

April 1, 2013

**SNWA Rate
Examples**



April Meeting Goals

- **Narrow the list of rate examples for consideration**
- **Review additional rate examples**
- **Discuss rate examples and appropriate next steps**

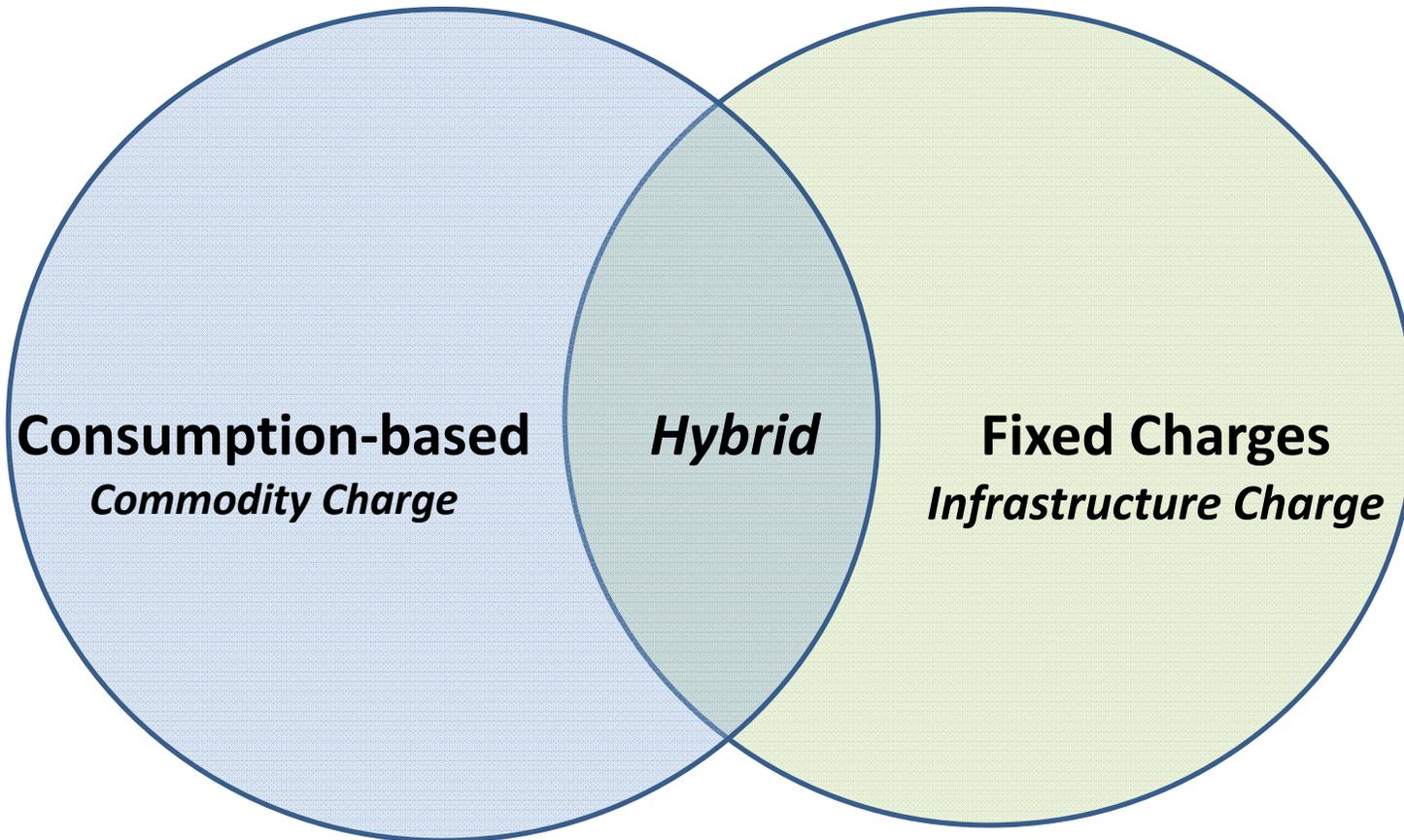
Customer Type Comparisons

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill
RESIDENTIAL SAMPLES		
Single Family Residential: 5/8" meter	Median: 10 High: 28	\$34 \$109
Single Family Residential: 1" meter	Median: 35 High: 116	\$123 \$486
Single Family Residential: 1 1/2" meter	Median: 88 High: 243	\$305 \$935
Multi-Family Residential: 5/8" meter	Median: 14 High: 72	\$49 \$322
Mobile Home Park	1,616	\$2,983
Residential High Rise	1,241	\$8,618
Residential High-Rise (Downtown)	1,263	\$5,687
NON-RESIDENTIAL SAMPLES		
Commercial High Rise	3,899	\$15,530
Commercial Stand-alone	25	\$346
Commercial Office Park	238	\$1,491
Government Building	2,057	\$8,551
Standalone Restaurant	420	\$1,947
Standalone Fast Food	104	\$381
Golf Course	32,799	\$114,341

