiers and  
Customer Class, 2010-2012

| USE CODE         | TIER            | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | Jul-12  | Aug-12 | Sep-12  | Oct-12 | Nov-12 | Dec-12 |
|------------------|-----------------|--------|--------|--------|--------|--------|--------|---------|--------|---------|--------|--------|--------|
| R                | First 8 units   | 22,168 | 19,750 | 21,553 | 19,052 | 22,116 | 20,889 | 23,391  | 21,303 | 23,273  | 20,984 | 22,750 | 19,325 |
| R                | 9 - 30 units    | 17,792 | 10,858 | 14,933 | 8,532  | 18,530 | 17,875 | 36,403  | 22,195 | 34,845  | 19,590 | 26,521 | 9,793  |
| R                | 31 - 100 units  | 3,472  | 1,563  | 2,179  | 927    | 2,784  | 4,652  | 20,554  | 9,588  | 19,091  | 6,547  | 9,467  | 1,515  |
| R                | 101 - 200 units | 646    | 355    | 375    | 263    | 296    | 110    | 2,300   | 1,112  | 1,652   | 514    | 864    | 241    |
| R                | Over 200 units  | 732    | 45     | 57     | 73     | 368    | 142    | 1,217   | 412    | 1,367   | 92     | 644    |        |
| MR               | First 8 units   | 1,606  | 2,149  | 1,587  | 2,118  | 1,586  | 2,198  | 1,628   | 2,225  | 1,616   | 2,185  | 1,617  | 2,137  |
| MR               | 9 - 30 units    | 2,242  | 2,894  | 1,986  | 2,667  | 2,136  | 3,502  | 3,184   | 3,790  | 2,995   | 3,533  | 2,630  | 2,636  |
| MR               | 31 - 100 units  | 1,245  | 1,714  | 1,078  | 1,313  | 1,025  | 2,622  | 2,228   | 3,035  | 2,073   | 2,356  | 1,394  | 1,333  |
| MR               | 101 - 200 units | 495    | 427    | 444    | 260    | 458    | 822    | 665     | 862    | 862     | 565    | 459    | 239    |
| MR               | Over 200 units  | 5,200  | 160    | 3,900  | 127    | 4,766  | 437    | 8,726   | 345    | 8,226   | 125    | 7,128  |        |
| C                | First 8 units   | 777    | 519    | 789    | 499    | 798    | 551    | 829     | 572    | 825     | 563    | 830    | 515    |
| C                | 9 - 30 units    | 949    | 767    | 866    | 664    | 980    | 847    | 1,300   | 948    | 1,227   | 959    | 1,192  | 683    |
| C                | 31 - 100 units  | 991    | 801    | 990    | 625    | 1,149  | 924    | 1,458   | 1,066  | 1,270   | 1,069  | 1,215  | 536    |
| C                | 101 - 200 units | 281    | 170    | 236    | 109    | 427    | 401    | 734     | 538    | 670     | 445    | 477    | 230    |
| C                | Over 200 units  | 40     |        | 16     |        | 35     | 7      | 281     | 75     | 78      | 203    | 28     | 311    |
| I                | First 8 units   | 266    | 135    | 269    | 131    | 275    | 123    | 293     | 127    | 294     | 127    | 294    | 135    |
| I                | 9 - 30 units    | 465    | 276    | 477    | 232    | 516    | 296    | 615     | 302    | 640     | 306    | 582    | 313    |
| I                | 31 - 100 units  | 547    | 370    | 541    | 360    | 561    | 461    | 898     | 489    | 900     | 489    | 792    | 437    |
| I                | 101 - 200 units | 712    | 253    | 659    | 293    | 651    | 700    | 1,274   | 712    | 1,279   | 716    | 910    | 406    |
| I                | Over 200 units  | 1,444  | 76     | 942    | 14     | 1,597  | 1,098  | 7,801   | 2,682  | 6,014   | 1,397  | 2,242  | 375    |
| L                | First 8 units   | 24     | 24     | 24     | 32     | 24     | 32     | 24      | 31     | 24      | 24     | 24     | 17     |
| L                | 9 - 30 units    | 41     | 54     | 45     | 70     | 60     | 72     | 66      | 56     | 66      | 47     | 66     | 12     |
| L                | 31 - 100 units  | 12     | 50     | 61     | 142    | 37     | 210    | 142     | 140    | 121     | 140    | 102    |        |
| L                | 101 - 200 units |        |        |        | 92     |        | 230    | 17      | 179    |         | 124    |        |        |
| L                | Over 200 units  |        |        |        |        |        | 1,471  |         | 1,648  |         | 743    |        |        |
| PM               | First 8 units   | 24     | 24     | 24     | 24     | 24     | 24     | 24      | 24     | 24      | 16     | 24     | 24     |
| PM               | 9 - 30 units    | 66     | 66     | 66     | 66     | 66     | 66     | 66      | 66     | 66      | 44     | 66     | 66     |
| PM               | 31 - 100 units  | 151    | 188    | 145    | 172    | 160    | 208    | 210     | 210    | 192     | 140    | 164    | 116    |
| PM               | 101 - 200 units | 200    | 151    | 197    | 143    | 200    | 200    | 205     | 201    | 200     | 108    | 200    | 83     |
| PM               | Over 200 units  | 61     | 302    | 76     | 273    | 184    | 850    | 531     | 243    | 391     | 104    | 206    |        |
| S                | First 8 units   | 24     |        | 12     |        | 14     |        | 21      |        | 33      |        | 45     |        |
| S                | 9 - 30 units    | 17     |        |        |        |        |        | 24      |        | 55      |        | 48     |        |
| S                | 31 - 100 units  |        |        |        |        |        |        |         |        | 89      |        | 30     |        |
| S                | 101 - 200 units |        |        |        |        |        |        |         |        | 22      |        |        |        |
| S                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| O                | First 8 units   | 30     |        | 28     |        | 32     |        | 32      |        | 31      |        | 30     |        |
| O                | 9 - 30 units    | 26     |        | 29     |        | 34     |        | 71      |        | 66      |        | 48     |        |
| O                | 31 - 100 units  |        |        |        |        |        |        | 23      |        | 26      |        | 18     |        |
| O                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| O                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | First 8 units   | 1      | 3      |        | 2      | 2      | 9      | 4       | 26     | 8       | 17     | 2      | 5      |
| V                | 9 - 30 units    |        |        |        |        |        |        |         | 6      |         |        |        |        |
| V                | 31 - 100 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | 101 - 200 units |        |        |        |        |        |        |         |        |         |        |        |        |
| V                | Over 200 units  |        |        |        |        |        |        |         |        |         |        |        |        |
| TOTAL            |                 | 62,747 | 44,144 | 54,584 | 39,275 | 61,891 | 62,029 | 117,239 | 75,208 | 110,611 | 64,272 | 83,109 | 41,483 |
| SUMMARY BY CLASS |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| R                |                 | 44,810 | 32,571 | 39,097 | 28,847 | 44,094 | 43,668 | 83,865  | 54,610 | 80,228  | 47,727 | 60,246 | 30,874 |
| MR               |                 | 10,788 | 7,344  | 8,995  | 6,485  | 9,971  | 9,581  | 16,431  | 10,257 | 15,772  | 8,764  | 13,228 | 6,345  |
| C                |                 | 3,038  | 2,257  | 2,897  | 1,897  | 3,389  | 2,730  | 4,602   | 3,199  | 4,070   | 3,239  | 3,742  | 2,275  |
| I                |                 | 3,434  | 1,110  | 2,888  | 1,030  | 3,600  | 2,678  | 10,881  | 4,312  | 9,127   | 3,035  | 4,820  | 1,666  |
| L                |                 | 77     | 128    | 130    | 336    | 121    | 2,015  | 249     | 2,054  | 211     | 1,078  | 192    | 29     |
| PM               |                 | 502    | 731    | 508    | 678    | 634    | 1,348  | 1,036   | 744    | 873     | 412    | 660    | 289    |
| S                |                 | 41     | 0      | 12     | 0      | 14     | 0      | 45      | 0      | 199     | 0      | 123    | 0      |
| O                |                 | 56     | 0      | 57     | 0      | 66     | 0      | 126     | 0      | 123     | 0      | 96     | 0      |
| V                |                 | 1      | 3      | 0      | 2      | 2      | 9      | 4       | 32     | 8       | 17     | 2      | 5      |
| TOTAL            |                 | 62,747 | 44,144 | 54,584 | 39,275 | 61,891 | 62,029 | 117,239 | 75,208 | 110,611 | 64,272 | 83,109 | 41,483 |
| SUMMARY BY TIER  |                 |        |        |        |        |        |        |         |        |         |        |        |        |
| First 8 units    |                 | 24,920 | 22,604 | 24,286 | 21,858 | 24,871 | 23,826 | 26,246  | 24,308 | 26,128  | 23,916 | 25,616 | 22,158 |
| 9 - 30 units     |                 | 21,598 | 14,915 | 18,402 | 12,231 | 22,322 | 22,658 | 41,729  | 27,363 | 39,960  | 24,479 | 31,153 | 13,503 |
| 31 - 100 units   |                 | 6,418  | 4,686  | 4,994  | 3,539  | 5,716  | 9,077  | 25,513  | 14,528 | 23,762  | 10,741 | 13,182 | 3,937  |
| 101 - 200 units  |                 | 2,334  | 1,356  | 1,911  | 1,160  | 2,032  | 2,463  | 5,195   | 3,604  | 4,685   | 2,472  | 2,910  | 1,199  |
| Over 200 units   |                 | 7,477  | 583    | 4,991  | 487    | 6,950  | 4,005  | 18,556  | 5,405  | 16,076  | 2,664  | 10,248 | 686    |
| TOTAL            |                 | 62,747 | 44,144 | 54,584 | 39,275 | 61,891 | 62,029 | 117,239 | 75,208 | 110,611 | 64,272 | 83,109 | 41,483 |

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Table A-3

Water Meters by Customer Class and Size, 2013

| Meter<br>Size | Customer Class     |                    |           |                    |            |                          |              |                       |            |             | Total | Total<br>Less "FS" |
|---------------|--------------------|--------------------|-----------|--------------------|------------|--------------------------|--------------|-----------------------|------------|-------------|-------|--------------------|
|               | Single<br>Res<br>R | Multi<br>Res<br>MR | Comm<br>C | Inst/<br>Govt<br>I | Ldscp<br>L | Private<br>Mutuals<br>PM | Surplus<br>S | Fire<br>Service<br>FS | Other<br>O | Vacant<br>V |       |                    |
| 5/8           | 5,978              | 35                 | 2         | 30                 | 7          |                          |              | 39                    | 4          | 54          | 6,149 | 6,095              |
| 5/8A          | 2                  | 400                | 12        | 1                  |            | 2                        |              |                       |            |             | 417   | 417                |
| 5/8B          |                    | 8                  | 1         |                    |            | 1                        |              |                       |            |             | 10    | 10                 |
| 5/8C          |                    | 1                  |           |                    |            |                          |              |                       |            |             | 1     | 1                  |
| 3/4           | 209                |                    | 163       |                    |            |                          | 32           |                       | 1          | 2           | 407   | 405                |
| 3/4A          |                    | 4                  |           |                    |            |                          |              |                       |            |             | 4     | 4                  |
| 1             |                    | 46                 | 26        | 8                  | 3          |                          |              |                       | 1          | 1           | 85    | 84                 |
| 1A            | 86                 |                    |           |                    |            | 1                        |              |                       |            |             | 87    | 87                 |
| 1B            |                    | 1                  |           |                    |            |                          |              |                       |            |             | 1     | 1                  |
| 1F/K          | 113                | 2                  |           |                    |            |                          |              |                       |            | 1           | 116   | 115                |
| 1-1/2         | 1                  | 5                  | 8         | 8                  | 1          |                          |              |                       |            |             | 23    | 23                 |
| 1-1/2A        |                    | 2                  |           |                    |            |                          |              |                       |            |             | 2     | 2                  |
| 1-1/2C        |                    |                    |           |                    |            |                          |              |                       |            |             | 0     | 0                  |
| 1-1/2F        | 1                  |                    |           | 1                  |            |                          |              |                       |            |             | 2     | 2                  |
| 1-1/2G        | 1                  |                    |           |                    |            |                          |              |                       |            |             | 1     | 1                  |
| 1-1/2S        |                    |                    |           |                    |            | 1                        |              |                       |            |             | 1     | 1                  |
| 2             | 1                  | 6                  | 9         | 8                  | 1          | 2                        |              | 2                     | 3          |             | 32    | 32                 |
| 2A            |                    | 1                  |           |                    |            |                          |              |                       |            |             | 1     | 1                  |
| 2G/L          | 1                  |                    |           | 1                  |            |                          |              |                       |            |             | 2     | 2                  |
| 3             |                    | 1                  |           | 2                  |            |                          |              |                       |            |             | 3     | 3                  |
| 4             |                    |                    |           | 1                  |            |                          |              |                       |            |             | 1     | 1                  |
| Total         | 6,393              | 512                | 221       | 60                 | 12         | 7                        | 32           | 41                    | 9          | 58          | 7,345 | 7,287              |
| % of Total    | 87%                | 7%                 | 3%        | 0.8%               | 0.2%       | 0.1%                     | 0.4%         | 0.6%                  | 0.1%       | 0.8%        | 100%  |                    |

Source: "Meters in Ground by User/Size" report dated February 6, 2013.

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## Appendix B: Projected Water Use and Meters

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Table B-1  
Projected Water Use by Tier, FY13 - FY18

| Customer Class  | 2010   | 2011    | 2012    | FY13    | FY14    | FY15    | FY16    | FY17    | FY18    |
|-----------------|--|---------|---------|---------|---------|---------|---------|---------|---------|
| First 10 units  | 340,000  | 340,000 | 343,000 | 340,000 | 341,000 | 342,000 | 344,000 | 346,000 | 348,000 |
| 11 - 40 units   | 268,000  | 257,000 | 281,000 | 262,500 | 258,000 | 253,000 | 247,000 | 241,000 | 235,000 |
| 41 - 100 units  | 75,000   | 71,000  | 83,000  | 73,000  | 72,000  | 70,000  | 68,000  | 66,000  | 64,000  |
| 101 - 200 units | 28,000   | 28,000  | 31,000  | 28,000  | 27,000  | 26,000  | 25,000  | 24,000  | 23,000  |
| Over 200 units  | 64,000   | 67,000  | 78,000  | 65,500  | 64,000  | 63,000  | 62,000  | 61,000  | 60,000  |
| Flat Rate       |  |         |         |         |         |         |         |         |         |
| Total           | 775,000  | 763,000 | 816,000 | 769,000 | 762,000 | 754,000 | 746,000 | 738,000 | 730,000 |
|                 | <i>target from projected use by class &gt;</i> |         |         | 769,145 | 761,453 | 753,839 | 746,300 | 738,837 | 731,449 |

*one-time increase from Olympia MWC in FY14 >* 14 100 cf/2mo 53 accts 4,452 100 cf/yr

| Annual % Reduction | FY14  | FY15  | FY16  | FY17  | FY18  |
|--------------------|-------|-------|-------|-------|-------|
| First 10 units     | -0.4% | -0.4% | -0.5% | -0.5% | -0.5% |
| 11 - 40 units      | 1.9%  | 2.1%  | 2.2%  | 2.3%  | 2.3%  |
| 41 - 100 units     | 1.9%  | 2.1%  | 2.2%  | 2.3%  | 2.3%  |
| 101 - 200 units    | 1.9%  | 2.1%  | 2.2%  | 2.3%  | 2.3%  |
| Over 200 units     | 1.9%  | 2.1%  | 2.2%  | 2.3%  | 2.3%  |
| Total              | 0.9%  | 1.1%  | 1.1%  | 1.1%  | 1.1%  |