Customer Type Comparisons

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill
<i>NON-RESIDENTIAL SAMPLES, Continued</i>		
Municipal Park	3,915	\$14,216
Large Strip Property	36,833	\$158,369
Downtown Hotel and Casino	2,841	\$11,749
Locals Hotel and Casino	9,617	\$36,880
High School	3,080	\$11,487
Retail Complex – Mall	6,030	\$25,365
Large Retail	1,406	\$6,796
Car Wash	393	\$1,393
Religious	30	\$653
Non-profit	269	\$1,733
Commercial Laundry	18,488	\$66,142
Large Industrial	761	\$3,244
Small Industrial		
Self-Storage Facility	68	\$904
HOA Common Area	1,208	\$5,215
Hospital – Older	5,364	\$20,340
Hospital – Newer	2,981	\$11,970
Day Care	113	\$410

Rate Structures



Rate Structures

	ADVANTAGES	DISADVANTAGES
Consumptive Charges (Commodity Charge)	<ul style="list-style-type: none"> • Sends conservation signal • Easy for customers to understand • Reduced impacts to fixed-income users (generally small water consumers) 	<ul style="list-style-type: none"> • Higher elasticity • Could discourage economic development from large water users • More volatile revenue stream • Significant impacts to high water users
Fixed Charges (Infrastructure Charge)	<ul style="list-style-type: none"> • Easy for customers to budget • Stable and predictable revenue source • Lower price elasticity response 	<ul style="list-style-type: none"> • Not as strong of a conservation signal • Higher impact on low-use customers

Rate Examples Review

- 1. Commodity Charge Increase**

- 2. Infrastructure Charge Increase**
 - a. No increase to firelines**
 - b. With proportionate increase to firelines**
 - c. Increase existing fireline charges by inflation (3%)**
 - d. Increase existing fireline charges by inflation (3%)**
and gradual increases to the Infrastructure Charge beginning in 2014

- 3. Hybrid: Commodity Charge and Infrastructure Charge Increase (50/50)**
 - a. No increase to firelines**
 - b. With proportionate increase to firelines**
 - c. Increase existing fireline charges by inflation (3%)**
 - d. Increase existing fireline charges by inflation (3%)**
and gradual increases to Infrastructure Charge beginning 2014

New Rate Examples for Consideration

Rate increases beginning in 2016

No increase
to existing
fireline rates



- 4A. Hybrid: Commodity Charge (75%) and Infrastructure Charge (25%) -
- 4B. Hybrid: Commodity Charge (25%) and Infrastructure Charge (75%) -

Fireline increases
with inflation



- 4C. Hybrid: Commodity Charge (75%) and Infrastructure Charge (25%)
- 4D. Hybrid: Commodity Charge (25%) and Infrastructure Charge (75%)

Fireline increases
with proportionate
levels



- 4E. Hybrid: Commodity Charge (75%) and Infrastructure Charge (25%)
- 4F. Hybrid: Commodity Charge (25%) and Infrastructure Charge (75%)

Example 4A: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

No increase to existing fireline rates

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. No increase to existing fireline charges.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. No increase to fireline charges.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4A: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