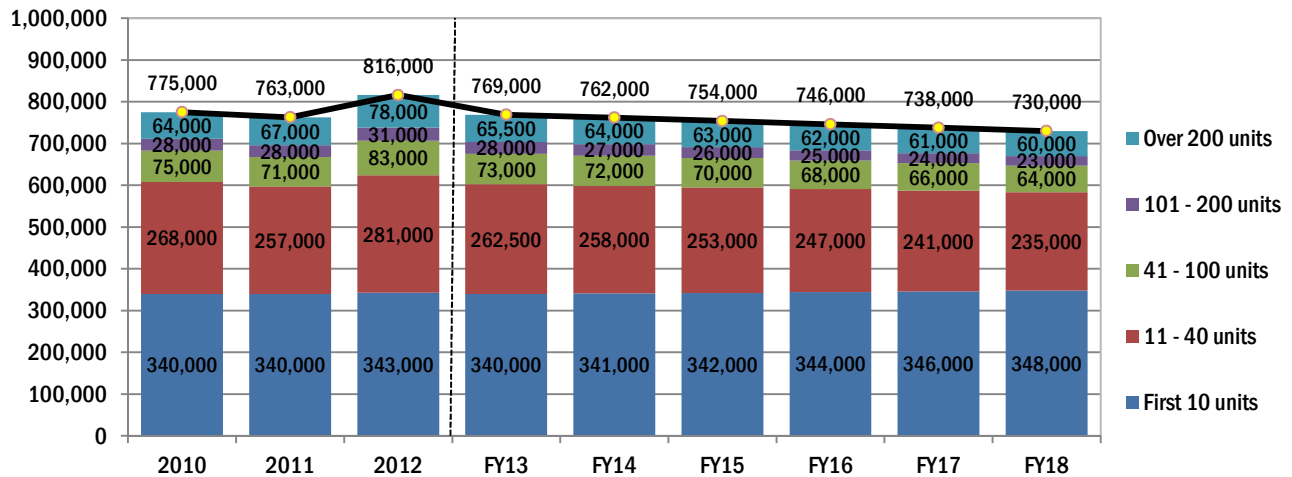


Table B-2  
Projected Water Use by Tier, FY13 - FY18

| Customer Class   | FY13    | FY14       | FY15    | FY16    | FY17    | FY18      |
|--|---------|------------|---------|---------|---------|-----------|
| First 8 units  | 310,931 | 314,000    | 315,000 | 316,000 | 317,000 | 318,000   |
| 9 - 30 units   | 274,700 | 269,000    | 264,000 | 259,000 | 254,000 | 249,000   |
| 31 - 100 units   | 85,914  | 84,000     | 82,000  | 80,000  | 78,000  | 76,000    |
| 101 - 200 units  | 9,021   | 9,000      | 9,000   | 9,000   | 9,000   | 9,000     |
| Over 200 units   | 3,566   | 3,000      | 3,000   | 3,000   | 3,000   | 3,000     |
| Flat Rate  | 85,101  | 83,000     | 81,000  | 79,000  | 77,000  | 75,000    |
| Total  | 769,000 | 762,000    | 754,000 | 746,000 | 738,000 | 730,000   |
| <i>target from projected use by class &gt;</i>         | 769,145 | 761,453    | 753,839 | 746,300 | 738,837 | 731,449   |
| <i>one-time increase from Olympia MWC in FY14 &gt;</i> | 14      | 100 cf/2mo | 53      | accts   | 4,452   | 100 cf/yr |

| Annual % Reduction | FY14  | FY15  | FY16  | FY17  | FY18  |
|--------------------|-------|-------|-------|-------|-------|
| First 8 units      | -0.9% | -0.4% | -0.4% | -0.4% | -0.4% |
| 9 - 30 units       | 1.9%  | 1.9%  | 1.9%  | 1.9%  | 2.0%  |
| 31 - 100 units     | 1.9%  | 1.9%  | 1.9%  | 1.9%  | 2.0%  |
| 101 - 200 units    | 1.9%  | 1.9%  | 1.9%  | 1.9%  | 2.0%  |
| Over 200 units     | 1.9%  | 1.9%  | 1.9%  | 1.9%  | 2.0%  |
| Flat Rate          | 1.9%  | 1.9%  | 1.9%  | 1.9%  | 2.0%  |
| Total              | 0.9%  | 1.1%  | 1.1%  | 1.1%  | 1.1%  |

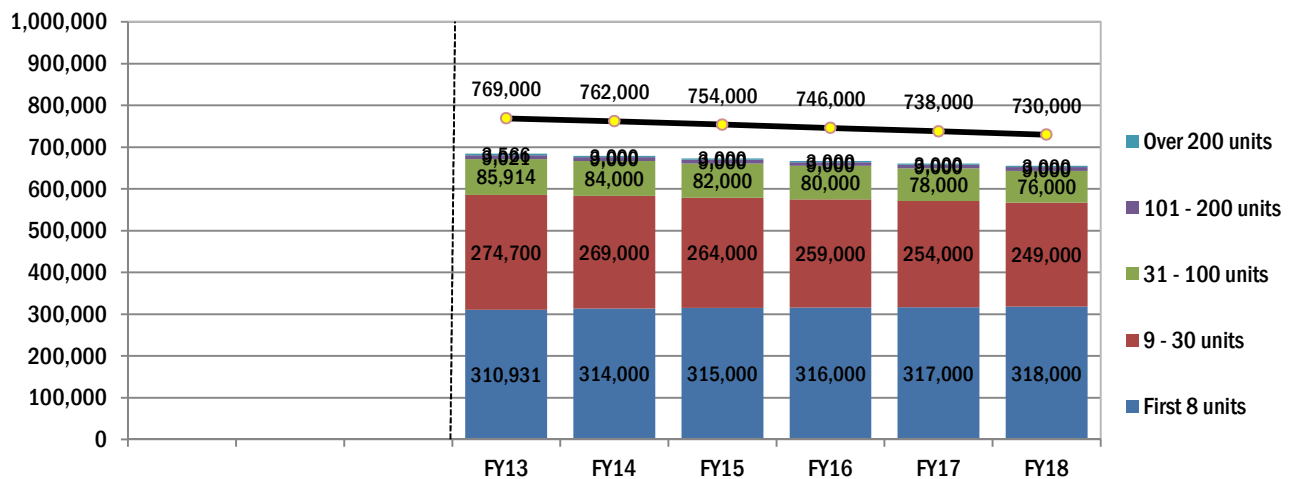


Table B-3  
Projected Number of Meters by Size and Type

| Meter Size | FY13  | FY14  | FY15  | FY16  | FY17  | FY18  |
|------------|-------|-------|-------|-------|-------|-------|
| 5/8 *      | 6,095 | 6,148 | 6,148 | 6,148 | 6,148 | 6,148 |
| 5/8A       | 417   | 417   | 417   | 417   | 417   | 417   |
| 5/8B       | 10    | 10    | 10    | 10    | 10    | 10    |
| 5/8C       | 1     | 1     | 1     | 1     | 1     | 1     |
| 3/4        | 405   | 405   | 405   | 405   | 405   | 405   |
| 3/4A       | 4     | 4     | 4     | 4     | 4     | 4     |
| 1          | 84    | 84    | 84    | 84    | 84    | 84    |
| 1A         | 87    | 87    | 87    | 87    | 87    | 87    |
| 1B         | 1     | 1     | 1     | 1     | 1     | 1     |
| 1F/K       | 115   | 115   | 115   | 115   | 115   | 115   |
| 1-1/2      | 23    | 23    | 23    | 23    | 23    | 23    |
| 1-1/2A     | 2     | 2     | 2     | 2     | 2     | 2     |
| 1-1/2C     | 0     | 0     | 0     | 0     | 0     | 0     |
| 1-1/2F     | 2     | 2     | 2     | 2     | 2     | 2     |
| 1-1/2G     | 1     | 1     | 1     | 1     | 1     | 1     |
| 1-1/2S     | 1     | 1     | 1     | 1     | 1     | 1     |
| 2          | 32    | 32    | 32    | 32    | 32    | 32    |
| 2A         | 1     | 1     | 1     | 1     | 1     | 1     |
| 2G/L       | 2     | 2     | 2     | 2     | 2     | 2     |
| 3          | 3     | 3     | 3     | 3     | 3     | 3     |
| 4          | 1     | 1     | 1     | 1     | 1     | 1     |
| Total      | 7,287 | 7,340 | 7,340 | 7,340 | 7,340 | 7,340 |

\*Annexation of the Olympia Mutual Water Company is expected to add 51 accounts in FY14 (another 2 accounts incidental to the annexation are included, for a total of 53 accounts). All accounts are assumed to be 5/8-inch meter connections.

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## **Appendix C: Revenues by Customer Class and Tier for 2010, 2011 and 2012**

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**Table C-1**  
**Revenues by Tiers and**  
**User Class, 2010-2012**

| User Class, 2010-2012 |                 | 2010    |         |         |         |         |         |         |       |         |         |           |             |             |          |
|-----------------------|-----------------|---------|---------|---------|---------|---------|---------|---------|-------|---------|---------|-----------|-------------|-------------|----------|
| USE                   |                 | Jan-Jun | Jul-Oct | Nov-Dec | Total   | Jan-Jun | Jul-Oct | Nov-Dec | Total | Rate    |         | Jan-Jun   | Jul-Dec     | Total       | % Tot \$ |
| CODE                  | TIER            | Jan-Jun | Jul-Oct | Nov-Dec | Total   | Jan-Jun | Jul-Oct | Nov-Dec | Total | Jan-Jun | Jul-Dec | Jan-Jun   | Jul-Dec     | Total       | % Tot \$ |
| R                     | First 10 units  | 143,235 | 107,062 | 48,976  | 299,273 | 66%     | 41%     | 55%     | 52%   | \$2.71  | \$2.71  | \$388,167 | \$422,863   | \$811,030   | 45%      |
| R                     | 11 - 40 units   | 65,441  | 115,511 | 33,705  | 214,657 | 30%     | 44%     | 38%     | 38%   | \$3.54  | \$3.54  | \$231,661 | \$528,225   | \$759,886   | 42%      |
| R                     | 41 - 100 units  | 6,909   | 32,653  | 5,610   | 45,172  | 3%      | 12%     | 6%      | 8%    | \$4.24  | \$4.24  | \$29,294  | \$162,235   | \$191,529   | 11%      |
| R                     | 101 - 200 units | 1,313   | 5,860   | 643     | 7,816   | 1%      | 2%      | 1%      | 1%    | \$4.59  | \$4.59  | \$6,027   | \$29,849    | \$35,875    | 2%       |
| R                     | Over 200 units  | 489     | 2,026   | 656     | 3,171   | 0%      | 1%      | 1%      | 1%    | \$5.00  | \$5.00  | \$2,445   | \$13,410    | \$15,855    | 1%       |
| MR                    | First 10 units  | 13,645  | 9,501   | 4,616   | 27,762  | 29%     | 21%     | 26%     | 25%   | \$2.71  | \$2.71  | \$36,978  | \$38,257    | \$75,235    | 18%      |
| MR                    | 11 - 40 units   | 14,553  | 14,691  | 5,291   | 34,535  | 31%     | 32%     | 30%     | 31%   | \$3.54  | \$3.54  | \$51,518  | \$70,736    | \$122,254   | 28%      |
| MR                    | 41 - 100 units  | 5,025   | 6,018   | 1,581   | 12,624  | 11%     | 13%     | 9%      | 11%   | \$4.24  | \$4.24  | \$21,306  | \$32,220    | \$53,526    | 12%      |
| MR                    | 101 - 200 units | 2,314   | 2,448   | 907     | 5,669   | 5%      | 5%      | 5%      | 5%    | \$4.59  | \$4.59  | \$10,621  | \$15,399    | \$26,021    | 6%       |
| MR                    | Over 200 units  | 11,849  | 13,281  | 5,295   | 30,425  | 25%     | 29%     | 30%     | 27%   | \$5.00  | \$5.00  | \$59,245  | \$92,880    | \$152,125   | 35%      |
| C                     | First 10 units  | 4,578   | 3,313   | 1,555   | 9,446   | 29%     | 22%     | 29%     | 26%   | \$2.71  | \$2.71  | \$12,406  | \$13,192    | \$25,599    | 19%      |
| C                     | 11 - 40 units   | 5,612   | 4,877   | 1,966   | 12,455  | 36%     | 32%     | 37%     | 35%   | \$3.54  | \$3.54  | \$19,866  | \$24,224    | \$44,091    | 33%      |
| C                     | 41 - 100 units  | 3,622   | 3,504   | 1,269   | 8,395   | 23%     | 23%     | 24%     | 23%   | \$4.24  | \$4.24  | \$15,357  | \$20,238    | \$35,595    | 27%      |
| C                     | 101 - 200 units | 1,513   | 2,187   | 418     | 4,118   | 10%     | 15%     | 8%      | 11%   | \$4.59  | \$4.59  | \$6,945   | \$11,957    | \$18,902    | 14%      |
| C                     | Over 200 units  | 302     | 1,132   | 139     | 1,573   | 2%      | 8%      | 3%      | 4%    | \$5.00  | \$5.00  | \$1,510   | \$6,355     | \$7,865     | 6%       |
| I                     | First 10 units  | 1,187   | 863     | 435     | 2,485   | 12%     | 4%      | 7%      | 6%    | \$2.71  | \$2.71  | \$3,217   | \$3,518     | \$6,734     | 4%       |
| I                     | 11 - 40 units   | 2,000   | 1,894   | 883     | 4,777   | 20%     | 8%      | 14%     | 12%   | \$3.54  | \$3.54  | \$7,080   | \$9,831     | \$16,911    | 9%       |
| I                     | 41 - 100 units  | 2,509   | 2,748   | 1,165   | 6,422   | 25%     | 12%     | 18%     | 16%   | \$4.24  | \$4.24  | \$10,638  | \$16,591    | \$27,229    | 15%      |
| I                     | 101 - 200 units | 2,415   | 3,956   | 1,166   | 7,537   | 24%     | 17%     | 18%     | 19%   | \$4.59  | \$4.59  | \$11,085  | \$23,510    | \$34,595    | 19%      |
| I                     | Over 200 units  | 2,123   | 13,935  | 2,697   | 18,755  | 21%     | 60%     | 42%     | 47%   | \$5.00  | \$5.00  | \$10,615  | \$83,160    | \$93,775    | 52%      |
| L                     | First 10 units  | 186     | 154     | 78      | 418     | 13%     | 4%      | 17%     | 7%    | \$2.71  | \$2.71  | \$504     | \$629       | \$1,133     | 4%       |
| L                     | 11 - 40 units   | 224     | 352     | 136     | 712     | 16%     | 9%      | 29%     | 12%   | \$3.54  | \$3.54  | \$793     | \$1,728     | \$2,520     | 9%       |
| L                     | 41 - 100 units  | 191     | 341     | 134     | 666     | 14%     | 8%      | 29%     | 11%   | \$4.24  | \$4.24  | \$810     | \$2,014     | \$2,824     | 10%      |
| L                     | 101 - 200 units | 100     | 297     | 104     | 501     | 7%      | 7%      | 22%     | 8%    | \$4.59  | \$4.59  | \$459     | \$1,841     | \$2,300     | 8%       |
| L                     | Over 200 units  | 698     | 2,949   | 16      | 3,663   | 50%     | 72%     | 3%      | 61%   | \$5.00  | \$5.00  | \$3,490   | \$14,825    | \$18,315    | 68%      |
| PM                    | First 10 units  | 180     | 120     | 40      | 340     | 4%      | 2%      | 14%     | 3%    | \$2.71  | \$2.71  | \$488     | \$434       | \$921       | 2%       |
| PM                    | 11 - 40 units   | 494     | 360     | 120     | 974     | 10%     | 6%      | 41%     | 8%    | \$3.54  | \$3.54  | \$1,749   | \$1,699     | \$3,448     | 6%       |
| PM                    | 41 - 100 units  | 906     | 695     | 159     | 1,760   | 18%     | 11%     | 55%     | 15%   | \$4.24  | \$4.24  | \$3,841   | \$3,621     | \$7,462     | 14%      |
| PM                    | 101 - 200 units | 1,328   | 998     | 198     | 2,524   | 26%     | 16%     | 68%     | 22%   | \$4.59  | \$4.59  | \$6,096   | \$5,490     | \$11,585    | 22%      |
| PM                    | Over 200 units  | 2,176   | 4,010   | -227    | 5,959   | 43%     | 65%     | -78%    | 52%   | \$5.00  | \$5.00  | \$10,880  | \$18,915    | \$29,795    | 56%      |
| S                     | First 10 units  | 28      | 46      | 44      | 118     | 82%     | 90%     | 62%     | 76%   | \$2.71  | \$2.71  | \$76      | \$244       | \$320       | 70%      |
| S                     | 11 - 40 units   | 6       | 5       | 27      | 38      | 18%     | 10%     | 38%     | 24%   | \$3.54  | \$3.54  | \$21      | \$113       | \$135       | 30%      |
| S                     | 41 - 100 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$4.24  | \$4.24  | \$0       | \$0         | \$0         | 0%       |
| S                     | 101 - 200 units | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$4.59  | \$4.59  | \$0       | \$0         | \$0         | 0%       |
| S                     | Over 200 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$5.00  | \$5.00  | \$0       | \$0         | \$0         | 0%       |
| O                     | First 10 units  | 96      | 74      | 38      | 208     | 30%     | 29%     | 40%     | 31%   | \$2.71  | \$2.71  | \$260     | \$304       | \$564       | 24%      |
| O                     | 11 - 40 units   | 130     | 125     | 55      | 310     | 40%     | 49%     | 58%     | 46%   | \$3.54  | \$3.54  | \$460     | \$637       | \$1,097     | 47%      |
| O                     | 41 - 100 units  | 91      | 58      | 2       | 151     | 28%     | 23%     | 2%      | 22%   | \$4.24  | \$4.24  | \$386     | \$254       | \$640       | 27%      |
| O                     | 101 - 200 units | 8       | 0       | 0       | 8       | 2%      | 0%      | 0%      | 1%    | \$4.59  | \$4.59  | \$37      | \$0         | \$37        | 2%       |
| O                     | Over 200 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$5.00  | \$5.00  | \$0       | \$0         | \$0         | 0%       |
| V                     | First 10 units  | 15      | 64      | 10      | 89      | 100%    | 85%     | 100%    | 89%   | \$2.71  | \$2.71  | \$41      | \$201       | \$241       | 86%      |
| V                     | 11 - 40 units   | 0       | 11      | 0       | 11      | 0%      | 15%     | 0%      | 11%   | \$3.54  | \$3.54  | \$0       | \$39        | \$39        | 14%      |
| V                     | 41 - 100 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$4.24  | \$4.24  | \$0       | \$0         | \$0         | 0%       |
| V                     | 101 - 200 units | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$4.59  | \$4.59  | \$0       | \$0         | \$0         | 0%       |
| V                     | Over 200 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%    | \$5.00  | \$5.00  | \$0       | \$0         | \$0         | 0%       |
| TOTAL                 |                 | 297,491 | 358,119 | 119,907 | 775,517 |         |         |         |       |         |         | \$966,371 | \$1,671,635 | \$2,638,007 |          |
| SUMMARY BY CLASS      |                 |         |         |         |         |         |         |         |       |         |         |           |             |             |          |
| R                     |                 | 217,387 | 263,112 | 89,590  | 570,089 | 73%     | 73%     | 75%     | 74%   |         |         | \$657,594 | \$1,156,582 | \$1,814,175 | 69%      |
| MR                    |                 | 47,386  | 45,939  | 17,690  | 111,015 | 16%     | 13%     | 15%     | 14%   |         |         | \$179,668 | \$249,493   | \$429,160   | 16%      |
| C                     |                 | 15,627  | 15,013  | 5,347   | 35,987  | 5%      | 4%      | 4%      | 5%    |         |         | \$56,085  | \$75,966    | \$132,051   | 5%       |
| I                     |                 | 10,234  | 23,396  | 6,346   | 39,976  | 3%      | 7%      | 5%      | 5%    |         |         | \$42,635  | \$136,609   | \$179,244   | 7%       |
| L                     |                 | 1,399   | 4,093   | 468     | 5,960   | 0%      | 1%      | 0%      | 1%    |         |         | \$6,056   | \$21,036    | \$27,092    | 1%       |
| PM                    |                 | 5,084   | 6,183   | 290     | 11,557  | 2%      | 2%      | 0%      | 1%    |         |         | \$23,054  | \$30,158    | \$53,212    | 2%       |
| S                     |                 | 34      | 51      | 71      | 156     | 0%      | 0%      | 0%      | 0%    |         |         | \$97      | \$357       | \$454       | 0%       |
| O                     |                 | 325     | 257     | 95      | 677     | 0%      | 0%      | 0%      | 0%    |         |         | \$1,143   | \$1,195     | \$2,338     | 0%       |
| V                     |                 | 15      | 75      | 10      | 100     | 0%      | 0%      | 0%      | 0%    |         |         | \$41      | \$239       | \$280       | 0%       |
| TOTAL                 |                 | 297,491 | 358,119 | 119,907 | 775,517 | 100%    | 100%    | 100%    | 100%  |         |         | \$966,371 | \$1,671,635 | \$2,638,007 | 100%     |
| SUMMARY BY TIER       |                 |         |         |         |         |         |         |         |       |         |         |           |             |             |          |
| First 10 units        |                 | 163,150 | 121,197 | 55,792  | 340,139 | 55%     | 34%     | 47%     | 44%   |         |         | \$442,137 | \$479,640   | \$921,777   | 35%      |
| 11 - 40 units         |                 | 88,460  | 137,826 | 42,183  | 268,469 | 30%     | 38%     | 35%     | 35%   |         |         | \$313,148 | \$637,232   | \$950,380   | 36%      |
| 41 - 100 units        |                 | 19,253  | 46,017  | 9,920   | 75,190  | 6%      | 13%     | 8%      | 10%   |         |         | \$81,633  | \$237,173   | \$318,806   | 12%      |
| 101 - 200 units       |                 | 8,991   | 15,746  | 3,436   | 28,173  | 3%      | 4%      | 3%      | 4%    |         |         | \$41,269  | \$88,045    | \$129,314   | 5%       |
| Over 200 units        |                 | 17,637  | 37,333  | 8,576   | 63,546  | 6%      | 10%     | 7%      | 8%    |         |         | \$88,185  | \$229,545   | \$317,730   | 12%      |
| TOTAL                 |                 | 297,491 | 358,119 | 119,907 | 775,517 | 100%    | 100%    | 100%    | 100%  |         |         | \$966,371 | \$1,671,635 | \$2,638,007 | 100%     |
|                       |                 | 38%     | 47%     | 46%     | 44%     | 55%     | 34%     | 47%     | 44%   |         |         |           |             |             |          |
|                       |                 | 38%     | 47%     | 46%     | 44%     | 55%     | 34%     | 47%     | 44%   |         |         |           |             |             |          |

**Table C-1**  
**Revenues by Tiers and**  
**User Class, 2010-2012**

| User Class, 2010-2012 |                 | 2011      |           |           |           |      |      |      |       |         |         |             |             |             |          |
|-----------------------|-----------------|-----------|-----------|-----------|-----------|------|------|------|-------|---------|---------|-------------|-------------|-------------|----------|
| USE                   |                 | Jan-      | Jul-      | Nov-      |           | Jan- | Jul- | Nov- |       | Rate    |         | Jan-        | Jul-        |             |          |
| CODE                  | TIER            | Jun       | Oct       | Dec       | Total     | Jun  | Oct  | Dec  | Total | Jan-Jun | Jul-Dec | Jun         | Dec         | Total       | % Tot \$ |
| R                     | First 10 units  | 144,453   | 106,367   | 48,735    | 299,555   | 65%  | 43%  | 59%  | 54%   | \$2.71  | \$2.71  | \$391,468   | \$420,326   | \$811,794   | 47%      |
| R                     | 11 - 40 units   | 66,867    | 106,214   | 28,792    | 201,873   | 30%  | 43%  | 35%  | 37%   | \$3.54  | \$3.54  | \$236,709   | \$477,921   | \$714,630   | 41%      |
| R                     | 41 - 100 units  | 7,340     | 27,667    | 4,157     | 39,164    | 3%   | 11%  | 5%   | 7%    | \$4.24  | \$4.24  | \$31,122    | \$134,934   | \$166,055   | 10%      |
| R                     | 101 - 200 units | 1,934     | 4,374     | 644       | 6,952     | 1%   | 2%   | 1%   | 1%    | \$4.59  | \$4.59  | \$8,877     | \$23,033    | \$31,910    | 2%       |
| R                     | Over 200 units  | 898       | 1,617     | 151       | 2,666     | 0%   | 1%   | 0%   | 0%    | \$5.00  | \$5.00  | \$4,490     | \$8,840     | \$13,330    | 1%       |
| MR                    | First 10 units  | 13,628    | 9,415     | 4,547     | 27,590    | 27%  | 20%  | 27%  | 24%   | \$2.71  | \$2.71  | \$36,932    | \$37,837    | \$74,769    | 17%      |
| MR                    | 11 - 40 units   | 15,302    | 14,318    | 5,079     | 34,699    | 31%  | 31%  | 30%  | 31%   | \$3.54  | \$3.54  | \$54,169    | \$68,665    | \$122,834   | 28%      |
| MR                    | 41 - 100 units  | 5,301     | 5,978     | 1,716     | 12,995    | 11%  | 13%  | 10%  | 11%   | \$4.24  | \$4.24  | \$22,476    | \$32,623    | \$55,099    | 13%      |
| MR                    | 101 - 200 units | 2,417     | 2,573     | 987       | 5,977     | 5%   | 6%   | 6%   | 5%    | \$4.59  | \$4.59  | \$11,094    | \$16,340    | \$27,434    | 6%       |
| MR                    | Over 200 units  | 13,502    | 13,932    | 4,548     | 31,982    | 27%  | 30%  | 27%  | 28%   | \$5.00  | \$5.00  | \$67,510    | \$92,400    | \$159,910   | 36%      |
| C                     | First 10 units  | 4,667     | 3,369     | 1,592     | 9,628     | 29%  | 22%  | 28%  | 26%   | \$2.71  | \$2.71  | \$12,648    | \$13,444    | \$26,092    | 19%      |
| C                     | 11 - 40 units   | 5,998     | 5,048     | 2,052     | 13,098    | 37%  | 33%  | 36%  | 35%   | \$3.54  | \$3.54  | \$21,233    | \$25,134    | \$46,367    | 34%      |
| C                     | 41 - 100 units  | 3,949     | 3,713     | 1,353     | 9,015     | 25%  | 24%  | 24%  | 24%   | \$4.24  | \$4.24  | \$16,744    | \$21,480    | \$38,224    | 28%      |
| C                     | 101 - 200 units | 1,318     | 2,196     | 601       | 4,115     | 8%   | 14%  | 11%  | 11%   | \$4.59  | \$4.59  | \$6,050     | \$12,838    | \$18,888    | 14%      |
| C                     | Over 200 units  | 149       | 1,103     | 27        | 1,279     | 1%   | 7%   | 0%   | 3%    | \$5.00  | \$5.00  | \$745       | \$5,650     | \$6,395     | 5%       |
| I                     | First 10 units  | 1,224     | 857       | 418       | 2,499     | 9%   | 4%   | 7%   | 6%    | \$2.71  | \$2.71  | \$3,317     | \$3,455     | \$6,772     | 3%       |
| I                     | 11 - 40 units   | 2,174     | 1,899     | 822       | 4,895     | 16%  | 8%   | 15%  | 11%   | \$3.54  | \$3.54  | \$7,696     | \$9,632     | \$17,328    | 9%       |
| I                     | 41 - 100 units  | 2,821     | 2,891     | 1,151     | 6,863     | 21%  | 12%  | 20%  | 16%   | \$4.24  | \$4.24  | \$11,961    | \$17,138    | \$29,099    | 15%      |
| I                     | 101 - 200 units | 3,150     | 4,020     | 1,174     | 8,344     | 23%  | 17%  | 21%  | 19%   | \$4.59  | \$4.59  | \$14,459    | \$23,840    | \$38,299    | 19%      |
| I                     | Over 200 units  | 4,378     | 14,571    | 2,074     | 21,023    | 32%  | 60%  | 37%  | 48%   | \$5.00  | \$5.00  | \$21,890    | \$83,225    | \$105,115   | 53%      |
| L                     | First 10 units  | 210       | 142       | 61        | 413       | 10%  | 4%   | 25%  | 7%    | \$2.71  | \$2.71  | \$569       | \$550       | \$1,119     | 4%       |
| L                     | 11 - 40 units   | 356       | 342       | 98        | 796       | 17%  | 10%  | 41%  | 13%   | \$3.54  | \$3.54  | \$1,260     | \$1,558     | \$2,818     | 11%      |
| L                     | 41 - 100 units  | 459       | 425       | 60        | 944       | 21%  | 12%  | 25%  | 16%   | \$4.24  | \$4.24  | \$1,946     | \$2,056     | \$4,003     | 15%      |
| L                     | 101 - 200 units | 277       | 356       | 22        | 655       | 13%  | 10%  | 9%   | 11%   | \$4.59  | \$4.59  | \$1,271     | \$1,735     | \$3,006     | 11%      |
| L                     | Over 200 units  | 845       | 2,291     | 0         | 3,136     | 39%  | 64%  | 0%   | 53%   | \$5.00  | \$5.00  | \$4,225     | \$11,455    | \$15,680    | 59%      |
| PM                    | First 10 units  | 180       | 120       | 60        | 360       | 4%   | 2%   | 4%   | 3%    | \$2.71  | \$2.71  | \$488       | \$488       | \$976       | 2%       |
| PM                    | 11 - 40 units   | 531       | 360       | 180       | 1,071     | 12%  | 6%   | 13%  | 9%    | \$3.54  | \$3.54  | \$1,880     | \$1,912     | \$3,791     | 7%       |
| PM                    | 41 - 100 units  | 826       | 671       | 277       | 1,774     | 19%  | 11%  | 20%  | 15%   | \$4.24  | \$4.24  | \$3,502     | \$4,020     | \$7,522     | 14%      |
| PM                    | 101 - 200 units | 1,090     | 866       | 361       | 2,317     | 25%  | 14%  | 26%  | 19%   | \$4.59  | \$4.59  | \$5,003     | \$5,632     | \$10,635    | 19%      |
| PM                    | Over 200 units  | 1,735     | 4,212     | 505       | 6,452     | 40%  | 68%  | 37%  | 54%   | \$5.00  | \$5.00  | \$8,675     | \$23,585    | \$32,260    | 58%      |
| S                     | First 10 units  | 30        | 62        | 30        | 122       | 100% | 78%  | 81%  | 84%   | \$2.71  | \$2.71  | \$81        | \$249       | \$331       | 80%      |
| S                     | 11 - 40 units   | 0         | 17        | 7         | 24        | 0%   | 22%  | 19%  | 16%   | \$3.54  | \$3.54  | \$0         | \$85        | \$85        | 20%      |
| S                     | 41 - 100 units  | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$4.24  | \$4.24  | \$0         | \$0         | \$0         | 0%       |
| S                     | 101 - 200 units | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| S                     | Over 200 units  | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| O                     | First 10 units  | 88        | 76        | 40        | 204       | 57%  | 38%  | 42%  | 46%   | \$2.71  | \$2.71  | \$238       | \$314       | \$553       | 39%      |
| O                     | 11 - 40 units   | 66        | 116       | 55        | 237       | 43%  | 59%  | 58%  | 53%   | \$3.54  | \$3.54  | \$234       | \$605       | \$839       | 59%      |
| O                     | 41 - 100 units  | 0         | 6         | 0         | 6         | 0%   | 3%   | 0%   | 1%    | \$4.24  | \$4.24  | \$0         | \$25        | \$25        | 2%       |
| O                     | 101 - 200 units | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| O                     | Over 200 units  | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| V                     | First 10 units  | 9         | 34        | 6         | 49        | 100% | 100% | 100% | 100%  | \$2.71  | \$2.71  | \$24        | \$108       | \$133       | 100%     |
| V                     | 11 - 40 units   | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$3.54  | \$3.54  | \$0         | \$0         | \$0         | 0%       |
| V                     | 41 - 100 units  | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$4.24  | \$4.24  | \$0         | \$0         | \$0         | 0%       |
| V                     | 101 - 200 units | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| V                     | Over 200 units  | 0         | 0         | 0         | 0         | 0%   | 0%   | 0%   | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| TOTAL                 |                 | 308,172   | 342,218   | 112,382   | 762,772   |      |      |      |       |         |         | \$1,010,986 | \$1,583,135 | \$2,594,120 |          |
| SUMMARY BY CLASS      |                 |           |           |           |           |      |      |      |       |         |         |             |             |             |          |
| R                     |                 | 221,492   | 246,239   | 82,479    | 550,210   | 72%  | 72%  | 73%  | 72%   |         |         | \$672,665   | \$1,065,054 | \$1,737,720 | 67%      |
| MR                    |                 | 50,150    | 46,216    | 16,877    | 113,243   | 16%  | 14%  | 15%  | 15%   |         |         | \$192,181   | \$247,865   | \$440,047   | 17%      |
| C                     |                 | 16,081    | 15,429    | 5,625     | 37,135    | 5%   | 5%   | 5%   | 5%    |         |         | \$57,419    | \$78,546    | \$135,965   | 5%       |
| I                     |                 | 13,747    | 24,238    | 5,639     | 43,624    | 4%   | 7%   | 5%   | 6%    |         |         | \$59,323    | \$137,291   | \$196,614   | 8%       |
| L                     |                 | 2,147     | 3,556     | 241       | 5,944     | 1%   | 1%   | 0%   | 1%    |         |         | \$9,272     | \$17,354    | \$26,626    | 1%       |
| PM                    |                 | 4,362     | 6,229     | 1,383     | 11,974    | 1%   | 2%   | 1%   | 2%    |         |         | \$19,548    | \$35,636    | \$55,184    | 2%       |
| S                     |                 | 30        | 79        | 37        | 146       | 0%   | 0%   | 0%   | 0%    |         |         | \$81        | \$334       | \$416       | 0%       |
| O                     |                 | 154       | 198       | 95        | 447       | 0%   | 0%   | 0%   | 0%    |         |         | \$472       | \$945       | \$1,417     | 0%       |
| V                     |                 | 9         | 34        | 6         | 49        | 0%   | 0%   | 0%   | 0%    |         |         | \$24        | \$108       | \$133       | 0%       |
| TOTAL                 |                 | 308,172   | 342,218   | 112,382   | 762,772   | 100% | 100% | 100% | 100%  |         |         | \$1,010,986 | \$1,583,135 | \$2,594,120 | 100%     |
| SUMMARY BY TIER       |                 |           |           |           |           |      |      |      |       |         |         |             |             |             |          |
| First 10 units        |                 | 164,489   | 120,442   | 55,489    | 340,420   | 53%  | 35%  | 49%  | 45%   |         |         | \$445,765   | \$476,773   | \$922,538   | 36%      |
| 11 - 40 units         |                 | 91,294    | 128,314   | 37,085    | 256,693   | 30%  | 37%  | 33%  | 34%   |         |         | \$323,181   | \$585,512   | \$908,693   | 35%      |
| 41 - 100 units        |                 | 20,696    | 41,351    | 8,714     | 70,761    | 7%   | 12%  | 8%   | 9%    |         |         | \$87,751    | \$212,276   | \$300,027   | 12%      |
| 101 - 200 units       |                 | 10,186    | 14,385    | 3,789     | 28,360    | 3%   | 4%   | 3%   | 4%    |         |         | \$46,754    | \$83,419    | \$130,172   | 5%       |
| Over 200 units        |                 | 21,507    | 37,726    | 7,305     | 66,538    | 7%   | 11%  | 7%   | 9%    |         |         | \$107,535   | \$225,155   | \$332,690   | 13%      |
| TOTAL                 |                 | 308,172   | 342,218   | 112,382   | 762,772   | 100% | 100% | 100% | 100%  |         |         | \$1,010,986 | \$1,583,135 | \$2,594,120 | 100%     |
|                       |                 | 40%       | 44%       | 60%       | 60%       |      |      |      |       |         |         |             |             |             |          |
|                       |                 | % Jan-Jun | % Jul-Oct | % Nov-Dec | % Jul-Dec |      |      |      |       |         |         |             |             |             |          |

**Table C-1**  
**Revenues by Tiers and**  
**User Class, 2010-2012**

| User Class, 2010-2012<br>USE CODE      TIER |                 | 2012    |            |         |            |         |         |         |       |        |        |             |             |             |          |
|---|-----------------|---------|------------|---------|------------|---------|---------|---------|-------|--------|--------|-------------|-------------|-------------|----------|
|   |                 | Jan-Jun | Jul-Oct    | Nov-Dec | Total      | Jan-Jun | Jul-Oct | Nov-Dec | Total | Rate   |        | Jan-Jun     | Jul-Dec     | Total       | % Tot \$ |
| R   | First 10 units  | 146,314 | 106,656    | 49,291  | 302,261    | 63%     | 40%     | 54%     | 51%   | \$2.71 | \$2.71 | \$396,511   | \$422,616   | \$819,127   | 43%      |
| R   | 11 - 40 units   | 74,797  | 116,068    | 33,624  | 224,489    | 32%     | 44%     | 37%     | 38%   | \$3.54 | \$3.54 | \$264,781   | \$529,910   | \$794,691   | 42%      |
| R   | 41 - 100 units  | 8,536   | 35,040     | 6,357   | 49,933     | 4%      | 13%     | 7%      | 8%    | \$4.24 | \$4.24 | \$36,193    | \$175,523   | \$211,716   | 11%      |
| R   | 101 - 200 units | 2,045   | 5,578      | 1,058   | 8,681      | 1%      | 2%      | 1%      | 1%    | \$4.59 | \$4.59 | \$9,387     | \$30,459    | \$39,846    | 2%       |
| R   | Over 200 units  | 1,417   | 3,088      | 644     | 5,149      | 1%      | 1%      | 1%      | 1%    | \$5.00 | \$5.00 | \$7,085     | \$18,660    | \$25,745    | 1%       |
| MR  | First 10 units  | 13,654  | 9,393      | 4,557   | 27,604     | 26%     | 18%     | 23%     | 22%   | \$2.71 | \$2.71 | \$37,002    | \$37,805    | \$74,807    | 15%      |
| MR  | 11 - 40 units   | 15,846  | 14,853     | 5,334   | 36,033     | 30%     | 29%     | 27%     | 29%   | \$3.54 | \$3.54 | \$56,095    | \$71,462    | \$127,557   | 26%      |
| MR  | 41 - 100 units  | 6,168   | 6,604      | 1,856   | 14,628     | 12%     | 13%     | 9%      | 12%   | \$4.24 | \$4.24 | \$26,152    | \$35,870    | \$62,023    | 13%      |
| MR  | 101 - 200 units | 2,906   | 2,954      | 698     | 6,558      | 5%      | 6%      | 4%      | 5%    | \$4.59 | \$4.59 | \$13,339    | \$16,763    | \$30,101    | 6%       |
| MR  | Over 200 units  | 14,590  | 17,422     | 7,128   | 39,140     | 27%     | 34%     | 36%     | 32%   | \$5.00 | \$5.00 | \$72,950    | \$122,750   | \$195,700   | 40%      |
| C   | First 10 units  | 4,654   | 3,350      | 1,610   | 9,614      | 29%     | 22%     | 27%     | 26%   | \$2.71 | \$2.71 | \$12,612    | \$13,442    | \$26,054    | 19%      |
| C   | 11 - 40 units   | 5,738   | 5,068      | 2,055   | 12,861     | 35%     | 34%     | 34%     | 34%   | \$3.54 | \$3.54 | \$20,313    | \$25,215    | \$45,528    | 33%      |
| C   | 41 - 100 units  | 4,098   | 3,668      | 1,312   | 9,078      | 25%     | 24%     | 22%     | 24%   | \$4.24 | \$4.24 | \$17,376    | \$21,115    | \$38,491    | 28%      |
| C   | 101 - 200 units | 1,624   | 2,387      | 707     | 4,718      | 10%     | 16%     | 12%     | 13%   | \$4.59 | \$4.59 | \$7,454     | \$14,201    | \$21,656    | 16%      |
| C   | Over 200 units  | 98      | 637        | 339     | 1,074      | 1%      | 4%      | 6%      | 3%    | \$5.00 | \$5.00 | \$490       | \$4,880     | \$5,370     | 4%       |
| I   | First 10 units  | 1,199   | 841        | 429     | 2,469      | 8%      | 3%      | 7%      | 5%    | \$2.71 | \$2.71 | \$3,249     | \$3,442     | \$6,691     | 3%       |
| I   | 11 - 40 units   | 2,262   | 1,863      | 895     | 5,020      | 15%     | 7%      | 14%     | 10%   | \$3.54 | \$3.54 | \$8,007     | \$9,763     | \$17,771    | 8%       |
| I   | 41 - 100 units  | 2,840   | 2,776      | 1,229   | 6,845      | 19%     | 10%     | 19%     | 14%   | \$4.24 | \$4.24 | \$12,042    | \$16,981    | \$29,023    | 13%      |
| I   | 101 - 200 units | 3,268   | 3,981      | 1,316   | 8,565      | 22%     | 15%     | 20%     | 18%   | \$4.59 | \$4.59 | \$15,000    | \$24,313    | \$39,313    | 18%      |
| I   | Over 200 units  | 5,171   | 17,894     | 2,617   | 25,682     | 35%     | 65%     | 40%     | 53%   | \$5.00 | \$5.00 | \$25,855    | \$102,555   | \$128,410   | 58%      |
| L   | First 10 units  | 200     | 127        | 51      | 378        | 7%      | 4%      | 23%     | 6%    | \$2.71 | \$2.71 | \$542       | \$482       | \$1,024     | 3%       |
| L   | 11 - 40 units   | 410     | 311        | 94      | 815        | 15%     | 9%      | 43%     | 12%   | \$3.54 | \$3.54 | \$1,451     | \$1,434     | \$2,885     | 10%      |
| L   | 41 - 100 units  | 404     | 443        | 76      | 923        | 14%     | 12%     | 34%     | 14%   | \$4.24 | \$4.24 | \$1,713     | \$2,201     | \$3,914     | 13%      |
| L   | 101 - 200 units | 322     | 320        | 0       | 642        | 11%     | 9%      | 0%      | 10%   | \$4.59 | \$4.59 | \$1,478     | \$1,469     | \$2,947     | 10%      |
| L   | Over 200 units  | 1,471   | 2,391      | 0       | 3,862      | 52%     | 67%     | 0%      | 58%   | \$5.00 | \$5.00 | \$7,355     | \$11,955    | \$19,310    | 64%      |
| PM  | First 10 units  | 180     | 110        | 60      | 350        | 4%      | 4%      | 6%      | 4%    | \$2.71 | \$2.71 | \$488       | \$461       | \$949       | 3%       |
| PM  | 11 - 40 units   | 535     | 330        | 180     | 1,045      | 12%     | 11%     | 19%     | 12%   | \$3.54 | \$3.54 | \$1,894     | \$1,805     | \$3,699     | 10%      |
| PM  | 41 - 100 units  | 849     | 642        | 220     | 1,711      | 19%     | 21%     | 23%     | 20%   | \$4.24 | \$4.24 | \$3,600     | \$3,655     | \$7,255     | 19%      |
| PM  | 101 - 200 units | 1,091   | 714        | 283     | 2,088      | 25%     | 23%     | 30%     | 25%   | \$4.59 | \$4.59 | \$5,008     | \$4,576     | \$9,584     | 25%      |
| PM  | Over 200 units  | 1,746   | 1,269      | 206     | 3,221      | 40%     | 41%     | 22%     | 38%   | \$5.00 | \$5.00 | \$8,730     | \$7,375     | \$16,105    | 43%      |
| S   | First 10 units  | 52      | 64         | 51      | 167        | 78%     | 26%     | 41%     | 38%   | \$2.71 | \$2.71 | \$141       | \$312       | \$453       | 31%      |
| S   | 11 - 40 units   | 15      | 89         | 62      | 166        | 22%     | 36%     | 50%     | 38%   | \$3.54 | \$3.54 | \$53        | \$535       | \$588       | 40%      |
| S   | 41 - 100 units  | 0       | 69         | 10      | 79         | 0%      | 28%     | 8%      | 18%   | \$4.24 | \$4.24 | \$0         | \$335       | \$335       | 23%      |
| S   | 101 - 200 units | 0       | 22         | 0       | 22         | 0%      | 9%      | 0%      | 5%    | \$4.59 | \$4.59 | \$0         | \$101       | \$101       | 7%       |
| S   | Over 200 units  | 0       | 0          | 0       | 0          | 0%      | 0%      | 0%      | 0%    | \$5.00 | \$5.00 | \$0         | \$0         | \$0         | 0%       |
| O   | First 10 units  | 109     | 77         | 36      | 222        | 61%     | 31%     | 38%     | 42%   | \$2.71 | \$2.71 | \$295       | \$306       | \$602       | 36%      |
| O   | 11 - 40 units   | 70      | 161        | 52      | 283        | 39%     | 65%     | 54%     | 54%   | \$3.54 | \$3.54 | \$248       | \$754       | \$1,002     | 59%      |
| O   | 41 - 100 units  | 0       | 11         | 8       | 19         | 0%      | 4%      | 8%      | 4%    | \$4.24 | \$4.24 | \$0         | \$81        | \$81        | 5%       |
| O   | 101 - 200 units | 0       | 0          | 0       | 0          | 0%      | 0%      | 0%      | 0%    | \$4.59 | \$4.59 | \$0         | \$0         | \$0         | 0%       |
| O   | Over 200 units  | 0       | 0          | 0       | 0          | 0%      | 0%      | 0%      | 0%    | \$5.00 | \$5.00 | \$0         | \$0         | \$0         | 0%       |
| V   | First 10 units  | 17      | 57         | 7       | 81         | 100%    | 93%     | 100%    | 95%   | \$2.71 | \$2.71 | \$46        | \$173       | \$220       | 94%      |
| V   | 11 - 40 units   | 0       | 4          | 0       | 4          | 0%      | 7%      | 0%      | 5%    | \$3.54 | \$3.54 | \$0         | \$14        | \$14        | 6%       |
| V   | 41 - 100 units  | 0       | 0          | 0       | 0          | 0%      | 0%      | 0%      | 0%    | \$4.24 | \$4.24 | \$0         | \$0         | \$0         | 0%       |
| V   | 101 - 200 units | 0       | 0          | 0       | 0          | 0%      | 0%      | 0%      | 0%    | \$4.59 | \$4.59 | \$0         | \$0         | \$0         | 0%       |
| V   | Over 200 units  | 0       | 0          | 0       | 0          | 0%      | 0%      | 0%      | 0%    | \$5.00 | \$5.00 | \$0         | \$0         | \$0         | 0%       |
| TOTAL                                       |                 | 324,696 | 367,332    | 124,452 | 816,480    |         |         |         |       |        |        | \$1,074,934 | \$1,735,749 | \$2,810,684 |          |
| SUMMARY BY CLASS                            |                 |         |            |         |            |         |         |         |       |        |        |             |             |             |          |
| R   |                 | 233,109 | 266,430    | 90,974  | 590,513    | 72%     | 73%     | 73%     | 72%   |        |        | \$713,957   | \$1,177,169 | \$1,891,125 | 67%      |
| MR  |                 | 53,164  | 51,226     | 19,573  | 123,963    | 16%     | 14%     | 16%     | 15%   |        |        | \$205,538   | \$284,650   | \$490,188   | 17%      |
| C   |                 | 16,212  | 15,110     | 6,023   | 37,345     | 5%      | 4%      | 5%      | 5%    |        |        | \$58,245    | \$78,854    | \$137,098   | 5%       |
| I   |                 | 14,740  | 27,355     | 6,486   | 48,581     | 5%      | 7%      | 5%      | 6%    |        |        | \$64,153    | \$157,054   | \$221,208   | 8%       |
| L   |                 | 2,807   | 3,592      | 221     | 6,620      | 1%      | 1%      | 0%      | 1%    |        |        | \$12,539    | \$17,540    | \$30,080    | 1%       |
| PM  |                 | 4,401   | 3,065      | 949     | 8,415      | 1%      | 1%      | 1%      | 1%    |        |        | \$19,719    | \$17,872    | \$37,591    | 1%       |
| S   |                 | 67      | 244        | 123     | 434        | 0%      | 0%      | 0%      | 0%    |        |        | \$194       | \$1,282     | \$1,476     | 0%       |
| O   |                 | 179     | 249        | 96      | 524        | 0%      | 0%      | 0%      | 0%    |        |        | \$543       | \$1,141     | \$1,684     | 0%       |
| V   |                 | 17      | 61         | 7       | 85         | 0%      | 0%      | 0%      | 0%    |        |        | \$46        | \$188       | \$234       | 0%       |
| TOTAL                                       |                 | 324,696 | 367,332    | 124,452 | 816,480    | 100%    | 100%    | 100%    | 100%  |        |        | \$1,074,934 | \$1,735,749 | \$2,810,684 | 100%     |
| SUMMARY BY TIER                             |                 |         |            |         |            |         |         |         |       |        |        |             |             |             |          |
| First 10 units                              |                 | 166,379 | 120,675    | 56,092  | 343,146    | 51%     | 33%     | 45%     | 42%   |        |        | \$450,887   | \$479,039   | \$929,926   | 33%      |
| 11 - 40 units                               |                 | 99,673  | 138,747    | 42,296  | 280,716    | 31%     | 38%     | 34%     | 34%   |        |        | \$352,842   | \$640,892   | \$993,735   | 35%      |
| 41 - 100 units                              |                 | 22,895  | 49,253     | 11,068  | 83,216     | 7%      | 13%     | 9%      | 10%   |        |        | \$97,075    | \$255,761   | \$352,836   | 13%      |
| 101 - 200 units                             |                 | 11,256  | 15,956     | 4,062   | 31,274     | 3%      | 4%      | 3%      | 4%    |        |        | \$51,665    | \$91,883    | \$143,548   | 5%       |
| Over 200 units                              |                 | 24,493  | 42,701     | 10,934  | 78,128     | 8%      | 12%     | 9%      | 10%   |        |        | \$122,465   | \$268,175   | \$390,640   | 14%      |
| TOTAL                                       |                 | 324,696 | 367,332    | 124,452 | 816,480    | 100%    | 100%    | 100%    | 100%  |        |        | \$1,074,934 | \$1,735,749 | \$2,810,684 | 100%     |
|   |                 | 40%     | 5% Jan-Jun | 60%     | 5% Jul-Dec |         |         |         |       |        |        |             |             |             |          |

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**Table C-2**  
**Revenues by Tiers and**  
**User Class, 2010-2012**

| User Class, 2010-2012 |                 | 2010    |         |         |         |         |         |         |         |         |         |           |             |             |          |
|-----------------------|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-------------|-------------|----------|
| USE                   |                 | Jan-Jun | Jul-Oct | Nov-Dec | Total   | Jan-Jun | Jul-Oct | Nov-Dec | Total   | Rate    |         | Jan-Jun   | Jul-Dec     | Total       | % Tot \$ |
| CODE                  | TIER            | Jan-Jun | Jul-Oct | Nov-Dec | Total   | Jan-Jun | Jul-Oct | Nov-Dec | Total   | Jan-Jun | Jul-Dec | Jan-Jun   | Jul-Dec     | Total       | % Tot \$ |
| R                     | First 8 units   | 123,346 | 89,030  | 41,760  | 254,136 | 57%     | 34%     | 47%     | 45%     | \$2.71  | \$2.71  | \$334,268 | \$354,441   | \$688,709   | 37%      |
| R                     | 9 - 30 units    | 79,878  | 113,539 | 36,441  | 229,858 | 37%     | 43%     | 41%     | 40%     | \$3.54  | \$3.54  | \$282,768 | \$530,929   | \$813,697   | 43%      |
| R                     | 31 - 100 units  | 12,247  | 52,603  | 10,052  | 74,902  | 6%      | 20%     | 11%     | 13%     | \$4.24  | \$4.24  | \$51,927  | \$265,657   | \$317,584   | 17%      |
| R                     | 101 - 200 units | 1,313   | 5,860   | 643     | 7,816   | 1%      | 2%      | 1%      | 1%      | \$4.59  | \$4.59  | \$6,027   | \$29,849    | \$35,875    | 2%       |
| R                     | Over 200 units  | 489     | 2,026   | 656     | 3,171   | 0%      | 1%      | 1%      | 1%      | \$5.00  | \$5.00  | \$2,445   | \$13,410    | \$15,855    | 1%       |
| MR                    | First 8 units   | 11,280  | 7,740   | 3,799   | 22,819  | 24%     | 17%     | 21%     | 21%     | \$2.71  | \$2.71  | \$30,569  | \$31,271    | \$61,839    | 14%      |
| MR                    | 9 - 30 units    | 14,551  | 13,523  | 5,257   | 33,331  | 31%     | 29%     | 30%     | 30%     | \$3.54  | \$3.54  | \$51,511  | \$66,481    | \$117,992   | 27%      |
| MR                    | 31 - 100 units  | 7,392   | 8,947   | 2,432   | 18,771  | 16%     | 19%     | 14%     | 17%     | \$4.24  | \$4.24  | \$31,342  | \$48,247    | \$79,589    | 18%      |
| MR                    | 101 - 200 units | 2,314   | 2,448   | 907     | 5,669   | 5%      | 5%      | 5%      | 5%      | \$4.59  | \$4.59  | \$10,621  | \$15,399    | \$26,021    | 6%       |
| MR                    | Over 200 units  | 11,849  | 13,281  | 5,295   | 30,425  | 25%     | 29%     | 30%     | 27%     | \$5.00  | \$5.00  | \$59,245  | \$92,880    | \$152,125   | 35%      |
| C                     | First 8 units   | 3,874   | 2,741   | 1,309   | 7,924   | 25%     | 18%     | 24%     | 22%     | \$2.71  | \$2.71  | \$10,499  | \$10,976    | \$21,474    | 16%      |
| C                     | 9 - 30 units    | 5,093   | 4,313   | 1,786   | 11,192  | 33%     | 29%     | 33%     | 31%     | \$3.54  | \$3.54  | \$18,029  | \$21,590    | \$39,620    | 29%      |
| C                     | 31 - 100 units  | 4,845   | 4,628   | 1,695   | 11,168  | 31%     | 31%     | 32%     | 31%     | \$4.24  | \$4.24  | \$20,543  | \$26,810    | \$47,352    | 35%      |
| C                     | 101 - 200 units | 1,513   | 2,187   | 418     | 4,118   | 10%     | 15%     | 8%      | 11%     | \$4.59  | \$4.59  | \$6,945   | \$11,957    | \$18,902    | 14%      |
| C                     | Over 200 units  | 302     | 1,132   | 139     | 1,573   | 2%      | 8%      | 3%      | 4%      | \$5.00  | \$5.00  | \$1,510   | \$6,355     | \$7,865     | 6%       |
| I                     | First 8 units   | 1,187   | 863     | 435     | 2,485   | 12%     | 4%      | 7%      | 6%      | \$2.71  | \$2.71  | \$3,217   | \$3,518     | \$6,734     | 4%       |
| I                     | 9 - 30 units    | 2,000   | 1,894   | 883     | 4,777   | 20%     | 8%      | 14%     | 12%     | \$3.54  | \$3.54  | \$7,080   | \$9,831     | \$16,911    | 9%       |
| I                     | 31 - 100 units  | 2,509   | 2,748   | 1,165   | 6,422   | 25%     | 12%     | 18%     | 16%     | \$4.24  | \$4.24  | \$10,638  | \$16,591    | \$27,229    | 15%      |
| I                     | 101 - 200 units | 2,415   | 3,956   | 1,166   | 7,537   | 24%     | 17%     | 18%     | 19%     | \$4.59  | \$4.59  | \$11,085  | \$23,510    | \$34,595    | 19%      |
| I                     | Over 200 units  | 2,123   | 13,935  | 2,697   | 18,755  | 21%     | 60%     | 42%     | 47%     | \$5.00  | \$5.00  | \$10,615  | \$83,160    | \$93,775    | 52%      |
| L                     | First 8 units   | 156     | 124     | 64      | 344     | 11%     | 3%      | 14%     | 6%      | \$2.71  | \$2.71  | \$423     | \$509       | \$932       | 3%       |
| L                     | 9 - 30 units    | 206     | 275     | 116     | 597     | 15%     | 7%      | 25%     | 10%     | \$3.54  | \$3.54  | \$729     | \$1,384     | \$2,113     | 8%       |
| L                     | 31 - 100 units  | 239     | 448     | 168     | 855     | 17%     | 11%     | 36%     | 14%     | \$4.24  | \$4.24  | \$1,013   | \$2,612     | \$3,625     | 13%      |
| L                     | 101 - 200 units | 100     | 297     | 104     | 501     | 7%      | 7%      | 22%     | 8%      | \$4.59  | \$4.59  | \$459     | \$1,841     | \$2,300     | 8%       |
| L                     | Over 200 units  | 698     | 2,949   | 16      | 3,663   | 50%     | 72%     | 3%      | 61%     | \$5.00  | \$5.00  | \$3,490   | \$14,825    | \$18,315    | 67%      |
| PM                    | First 8 units   | 144     | 96      | 32      | 272     | 3%      | 2%      | 11%     | 2%      | \$2.71  | \$2.71  | \$390     | \$347       | \$737       | 1%       |
| PM                    | 9 - 30 units    | 370     | 264     | 88      | 722     | 7%      | 4%      | 30%     | 6%      | \$3.54  | \$3.54  | \$1,310   | \$1,246     | \$2,556     | 5%       |
| PM                    | 31 - 100 units  | 1,066   | 815     | 199     | 2,080   | 21%     | 13%     | 69%     | 18%     | \$4.24  | \$4.24  | \$4,520   | \$4,299     | \$8,819     | 16%      |
| PM                    | 101 - 200 units | 1,328   | 998     | 198     | 2,524   | 26%     | 16%     | 68%     | 22%     | \$4.59  | \$4.59  | \$6,096   | \$5,490     | \$11,585    | 22%      |
| PM                    | Over 200 units  | 2,176   | 4,010   | -227    | 5,959   | 43%     | 65%     | -78%    | 52%     | \$5.00  | \$5.00  | \$10,880  | \$18,915    | \$29,795    | 56%      |
| S                     | First 8 units   | 24      | 42      | 38      | 104     | 71%     | 82%     | 54%     | 67%     | \$2.71  | \$2.71  | \$65      | \$217       | \$282       | 60%      |
| S                     | 9 - 30 units    | 10      | 9       | 33      | 52      | 29%     | 18%     | 46%     | 33%     | \$3.54  | \$3.54  | \$35      | \$149       | \$184       | 40%      |
| S                     | 31 - 100 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$4.24  | \$4.24  | \$0       | \$0         | \$0         | 0%       |
| S                     | 101 - 200 units | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$4.59  | \$4.59  | \$0       | \$0         | \$0         | 0%       |
| S                     | Over 200 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$5.00  | \$5.00  | \$0       | \$0         | \$0         | 0%       |
| O                     | First 8 units   | 80      | 60      | 32      | 172     | 25%     | 23%     | 34%     | 25%     | \$2.71  | \$2.71  | \$217     | \$249       | \$466       | 19%      |
| O                     | 9 - 30 units    | 126     | 119     | 51      | 296     | 39%     | 46%     | 54%     | 44%     | \$3.54  | \$3.54  | \$446     | \$602       | \$1,048     | 44%      |
| O                     | 31 - 100 units  | 111     | 78      | 12      | 201     | 34%     | 30%     | 13%     | 30%     | \$4.24  | \$4.24  | \$471     | \$382       | \$852       | 35%      |
| O                     | 101 - 200 units | 8       | 0       | 0       | 8       | 2%      | 0%      | 0%      | 1%      | \$4.59  | \$4.59  | \$37      | \$0         | \$37        | 2%       |
| O                     | Over 200 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$5.00  | \$5.00  | \$0       | \$0         | \$0         | 0%       |
| V                     | First 8 units   | 15      | 57      | 10      | 82      | 100%    | 76%     | 100%    | 82%     | \$2.71  | \$2.71  | \$41      | \$182       | \$222       | 78%      |
| V                     | 9 - 30 units    | 0       | 18      | 0       | 18      | 0%      | 24%     | 0%      | 18%     | \$3.54  | \$3.54  | \$0       | \$64        | \$64        | 22%      |
| V                     | 31 - 100 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$4.24  | \$4.24  | \$0       | \$0         | \$0         | 0%       |
| V                     | 101 - 200 units | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$4.59  | \$4.59  | \$0       | \$0         | \$0         | 0%       |
| V                     | Over 200 units  | 0       | 0       | 0       | 0       | 0%      | 0%      | 0%      | 0%      | \$5.00  | \$5.00  | \$0       | \$0         | \$0         | 0%       |
| TOTAL                 |                 | 297,377 | 358,053 | 119,869 | 775,299 |         |         |         |         |         |         | \$991,503 | \$1,716,173 | \$2,707,676 |          |
| SUMMARY BY CLASS      |                 |         |         |         |         |         |         |         |         |         |         |           |             |             |          |
| R                     |                 | 217,273 | 263,058 | 89,552  | 569,883 | 73%     | 73%     | 75%     | 74%     |         |         | \$677,435 | \$1,194,286 | \$1,871,721 | 69%      |
| MR                    |                 | 47,386  | 45,939  | 17,690  | 111,015 | 16%     | 13%     | 15%     | 14%     |         |         | \$183,288 | \$254,278   | \$437,566   | 16%      |
| C                     |                 | 15,627  | 15,001  | 5,347   | 35,975  | 5%      | 4%      | 4%      | 5%      |         |         | \$57,525  | \$77,687    | \$135,213   | 5%       |
| I                     |                 | 10,234  | 23,396  | 6,346   | 39,976  | 3%      | 7%      | 5%      | 5%      |         |         | \$42,635  | \$136,609   | \$179,244   | 7%       |
| L                     |                 | 1,399   | 4,093   | 468     | 5,960   | 0%      | 1%      | 0%      | 1%      |         |         | \$6,114   | \$21,171    | \$27,285    | 1%       |
| PM                    |                 | 5,084   | 6,183   | 290     | 11,557  | 2%      | 2%      | 0%      | 1%      |         |         | \$23,195  | \$30,297    | \$53,492    | 2%       |
| S                     |                 | 34      | 51      | 71      | 156     | 0%      | 0%      | 0%      | 0%      |         |         | \$100     | \$365       | \$466       | 0%       |
| O                     |                 | 325     | 257     | 95      | 677     | 0%      | 0%      | 0%      | 0%      |         |         | \$1,170   | \$1,233     | \$2,403     | 0%       |
| V                     |                 | 15      | 75      | 10      | 100     | 0%      | 0%      | 0%      | 0%      |         |         | \$41      | \$245       | \$286       | 0%       |
| TOTAL                 |                 | 297,377 | 358,053 | 119,869 | 775,299 | 100%    | 100%    | 100%    | 100%    |         |         | \$991,503 | \$1,716,173 | \$2,707,676 | 100%     |
| SUMMARY BY TIER       |                 |         |         |         |         |         |         |         |         |         |         |           |             |             |          |
| First 8 units         |                 | 140,106 | 100,753 | 47,479  | 288,338 | 47%     | 28%     | 40%     | 37%     |         |         | \$379,687 | \$401,709   | \$781,396   | 29%      |
| 9 - 30 units          |                 | 102,234 | 133,954 | 44,655  | 280,843 | 34%     | 37%     | 37%     | 36%     |         |         | \$361,908 | \$632,276   | \$994,184   | 37%      |
| 31 - 100 units        |                 | 28,409  | 70,267  | 15,723  | 114,399 | 10%     | 20%     | 13%     | 15%     |         |         | \$120,454 | \$364,598   | \$485,052   | 18%      |
| 101 - 200 units       |                 | 8,991   | 15,746  | 3,436   | 28,173  | 3%      | 4%      | 3%      | 4%      |         |         | \$41,269  | \$88,045    | \$129,314   | 5%       |
| Over 200 units        |                 | 17,637  | 37,333  | 8,576   | 63,546  | 6%      | 10%     | 7%      | 8%      |         |         | \$88,185  | \$229,545   | \$317,730   | 12%      |
| TOTAL                 |                 | 297,377 | 358,053 | 119,869 | 775,299 | 100%    | 100%    | 100%    | 100%    |         |         | \$991,503 | \$1,716,173 | \$2,707,676 | 100%     |
|                       |                 | 38%     | 47%     | 62%     | 59%     | 38%     | 47%     | 59%     | 47%     |         |         |           |             |             |          |
|                       |                 | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec |         |         |           |             |             |          |

**Table C-2**  
**Revenues by Tiers and**  
**User Class, 2010-2012**

| User Class, 2010-2012 |                 | 2011      |           |           |         |      |      |      |       |         |         |             |             |             |          |
|-----------------------|-----------------|-----------|-----------|-----------|---------|------|------|------|-------|---------|---------|-------------|-------------|-------------|----------|
| USE                   |                 | Jan-      | Jul-      | Nov-      |         | Jan- | Jul- | Nov- |       | Rate    |         | Jan-        | Jul-        |             |          |
| CODE                  | TIER            | Jun       | Oct       | Dec       | Total   | Jun  | Oct  | Dec  | Total | Jan-Jun | Jul-Dec | Jun         | Dec         | Total       | % Tot \$ |
| R                     | First 8 units   | 124,219   | 88,815    | 41,826    | 254,860 | 56%  | 36%  | 51%  | 46%   | \$2.71  | \$2.71  | \$336,633   | \$354,037   | \$690,671   | 39%      |
| R                     | 9 - 30 units    | 81,303    | 106,187   | 32,337    | 219,827 | 37%  | 43%  | 39%  | 40%   | \$3.54  | \$3.54  | \$287,813   | \$490,375   | \$778,188   | 43%      |
| R                     | 31 - 100 units  | 13,004    | 45,214    | 7,521     | 65,739  | 6%   | 18%  | 9%   | 12%   | \$4.24  | \$4.24  | \$55,137    | \$223,596   | \$278,733   | 16%      |
| R                     | 101 - 200 units | 1,934     | 4,374     | 644       | 6,952   | 1%   | 2%   | 1%   | 1%    | \$4.59  | \$4.59  | \$8,877     | \$23,033    | \$31,910    | 2%       |
| R                     | Over 200 units  | 898       | 1,617     | 151       | 2,666   | 0%   | 1%   | 0%   | 0%    | \$5.00  | \$5.00  | \$4,490     | \$8,840     | \$13,330    | 1%       |
| MR                    | First 8 units   | 11,228    | 7,670     | 3,756     | 22,654  | 22%  | 17%  | 22%  | 20%   | \$2.71  | \$2.71  | \$30,428    | \$30,964    | \$61,392    | 14%      |
| MR                    | 9 - 30 units    | 15,124    | 13,229    | 4,980     | 33,333  | 30%  | 29%  | 30%  | 29%   | \$3.54  | \$3.54  | \$53,539    | \$64,460    | \$117,999   | 26%      |
| MR                    | 31 - 100 units  | 7,879     | 8,812     | 2,606     | 19,297  | 16%  | 19%  | 15%  | 17%   | \$4.24  | \$4.24  | \$33,407    | \$48,412    | \$81,819    | 18%      |
| MR                    | 101 - 200 units | 2,417     | 2,573     | 987       | 5,977   | 5%   | 6%   | 6%   | 5%    | \$4.59  | \$4.59  | \$11,094    | \$16,340    | \$27,434    | 6%       |
| MR                    | Over 200 units  | 13,502    | 13,932    | 4,548     | 31,982  | 27%  | 30%  | 27%  | 28%   | \$5.00  | \$5.00  | \$67,510    | \$92,400    | \$159,910   | 36%      |
| C                     | First 8 units   | 3,946     | 2,803     | 1,339     | 8,088   | 25%  | 18%  | 24%  | 22%   | \$2.71  | \$2.71  | \$10,694    | \$11,225    | \$21,918    | 16%      |
| C                     | 9 - 30 units    | 5,340     | 4,380     | 1,825     | 11,545  | 33%  | 28%  | 32%  | 31%   | \$3.54  | \$3.54  | \$18,904    | \$21,966    | \$40,869    | 29%      |
| C                     | 31 - 100 units  | 5,328     | 4,945     | 1,833     | 12,106  | 33%  | 32%  | 33%  | 33%   | \$4.24  | \$4.24  | \$22,591    | \$28,739    | \$51,329    | 37%      |
| C                     | 101 - 200 units | 1,318     | 2,196     | 601       | 4,115   | 8%   | 14%  | 11%  | 11%   | \$4.59  | \$4.59  | \$6,050     | \$12,838    | \$18,888    | 14%      |
| C                     | Over 200 units  | 149       | 1,103     | 27        | 1,279   | 1%   | 7%   | 0%   | 3%    | \$5.00  | \$5.00  | \$745       | \$5,650     | \$6,395     | 5%       |
| I                     | First 8 units   | 1,224     | 857       | 418       | 2,499   | 9%   | 4%   | 7%   | 6%    | \$2.71  | \$2.71  | \$3,317     | \$3,455     | \$6,772     | 3%       |
| I                     | 9 - 30 units    | 2,174     | 1,899     | 822       | 4,895   | 16%  | 8%   | 15%  | 11%   | \$3.54  | \$3.54  | \$7,696     | \$9,632     | \$17,328    | 9%       |
| I                     | 31 - 100 units  | 2,821     | 2,891     | 1,151     | 6,863   | 21%  | 12%  | 20%  | 16%   | \$4.24  | \$4.24  | \$11,961    | \$17,138    | \$29,099    | 15%      |
| I                     | 101 - 200 units | 3,150     | 4,020     | 1,174     | 8,344   | 23%  | 17%  | 21%  | 19%   | \$4.59  | \$4.59  | \$14,459    | \$23,840    | \$38,299    | 19%      |
| I                     | Over 200 units  | 4,378     | 14,571    | 2,074     | 21,023  | 32%  | 60%  | 37%  | 48%   | \$5.00  | \$5.00  | \$21,890    | \$83,225    | \$105,115   | 53%      |
| L                     | First 8 units   | 169       | 114       | 49        | 332     | 8%   | 3%   | 20%  | 6%    | \$2.71  | \$2.71  | \$458       | \$442       | \$900       | 3%       |
| L                     | 9 - 30 units    | 307       | 260       | 95        | 662     | 14%  | 7%   | 39%  | 11%   | \$3.54  | \$3.54  | \$1,087     | \$1,257     | \$2,343     | 9%       |
| L                     | 31 - 100 units  | 549       | 535       | 75        | 1,159   | 26%  | 15%  | 31%  | 19%   | \$4.24  | \$4.24  | \$2,328     | \$2,586     | \$4,914     | 18%      |
| L                     | 101 - 200 units | 277       | 356       | 22        | 655     | 13%  | 10%  | 9%   | 11%   | \$4.59  | \$4.59  | \$1,271     | \$1,735     | \$3,006     | 11%      |
| L                     | Over 200 units  | 845       | 2,291     | 0         | 3,136   | 39%  | 64%  | 0%   | 53%   | \$5.00  | \$5.00  | \$4,225     | \$11,455    | \$15,680    | 58%      |
| PM                    | First 8 units   | 144       | 96        | 48        | 288     | 3%   | 2%   | 3%   | 2%    | \$2.71  | \$2.71  | \$390       | \$390       | \$780       | 1%       |
| PM                    | 9 - 30 units    | 396       | 264       | 132       | 792     | 8%   | 4%   | 10%  | 6%    | \$3.54  | \$3.54  | \$1,402     | \$1,402     | \$2,804     | 5%       |
| PM                    | 31 - 100 units  | 997       | 791       | 337       | 2,125   | 20%  | 13%  | 24%  | 17%   | \$4.24  | \$4.24  | \$4,227     | \$4,783     | \$9,010     | 15%      |
| PM                    | 101 - 200 units | 1,090     | 866       | 361       | 2,317   | 22%  | 14%  | 26%  | 19%   | \$4.59  | \$4.59  | \$5,003     | \$5,632     | \$10,635    | 18%      |
| PM                    | Over 200 units  | 2,282     | 4,212     | 505       | 6,999   | 46%  | 68%  | 37%  | 56%   | \$5.00  | \$5.00  | \$11,410    | \$23,585    | \$34,995    | 60%      |
| S                     | First 8 units   | 30        | 56        | 28        | 114     | 100% | 71%  | 70%  | 78%   | \$2.71  | \$2.71  | \$81        | \$228       | \$309       | 73%      |
| S                     | 9 - 30 units    | 0         | 23        | 9         | 32      | 0%   | 29%  | 24%  | 22%   | \$3.54  | \$3.54  | \$0         | \$113       | \$113       | 27%      |
| S                     | 31 - 100 units  | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$4.24  | \$4.24  | \$0         | \$0         | \$0         | 0%       |
| S                     | 101 - 200 units | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| S                     | Over 200 units  | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| O                     | First 8 units   | 76        | 62        | 32        | 170     | 49%  | 31%  | 34%  | 38%   | \$2.71  | \$2.71  | \$206       | \$255       | \$461       | 32%      |
| O                     | 9 - 30 units    | 77        | 111       | 63        | 251     | 50%  | 56%  | 66%  | 56%   | \$3.54  | \$3.54  | \$273       | \$616       | \$889       | 61%      |
| O                     | 31 - 100 units  | 1         | 25        | 0         | 26      | 1%   | 13%  | 0%   | 6%    | \$4.24  | \$4.24  | \$4         | \$106       | \$110       | 8%       |
| O                     | 101 - 200 units | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| O                     | Over 200 units  | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| V                     | First 8 units   | 9         | 33        | 6         | 48      | 100% | 100% | 100% | 100%  | \$2.71  | \$2.71  | \$24        | \$106       | \$130       | 100%     |
| V                     | 9 - 30 units    | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$3.54  | \$3.54  | \$0         | \$0         | \$0         | 0%       |
| V                     | 31 - 100 units  | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$4.24  | \$4.24  | \$0         | \$0         | \$0         | 0%       |
| V                     | 101 - 200 units | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| V                     | Over 200 units  | 0         | 0         | 0         | 0       | 0%   | 0%   | 0%   | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| TOTAL                 |                 | 308,585   | 342,183   | 112,382   | 763,150 |      |      |      |       |         |         | \$1,039,623 | \$1,624,857 | \$2,664,480 |          |
| SUMMARY BY CLASS      |                 |           |           |           |         |      |      |      |       |         |         |             |             |             |          |
| R                     |                 | 221,358   | 246,207   | 82,479    | 550,044 | 72%  | 72%  | 73%  | 72%   |         |         | \$692,950   | \$1,099,881 | \$1,792,831 | 67%      |
| MR                    |                 | 50,150    | 46,216    | 16,877    | 113,243 | 16%  | 14%  | 15%  | 15%   |         |         | \$195,978   | \$252,577   | \$448,555   | 17%      |
| C                     |                 | 16,081    | 15,427    | 5,625     | 37,133  | 5%   | 5%   | 5%   | 5%    |         |         | \$58,983    | \$80,417    | \$139,400   | 5%       |
| I                     |                 | 13,747    | 24,238    | 5,639     | 43,624  | 4%   | 7%   | 5%   | 6%    |         |         | \$59,323    | \$137,291   | \$196,614   | 7%       |
| L                     |                 | 2,147     | 3,556     | 241       | 5,944   | 1%   | 1%   | 0%   | 1%    |         |         | \$9,369     | \$17,475    | \$26,844    | 1%       |
| PM                    |                 | 4,909     | 6,229     | 1,383     | 12,521  | 2%   | 2%   | 1%   | 2%    |         |         | \$22,432    | \$35,792    | \$58,224    | 2%       |
| S                     |                 | 30        | 79        | 37        | 146     | 0%   | 0%   | 0%   | 0%    |         |         | \$81        | \$341       | \$422       | 0%       |
| O                     |                 | 154       | 198       | 95        | 447     | 0%   | 0%   | 0%   | 0%    |         |         | \$483       | \$977       | \$1,459     | 0%       |
| V                     |                 | 9         | 33        | 6         | 48      | 0%   | 0%   | 0%   | 0%    |         |         | \$24        | \$106       | \$130       | 0%       |
| TOTAL                 |                 | 308,585   | 342,183   | 112,382   | 763,150 | 100% | 100% | 100% | 100%  |         |         | \$1,039,623 | \$1,624,857 | \$2,664,480 | 100%     |
| SUMMARY BY TIER       |                 |           |           |           |         |      |      |      |       |         |         |             |             |             |          |
| First 8 units         |                 | 141,045   | 100,506   | 47,502    | 289,053 | 46%  | 29%  | 42%  | 38%   |         |         | \$382,232   | \$401,102   | \$783,334   | 29%      |
| 9 - 30 units          |                 | 104,721   | 126,353   | 40,263    | 271,337 | 34%  | 37%  | 36%  | 36%   |         |         | \$370,712   | \$589,821   | \$960,533   | 36%      |
| 31 - 100 units        |                 | 30,579    | 63,213    | 13,523    | 107,315 | 10%  | 18%  | 12%  | 14%   |         |         | \$129,655   | \$325,361   | \$455,016   | 17%      |
| 101 - 200 units       |                 | 10,186    | 14,385    | 3,789     | 28,360  | 3%   | 4%   | 3%   | 4%    |         |         | \$46,754    | \$83,419    | \$130,172   | 5%       |
| Over 200 units        |                 | 22,054    | 37,726    | 7,305     | 67,085  | 7%   | 11%  | 7%   | 9%    |         |         | \$110,270   | \$225,155   | \$335,425   | 13%      |
| TOTAL                 |                 | 308,585   | 342,183   | 112,382   | 763,150 | 100% | 100% | 100% | 100%  |         |         | \$1,039,623 | \$1,624,857 | \$2,664,480 | 100%     |
|                       |                 | 40%       | 44%       | 60%       | 60%     |      |      |      |       |         |         |             |             |             |          |
|                       |                 | % Jan-Jun | % Jul-Oct | % Nov-Dec | % Total |      |      |      |       |         |         |             |             |             |          |

**Table C-2**  
**Revenues by Tiers and**  
**User Class, 2010-2012**

| User Class, 2010-2012 |                 | 2012      |           |           |         |         |         |         |       |         |         |             |             |             |          |
|-----------------------|-----------------|-----------|-----------|-----------|---------|---------|---------|---------|-------|---------|---------|-------------|-------------|-------------|----------|
| USE                   |                 | Jan-Jun   | Jul-Oct   | Nov-Dec   | Total   | Jan-Jun | Jul-Oct | Nov-Dec | Total | Rate    |         | Jan-Jun     | Jul-Dec     | Total       | % Tot \$ |
| CODE                  | TIER            |           |           |           |         |         |         |         |       | Jan-Jun | Jul-Dec |             |             |             |          |
| R                     | First 8 units   | 125,528   | 88,951    | 42,075    | 256,554 | 54%     | 33%     | 46%     | 43%   | \$2.71  | \$2.71  | \$340,181   | \$355,080   | \$695,261   | 36%      |
| R                     | 9 - 30 units    | 88,520    | 113,033   | 36,314    | 237,867 | 38%     | 42%     | 40%     | 40%   | \$3.54  | \$3.54  | \$313,361   | \$528,688   | \$842,049   | 43%      |
| R                     | 31 - 100 units  | 15,577    | 55,780    | 10,982    | 82,339  | 7%      | 21%     | 12%     | 14%   | \$4.24  | \$4.24  | \$66,046    | \$283,071   | \$349,117   | 18%      |
| R                     | 101 - 200 units | 2,045     | 5,578     | 1,105     | 8,728   | 1%      | 2%      | 1%      | 1%    | \$4.59  | \$4.59  | \$9,387     | \$30,675    | \$40,062    | 2%       |
| R                     | Over 200 units  | 1,417     | 3,088     | 644       | 5,149   | 1%      | 1%      | 1%      | 1%    | \$5.00  | \$5.00  | \$7,085     | \$18,660    | \$25,745    | 1%       |
| MR                    | First 8 units   | 11,244    | 7,654     | 3,754     | 22,652  | 21%     | 15%     | 19%     | 18%   | \$2.71  | \$2.71  | \$30,471    | \$30,916    | \$61,387    | 12%      |
| MR                    | 9 - 30 units    | 15,427    | 13,502    | 5,266     | 34,195  | 29%     | 26%     | 27%     | 28%   | \$3.54  | \$3.54  | \$54,612    | \$66,439    | \$121,050   | 24%      |
| MR                    | 31 - 100 units  | 8,997     | 9,692     | 2,727     | 21,416  | 17%     | 19%     | 14%     | 17%   | \$4.24  | \$4.24  | \$38,147    | \$52,657    | \$90,804    | 18%      |
| MR                    | 101 - 200 units | 2,906     | 2,954     | 698       | 6,558   | 5%      | 6%      | 4%      | 5%    | \$4.59  | \$4.59  | \$13,339    | \$16,763    | \$30,101    | 6%       |
| MR                    | Over 200 units  | 14,590    | 17,422    | 7,128     | 39,140  | 27%     | 34%     | 36%     | 32%   | \$5.00  | \$5.00  | \$72,950    | \$122,750   | \$195,700   | 39%      |
| C                     | First 8 units   | 3,933     | 2,789     | 1,345     | 8,067   | 24%     | 18%     | 22%     | 22%   | \$2.71  | \$2.71  | \$10,658    | \$11,203    | \$21,862    | 16%      |
| C                     | 9 - 30 units    | 5,073     | 4,434     | 1,875     | 11,382  | 31%     | 29%     | 31%     | 30%   | \$3.54  | \$3.54  | \$17,958    | \$22,334    | \$40,292    | 29%      |
| C                     | 31 - 100 units  | 5,480     | 4,863     | 1,751     | 12,094  | 34%     | 32%     | 29%     | 32%   | \$4.24  | \$4.24  | \$23,235    | \$28,043    | \$51,279    | 37%      |
| C                     | 101 - 200 units | 1,624     | 2,387     | 707       | 4,718   | 10%     | 16%     | 12%     | 13%   | \$4.59  | \$4.59  | \$7,454     | \$14,201    | \$21,656    | 15%      |
| C                     | Over 200 units  | 98        | 637       | 339       | 1,074   | 1%      | 4%      | 6%      | 3%    | \$5.00  | \$5.00  | \$490       | \$4,880     | \$5,370     | 4%       |
| I                     | First 8 units   | 1,199     | 841       | 429       | 2,469   | 8%      | 3%      | 7%      | 5%    | \$2.71  | \$2.71  | \$3,249     | \$3,442     | \$6,691     | 3%       |
| I                     | 9 - 30 units    | 2,262     | 1,863     | 895       | 5,020   | 15%     | 7%      | 14%     | 10%   | \$3.54  | \$3.54  | \$8,007     | \$9,763     | \$17,771    | 8%       |
| I                     | 31 - 100 units  | 2,840     | 2,776     | 1,229     | 6,845   | 19%     | 10%     | 19%     | 14%   | \$4.24  | \$4.24  | \$12,042    | \$16,981    | \$29,023    | 13%      |
| I                     | 101 - 200 units | 3,268     | 3,981     | 1,316     | 8,565   | 22%     | 15%     | 20%     | 18%   | \$4.59  | \$4.59  | \$15,000    | \$24,313    | \$39,313    | 18%      |
| I                     | Over 200 units  | 5,171     | 17,894    | 2,617     | 25,682  | 35%     | 65%     | 40%     | 53%   | \$5.00  | \$5.00  | \$25,855    | \$102,555   | \$128,410   | 58%      |
| L                     | First 8 units   | 160       | 103       | 41        | 304     | 6%      | 3%      | 19%     | 5%    | \$2.71  | \$2.71  | \$434       | \$390       | \$824       | 3%       |
| L                     | 9 - 30 units    | 342       | 235       | 78        | 655     | 12%     | 7%      | 35%     | 10%   | \$3.54  | \$3.54  | \$1,211     | \$1,108     | \$2,319     | 8%       |
| L                     | 31 - 100 units  | 512       | 543       | 102       | 1,157   | 18%     | 15%     | 46%     | 17%   | \$4.24  | \$4.24  | \$2,171     | \$2,735     | \$4,906     | 16%      |
| L                     | 101 - 200 units | 322       | 320       | 0         | 642     | 11%     | 9%      | 0%      | 10%   | \$4.59  | \$4.59  | \$1,478     | \$1,469     | \$2,947     | 10%      |
| L                     | Over 200 units  | 1,471     | 2,391     | 0         | 3,862   | 52%     | 67%     | 0%      | 58%   | \$5.00  | \$5.00  | \$7,355     | \$11,955    | \$19,310    | 64%      |
| PM                    | First 8 units   | 144       | 88        | 48        | 280     | 3%      | 3%      | 5%      | 3%    | \$2.71  | \$2.71  | \$390       | \$369       | \$759       | 2%       |
| PM                    | 9 - 30 units    | 396       | 242       | 132       | 770     | 9%      | 8%      | 14%     | 9%    | \$3.54  | \$3.54  | \$1,402     | \$1,324     | \$2,726     | 7%       |
| PM                    | 31 - 100 units  | 1,024     | 752       | 280       | 2,056   | 23%     | 25%     | 30%     | 24%   | \$4.24  | \$4.24  | \$4,342     | \$4,376     | \$8,717     | 23%      |
| PM                    | 101 - 200 units | 1,091     | 714       | 283       | 2,088   | 25%     | 23%     | 30%     | 25%   | \$4.59  | \$4.59  | \$5,008     | \$4,576     | \$9,584     | 25%      |
| PM                    | Over 200 units  | 1,746     | 1,269     | 206       | 3,221   | 40%     | 41%     | 22%     | 38%   | \$5.00  | \$5.00  | \$8,730     | \$7,375     | \$16,105    | 43%      |
| S                     | First 8 units   | 50        | 54        | 45        | 149     | 75%     | 22%     | 37%     | 34%   | \$2.71  | \$2.71  | \$136       | \$268       | \$404       | 27%      |
| S                     | 9 - 30 units    | 17        | 79        | 48        | 144     | 25%     | 32%     | 39%     | 33%   | \$3.54  | \$3.54  | \$60        | \$450       | \$510       | 34%      |
| S                     | 31 - 100 units  | 0         | 89        | 30        | 119     | 0%      | 36%     | 24%     | 27%   | \$4.24  | \$4.24  | \$0         | \$505       | \$505       | 33%      |
| S                     | 101 - 200 units | 0         | 22        | 0         | 22      | 0%      | 9%      | 0%      | 5%    | \$4.59  | \$4.59  | \$0         | \$101       | \$101       | 7%       |
| S                     | Over 200 units  | 0         | 0         | 0         | 0       | 0%      | 0%      | 0%      | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| O                     | First 8 units   | 90        | 63        | 30        | 183     | 50%     | 25%     | 31%     | 35%   | \$2.71  | \$2.71  | \$244       | \$252       | \$496       | 28%      |
| O                     | 9 - 30 units    | 89        | 137       | 48        | 274     | 50%     | 55%     | 50%     | 52%   | \$3.54  | \$3.54  | \$315       | \$655       | \$970       | 55%      |
| O                     | 31 - 100 units  | 0         | 49        | 18        | 67      | 0%      | 20%     | 19%     | 13%   | \$4.24  | \$4.24  | \$0         | \$284       | \$284       | 16%      |
| O                     | 101 - 200 units | 0         | 0         | 0         | 0       | 0%      | 0%      | 0%      | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| O                     | Over 200 units  | 0         | 0         | 0         | 0       | 0%      | 0%      | 0%      | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| V                     | First 8 units   | 17        | 55        | 7         | 79      | 100%    | 90%     | 100%    | 93%   | \$2.71  | \$2.71  | \$46        | \$168       | \$214       | 91%      |
| V                     | 9 - 30 units    | 0         | 6         | 0         | 6       | 0%      | 10%     | 0%      | 7%    | \$3.54  | \$3.54  | \$0         | \$21        | \$21        | 9%       |
| V                     | 31 - 100 units  | 0         | 0         | 0         | 0       | 0%      | 0%      | 0%      | 0%    | \$4.24  | \$4.24  | \$0         | \$0         | \$0         | 0%       |
| V                     | 101 - 200 units | 0         | 0         | 0         | 0       | 0%      | 0%      | 0%      | 0%    | \$4.59  | \$4.59  | \$0         | \$0         | \$0         | 0%       |
| V                     | Over 200 units  | 0         | 0         | 0         | 0       | 0%      | 0%      | 0%      | 0%    | \$5.00  | \$5.00  | \$0         | \$0         | \$0         | 0%       |
| TOTAL                 |                 | 324,670   | 367,330   | 124,592   | 816,592 |         |         |         |       |         |         | \$1,102,848 | \$1,781,795 | \$2,884,643 |          |
| SUMMARY BY CLASS      |                 |           |           |           |         |         |         |         |       |         |         |             |             |             |          |
| R                     |                 | 233,087   | 266,430   | 91,120    | 590,637 | 72%     | 73%     | 73%     | 72%   |         |         | \$736,060   | \$1,216,175 | \$1,952,234 | 68%      |
| MR                    |                 | 53,164    | 51,224    | 19,573    | 123,961 | 16%     | 14%     | 16%     | 15%   |         |         | \$209,519   | \$289,524   | \$499,042   | 17%      |
| C                     |                 | 16,208    | 15,110    | 6,017     | 37,335  | 5%      | 4%      | 5%      | 5%    |         |         | \$59,796    | \$80,662    | \$140,458   | 5%       |
| I                     |                 | 14,740    | 27,355    | 6,486     | 48,581  | 5%      | 7%      | 5%      | 6%    |         |         | \$64,153    | \$157,054   | \$221,208   | 8%       |
| L                     |                 | 2,807     | 3,592     | 221       | 6,620   | 1%      | 1%      | 0%      | 1%    |         |         | \$12,648    | \$17,657    | \$30,305    | 1%       |
| PM                    |                 | 4,401     | 3,065     | 949       | 8,415   | 1%      | 1%      | 1%      | 1%    |         |         | \$19,872    | \$18,019    | \$37,891    | 1%       |
| S                     |                 | 67        | 244       | 123       | 434     | 0%      | 0%      | 0%      | 0%    |         |         | \$196       | \$1,323     | \$1,519     | 0%       |
| O                     |                 | 179       | 249       | 96        | 524     | 0%      | 0%      | 0%      | 0%    |         |         | \$559       | \$1,191     | \$1,750     | 0%       |
| V                     |                 | 17        | 61        | 7         | 85      | 0%      | 0%      | 0%      | 0%    |         |         | \$46        | \$189       | \$235       | 0%       |
| TOTAL                 |                 | 324,670   | 367,330   | 124,592   | 816,592 | 100%    | 100%    | 100%    | 100%  |         |         | \$1,102,848 | \$1,781,795 | \$2,884,643 | 100%     |
| SUMMARY BY TIER       |                 |           |           |           |         |         |         |         |       |         |         |             |             |             |          |
| First 8 units         |                 | 142,365   | 100,598   | 47,774    | 290,737 | 44%     | 27%     | 38%     | 36%   |         |         | \$385,809   | \$402,088   | \$787,897   | 27%      |
| 9 - 30 units          |                 | 112,126   | 133,531   | 44,656    | 290,313 | 35%     | 36%     | 36%     | 36%   |         |         | \$396,926   | \$630,782   | \$1,027,708 | 36%      |
| 31 - 100 units        |                 | 34,430    | 74,544    | 17,119    | 126,093 | 11%     | 20%     | 14%     | 15%   |         |         | \$145,983   | \$388,651   | \$534,634   | 19%      |
| 101 - 200 units       |                 | 11,256    | 15,956    | 4,109     | 31,321  | 3%      | 4%      | 3%      | 4%    |         |         | \$51,665    | \$92,098    | \$143,763   | 5%       |
| Over 200 units        |                 | 24,493    | 42,701    | 10,934    | 78,128  | 8%      | 12%     | 9%      | 10%   |         |         | \$122,465   | \$268,175   | \$390,640   | 14%      |
| TOTAL                 |                 | 324,670   | 367,330   | 124,592   | 816,592 | 100%    | 100%    | 100%    | 100%  |         |         | \$1,102,848 | \$1,781,795 | \$2,884,643 | 100%     |
|                       |                 | 40%       | 47%       | 60%       | 59%     |         |         |         |       |         |         |             |             |             |          |
|                       |                 | % Jan-Jun | % Jul-Oct | % Nov-Dec | % Total |         |         |         |       |         |         |             |             |             |          |

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## **Appendix D: Revenue from Water Rates, FY13 – FY18**

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Table D-1  
Revenues from Quantity Charges  
Current Rate Structure

| Water Use, 100 cu ft | 2010    | 2011    | 2012    | FY13    | FY14    | FY15    | FY16    | FY17    | FY18    |
|----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| First 10 units       | 340,139 | 340,420 | 343,146 | 340,000 | 341,000 | 342,000 | 344,000 | 346,000 | 348,000 |
| 11 - 40 units        | 268,469 | 256,693 | 280,716 | 262,500 | 258,000 | 253,000 | 247,000 | 241,000 | 235,000 |
| 41 - 100 units       | 75,190  | 70,761  | 83,216  | 73,000  | 72,000  | 70,000  | 68,000  | 66,000  | 64,000  |
| 101 - 200 units      | 28,173  | 28,360  | 31,274  | 28,000  | 27,000  | 26,000  | 25,000  | 24,000  | 23,000  |
| Over 200 units       | 63,546  | 66,538  | 78,128  | 65,500  | 64,000  | 63,000  | 62,000  | 61,000  | 60,000  |
| Flat Rate            |         |         |         | 0       | 0       | 0       | 0       | 0       | 0       |
| Total                | 775,517 | 762,772 | 816,480 | 769,000 | 762,000 | 754,000 | 746,000 | 738,000 | 730,000 |

| Water Use, % of Total | 2010 | 2011 | 2012 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 |
|-----------------------|------|------|------|------|------|------|------|------|------|
| First 10 units        | 44%  | 45%  | 42%  | 44%  | 45%  | 45%  | 46%  | 47%  | 48%  |
| 11 - 40 units         | 35%  | 34%  | 34%  | 34%  | 34%  | 34%  | 33%  | 33%  | 32%  |
| 41 - 100 units        | 10%  | 9%   | 10%  | 9%   | 9%   | 9%   | 9%   | 9%   | 9%   |
| 101 - 200 units       | 4%   | 4%   | 4%   | 4%   | 4%   | 3%   | 3%   | 3%   | 3%   |
| Over 200 units        | 8%   | 9%   | 10%  | 9%   | 8%   | 8%   | 8%   | 8%   | 8%   |
| Flat Rate             | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   |

| Rate, \$/100 cu ft | 2010   | 2011   | 2012   | FY13   | FY14   | FY15   | FY16   | FY17   | FY18   |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| First 10 units     | \$2.71 | \$2.71 | \$2.71 | \$2.71 | \$3.06 | \$3.46 | \$3.74 | \$4.04 | \$4.36 |
| 11 - 40 units      | \$3.54 | \$3.54 | \$3.54 | \$3.54 | \$4.00 | \$4.52 | \$4.88 | \$5.27 | \$5.69 |
| 41 - 100 units     | \$4.24 | \$4.24 | \$4.24 | \$4.24 | \$4.79 | \$5.41 | \$5.84 | \$6.31 | \$6.81 |
| 101 - 200 units    | \$4.59 | \$4.59 | \$4.59 | \$4.59 | \$5.19 | \$5.86 | \$6.33 | \$6.84 | \$7.39 |
| Over 200 units     | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.65 | \$6.38 | \$6.89 | \$7.44 | \$8.04 |

| Revenue, \$           | 2010        | 2011        | 2012        | FY13        | FY14        | FY15        | FY16        | FY17        | FY18        |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| First 10 units        | 921,777     | 922,538     | 929,926     | \$921,400   | \$1,043,460 | \$1,183,320 | \$1,286,560 | \$1,397,840 | \$1,517,280 |
| 11 - 40 units         | 950,380     | 908,693     | 993,735     | \$929,250   | \$1,032,000 | \$1,143,560 | \$1,205,360 | \$1,270,070 | \$1,337,150 |
| 41 - 100 units        | 318,806     | 300,027     | 352,836     | \$309,520   | \$344,880   | \$378,700   | \$397,120   | \$416,460   | \$435,840   |
| 101 - 200 units       | 129,314     | 130,172     | 143,548     | \$128,520   | \$140,130   | \$152,360   | \$158,250   | \$164,160   | \$169,970   |
| Over 200 units        | 317,730     | 332,690     | 390,640     | \$327,500   | \$361,600   | \$401,940   | \$427,180   | \$453,840   | \$482,400   |
| Flat Rate             |             |             |             | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |
| Total                 | \$2,638,000 | \$2,594,000 | \$2,811,000 | \$2,616,000 | \$2,922,000 | \$3,260,000 | \$3,474,000 | \$3,702,000 | \$3,943,000 |
| Average Rate          | \$3.40      | \$3.40      | \$3.44      | \$3.40      | \$3.83      | \$4.32      | \$4.66      | \$5.02      | \$5.40      |
| Revenue w/No Rate Inc |             |             |             |             | \$2,616,000 | \$2,616,000 | \$2,616,000 | \$2,616,000 | \$2,616,000 |
| Revenue from Rate Inc |             |             |             |             |             |             |             |             |             |
| Annual                |             |             |             |             | \$306,000   | \$644,000   | \$858,000   | \$1,086,000 | \$1,327,000 |
| Cumulative            |             |             |             |             | \$306,000   | \$950,000   | \$1,808,000 | \$2,894,000 | \$4,221,000 |

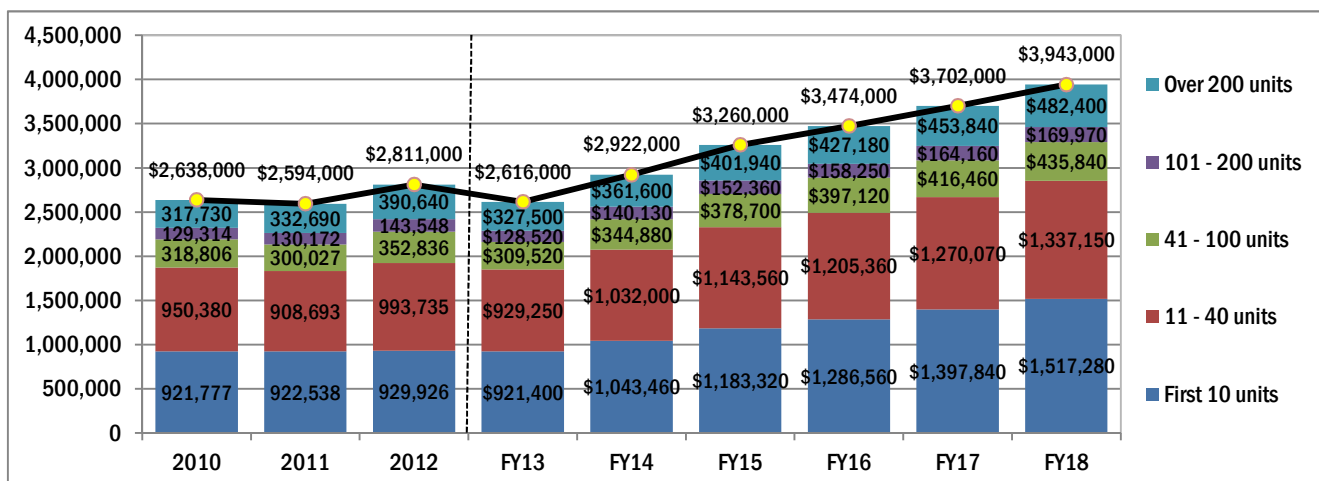


Table D-2  
Revenues from Quantity Charges  
Updated Rate Structure

| Water Use, 100 cu ft | FY13    | FY14    | FY15    | FY16    | FY17    | FY18    |
|----------------------|---------|---------|---------|---------|---------|---------|
| First 8 units        | 310,931 | 314,000 | 315,000 | 316,000 | 317,000 | 318,000 |
| 9 - 30 units         | 274,700 | 269,000 | 264,000 | 259,000 | 254,000 | 249,000 |
| 31 - 100 units       | 85,914  | 84,000  | 82,000  | 80,000  | 78,000  | 76,000  |
| 101 - 200 units      | 9,021   | 9,000   | 9,000   | 9,000   | 9,000   | 9,000   |
| Over 200 units       | 3,566   | 3,000   | 3,000   | 3,000   | 3,000   | 3,000   |
| Flat Rate            | 85,101  | 83,000  | 81,000  | 79,000  | 77,000  | 75,000  |
| Total                | 769,232 | 762,000 | 754,000 | 746,000 | 738,000 | 730,000 |

| Water Use, % of Total | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 |
|-----------------------|------|------|------|------|------|------|
| First 8 units         | 40%  | 41%  | 42%  | 42%  | 43%  | 44%  |
| 9 - 30 units          | 36%  | 35%  | 35%  | 35%  | 34%  | 34%  |
| 31 - 100 units        | 11%  | 11%  | 11%  | 11%  | 11%  | 10%  |
| 101 - 200 units       | 1%   | 1%   | 1%   | 1%   | 1%   | 1%   |
| Over 200 units        | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   |
| Flat Rate             | 11%  | 11%  | 11%  | 11%  | 10%  | 10%  |

| Rate, \$/100 cu ft | FY13   | FY14   | FY15   | FY16   | FY17   | FY18   |
|--------------------|--------|--------|--------|--------|--------|--------|
| First 8 units      | \$2.78 | \$3.14 | \$3.55 | \$3.83 | \$4.14 | \$4.47 |
| 9 - 30 units       | \$3.64 | \$4.11 | \$4.64 | \$5.01 | \$5.41 | \$5.84 |
| 31 - 100 units     | \$4.36 | \$4.93 | \$5.57 | \$6.02 | \$6.50 | \$7.02 |
| 101 - 200 units    | \$4.72 | \$5.33 | \$6.02 | \$6.50 | \$7.02 | \$7.58 |
| Over 200 units     | \$5.14 | \$5.81 | \$6.57 | \$7.10 | \$7.67 | \$8.28 |
| Flat Rate          | \$3.40 | \$3.84 | \$4.34 | \$4.69 | \$5.07 | \$5.48 |

| Revenue, \$           | FY13        | FY14        | FY15        | FY16        | FY17        | FY18        |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| First 8 units         | \$864,389   | \$985,960   | \$1,118,250 | \$1,210,280 | \$1,312,380 | \$1,421,460 |
| 9 - 30 units          | \$999,907   | \$1,105,590 | \$1,224,960 | \$1,297,590 | \$1,374,140 | \$1,454,160 |
| 31 - 100 units        | \$374,583   | \$414,120   | \$456,740   | \$481,600   | \$507,000   | \$533,520   |
| 101 - 200 units       | \$42,581    | \$47,970    | \$54,180    | \$58,500    | \$63,180    | \$68,220    |
| Over 200 units        | \$18,327    | \$17,430    | \$19,710    | \$21,300    | \$23,010    | \$24,840    |
| Flat Rate             | \$289,342   | \$318,720   | \$351,540   | \$370,510   | \$390,390   | \$411,000   |
| Total                 | \$2,589,000 | \$2,890,000 | \$3,225,000 | \$3,440,000 | \$3,670,000 | \$3,913,000 |
| Average Rate          | \$3.37      | \$3.79      | \$4.28      | \$4.61      | \$4.97      | \$5.36      |
| Over 100 Units        | \$60,908    | \$65,400    | \$73,890    | \$79,800    | \$86,190    | \$93,060    |
| Revenue w/No Rate Inc |             | \$2,616,000 | \$2,616,000 | \$2,616,000 | \$2,616,000 | \$2,616,000 |
| Revenue from Rate Inc |             |             |             |             |             |             |
| Annual                |             | \$274,000   | \$609,000   | \$824,000   | \$1,054,000 | \$1,297,000 |
| Cumulative            |             | \$274,000   | \$883,000   | \$1,707,000 | \$2,761,000 | \$4,058,000 |

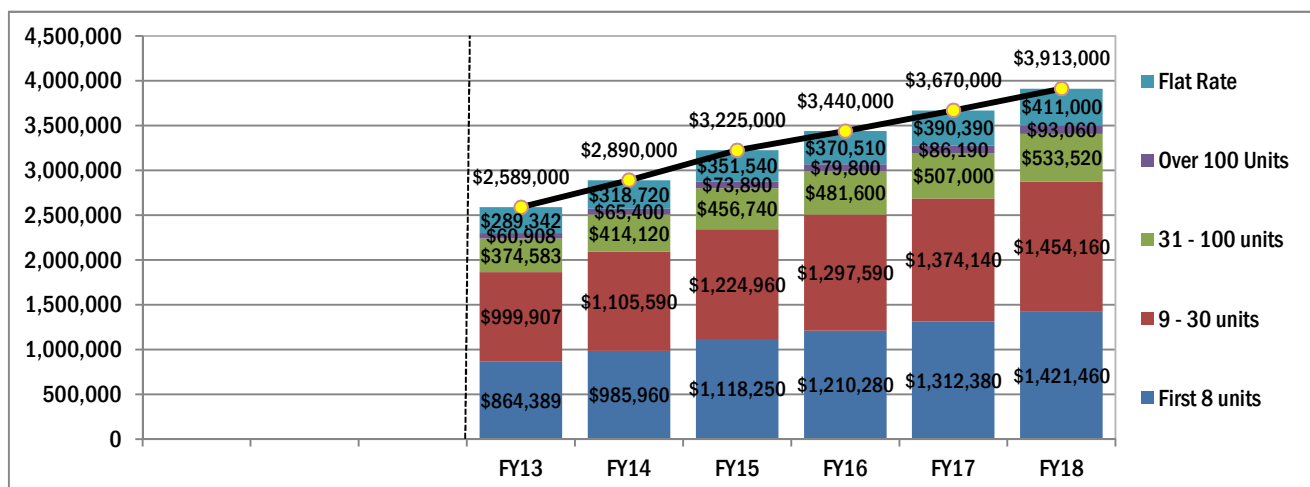


Table D-3  
Revenues from Meter Charges

| Meter Size | FY13  | FY14  | FY15  | FY16  | FY17  | FY17  |
|------------|-------|-------|-------|-------|-------|-------|
| 5/8        | 6,149 | 6,202 | 6,202 | 6,202 | 6,202 | 6,202 |
| 5/8A       | 417   | 417   | 417   | 417   | 417   | 417   |
| 5/8B       | 10    | 10    | 10    | 10    | 10    | 10    |
| 5/8C       | 1     | 1     | 1     | 1     | 1     | 1     |
| 3/4        | 407   | 407   | 407   | 407   | 407   | 407   |
| 3/4A       | 4     | 4     | 4     | 4     | 4     | 4     |
| 1          | 85    | 85    | 85    | 85    | 85    | 85    |
| 1A         | 87    | 87    | 87    | 87    | 87    | 87    |
| 1B         | 1     | 1     | 1     | 1     | 1     | 1     |
| 1F/K       | 116   | 116   | 116   | 116   | 116   | 116   |
| 1-1/2      | 23    | 23    | 23    | 23    | 23    | 23    |
| 1-1/2A     | 2     | 2     | 2     | 2     | 2     | 2     |
| 1-1/2C     | 0     | 0     | 0     | 0     | 0     | 0     |
| 1-1/2F     | 2     | 2     | 2     | 2     | 2     | 2     |
| 1-1/2G     | 1     | 1     | 1     | 1     | 1     | 1     |
| 1-1/2S     | 1     | 1     | 1     | 1     | 1     | 1     |
| 2          | 32    | 32    | 32    | 32    | 32    | 32    |
| 2A         | 1     | 1     | 1     | 1     | 1     | 1     |
| 2G/L       | 2     | 2     | 2     | 2     | 2     | 2     |
| 3          | 3     | 3     | 3     | 3     | 3     | 3     |
| 4          | 1     | 1     | 1     | 1     | 1     | 1     |
| Total      | 7,345 | 7,398 | 7,398 | 7,398 | 7,398 | 7,398 |

\*Annexation of the Olympia Mutual Water Company is expected to add 51 accounts in FY14 (another 2 accounts incidental to the annexation)

| Meter Size | FY13     | FY14     | FY15       | FY16       | FY17       | FY18       |
|------------|----------|----------|------------|------------|------------|------------|
| 5/8        | \$49.73  | \$56.19  | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 5/8A       | \$82.90  | \$93.68  | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 5/8B       | \$166.92 | \$189.00 | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 5/8C       | \$265.68 | \$300.00 | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 3/4        | \$49.73  | \$56.19  | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 3/4A       | \$82.90  | \$93.68  | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1          | \$82.90  | \$93.68  | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1A         | \$166.92 | \$189.00 | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 1B         | \$265.68 | \$300.00 | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 1F/K       | \$49.73  | \$56.19  | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 1-1/2      | \$166.92 | \$189.00 | \$214.00   | \$233.00   | \$254.00   | \$277.00   |
| 1-1/2A     | \$265.68 | \$300.00 | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 1-1/2C     | \$829.76 | \$938.00 | \$1,060.00 | \$1,155.00 | \$1,259.00 | \$1,372.00 |
| 1-1/2F     | \$82.90  | \$93.68  | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 1-1/2G     | \$49.73  | \$56.19  | \$63.49    | \$69.20    | \$75.43    | \$82.22    |
| 1-1/2S     | \$531.36 | \$600.00 | \$678.00   | \$739.00   | \$806.00   | \$879.00   |
| 2          | \$265.68 | \$300.00 | \$339.00   | \$370.00   | \$403.00   | \$439.00   |
| 2A         | \$498.62 | \$563.00 | \$636.00   | \$693.00   | \$755.00   | \$823.00   |
| 2G/L       | \$82.90  | \$93.68  | \$106.00   | \$116.00   | \$126.00   | \$137.00   |
| 3          | \$498.62 | \$563.00 | \$636.00   | \$693.00   | \$755.00   | \$823.00   |
| 4          | \$829.76 | \$938.00 | \$1,060.00 | \$1,155.00 | \$1,259.00 | \$1,372.00 |

| Meter Size | FY13        | FY14        | FY15        | FY16        | FY17        | FY18        |
|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 5/8        | \$1,834,739 | \$2,090,942 | \$2,362,590 | \$2,575,070 | \$2,806,901 | \$3,059,571 |
| 5/8A       | \$207,416   | \$234,387   | \$265,212   | \$290,232   | \$315,252   | \$342,774   |
| 5/8B       | \$10,015    | \$11,340    | \$12,840    | \$13,980    | \$15,240    | \$16,620    |
| 5/8C       | \$1,594     | \$1,800     | \$2,034     | \$2,220     | \$2,418     | \$2,634     |
| 3/4        | \$121,441   | \$137,216   | \$155,043   | \$168,986   | \$184,200   | \$200,781   |
| 3/4A       | \$1,990     | \$2,248     | \$2,544     | \$2,784     | \$3,024     | \$3,288     |
| 1          | \$42,279    | \$47,777    | \$54,060    | \$59,160    | \$64,260    | \$69,870    |
| 1A         | \$87,132    | \$98,658    | \$111,708   | \$121,626   | \$132,588   | \$144,594   |
| 1B         | \$1,594     | \$1,800     | \$2,034     | \$2,220     | \$2,418     | \$2,634     |
| 1F/K       | \$34,612    | \$39,108    | \$44,189    | \$48,163    | \$52,499    | \$57,225    |
| 1-1/2      | \$23,035    | \$26,082    | \$29,532    | \$32,154    | \$35,052    | \$38,226    |
| 1-1/2A     | \$3,188     | \$3,600     | \$4,068     | \$4,440     | \$4,836     | \$5,268     |
| 1-1/2C     | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |
| 1-1/2F     | \$995       | \$1,124     | \$1,272     | \$1,392     | \$1,512     | \$1,644     |
| 1-1/2G     | \$298       | \$337       | \$381       | \$415       | \$453       | \$493       |
| 1-1/2S     | \$3,188     | \$3,600     | \$4,068     | \$4,434     | \$4,836     | \$5,274     |
| 2          | \$51,011    | \$57,600    | \$65,088    | \$71,040    | \$77,376    | \$84,288    |
| 2A         | \$2,992     | \$3,378     | \$3,816     | \$4,158     | \$4,530     | \$4,938     |
| 2G/L       | \$995       | \$1,124     | \$1,272     | \$1,392     | \$1,512     | \$1,644     |
| 3          | \$8,975     | \$10,134    | \$11,448    | \$12,474    | \$13,590    | \$14,814    |
| 4          | \$4,979     | \$5,628     | \$6,360     | \$6,930     | \$7,554     | \$8,232     |
| Total      | \$2,442,467 | \$2,777,884 | \$3,139,558 | \$3,423,271 | \$3,730,051 | \$4,064,812 |

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