No increase to existing fireline rates

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854	
Additional Required Revenues due to Price Elastic					\$1,297	\$2,209	\$2,236	\$2,262	\$2,288	\$2,314	
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$62,386	\$84,163	\$83,148	\$82,113	\$80,878	\$77,168	
Additional Regional Commodity Charge Revenue					\$35,451	\$59,155	\$59,871	\$60,577	\$61,268	\$61,948	
Implicit Additional Reliability Surcharge Revenue					\$395	\$660	\$668	\$676	\$684	\$691	
Fixed Charge per Meter Revenue					\$12,007	\$20,365	\$20,546	\$20,726	\$20,941	\$21,207	
Total Additional Revenues					\$47,853	\$80,181	\$81,085	\$81,979	\$82,892	\$83,846	
Beginning Fund Balance with Revenue Adjustment	\$308,990	\$280,174	\$292,546	\$304,728	\$294,462	\$279,928	\$275,946	\$273,882	\$273,749	\$275,763	
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$304,728	\$294,462	\$279,928	\$275,946	\$273,882	\$273,749	\$275,763	\$282,441	
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.26	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.56	86.7%	\$0.74	32.1%	\$0.74	\$0.74	
Infrastructure Charge per Meter per Month											
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.00	\$5.00	\$6.50	30.0%	\$7.52	15.7%	\$7.52	\$7.52	\$7.52
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.21	\$19.21	\$22.05	14.8%	\$23.99	8.8%	\$23.99	\$23.99	\$23.99
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$38.41	\$38.41	\$44.08	14.8%	\$47.96	8.8%	\$47.96	\$47.96	\$47.96
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$61.46	\$61.46	\$70.53	14.8%	\$76.74	8.8%	\$76.74	\$76.74	\$76.74
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$122.90	\$122.90	\$141.04	14.8%	\$153.45	8.8%	\$153.45	\$153.45	\$153.45
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$192.03	\$192.03	\$220.37	14.8%	\$239.76	8.8%	\$239.76	\$239.76	\$239.76
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$384.05	\$384.05	\$440.72	14.8%	\$479.51	8.8%	\$479.51	\$479.51	\$479.51
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$614.47	\$614.47	\$705.14	14.8%	\$767.20	8.8%	\$767.20	\$767.20	\$767.20
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.05	\$19.05	\$20.55	7.9%	\$21.57	5.0%	\$21.57	\$21.57	\$21.57
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.08	\$36.08	\$38.92	7.9%	\$40.86	5.0%	\$40.86	\$40.86	\$40.86
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$72.16	\$72.16	\$77.83	7.9%	\$81.71	5.0%	\$81.71	\$81.71	\$81.71
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$115.45	\$115.45	\$124.52	7.9%	\$130.73	5.0%	\$130.73	\$130.73	\$130.73
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$230.90	\$230.90	\$249.04	7.9%	\$261.45	5.0%	\$261.45	\$261.45	\$261.45
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$360.79	\$360.79	\$389.13	7.9%	\$408.52	5.0%	\$408.52	\$408.52	\$408.52
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$721.57	\$721.57	\$778.24	7.9%	\$817.03	5.0%	\$817.03	\$817.03	\$817.03
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,154.50	\$1,154.50	\$1,245.17	7.9%	\$1,307.23	5.0%	\$1,307.23	\$1,307.23	\$1,307.23
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,659.59	\$1,659.59	\$1,789.93	7.9%	\$1,879.14	5.0%	\$1,879.14	\$1,879.14	\$1,879.14
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34	0.0%	\$3.34	0.0%	\$3.34	\$3.34	\$3.34
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	0.0%	\$6.32	0.0%	\$6.32	\$6.32	\$6.32
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63	0.0%	\$12.63	0.0%	\$12.63	\$12.63	\$12.63
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21	0.0%	\$20.21	0.0%	\$20.21	\$20.21	\$20.21
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41	0.0%	\$40.41	0.0%	\$40.41	\$40.41	\$40.41
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14	0.0%	\$63.14	0.0%	\$63.14	\$63.14	\$63.14
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28	0.0%	\$126.28	0.0%	\$126.28	\$126.28	\$126.28
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04	0.0%	\$202.04	0.0%	\$202.04	\$202.04	\$202.04
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43	0.0%	\$290.43	0.0%	\$290.43	\$290.43	\$290.43

Example 4A: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

No increase to existing fireline rates

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$39	\$42
	High: 28	\$108	\$116	\$123
Retail Complex – Mall	6,030 (all services)	\$25,365	\$27,026	\$28,176
Commercial Laundry	18,488 (all services)	\$66,142	\$71,225	\$74,744
High School	3,080 (all services)	\$11,487	\$12,363	\$12,970

Example 4B: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

No increase to existing fireline rates

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. No increase to existing fireline charges.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. No increase to fireline charges.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4B: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

No increase to existing fireline rates

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854
Additional Required Revenues due to Price Elastic					\$1,051	\$1,754	\$1,776	\$1,797	\$1,817	\$1,837
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$62,140	\$83,708	\$82,688	\$81,647	\$80,407	\$76,691
Additional Regional Commodity Charge Revenue					\$12,345	\$20,394	\$20,641	\$20,884	\$21,122	\$21,357
Implicit Additional Reliability Surcharge Revenue					\$138	\$228	\$230	\$233	\$236	\$238
Fixed Charge per Meter Revenue					\$35,790	\$59,633	\$60,161	\$60,689	\$61,318	\$62,096
Total Additional Revenues					\$48,273	\$80,255	\$81,032	\$81,807	\$82,676	\$83,691
Beginning Fund Balance with Revenue Adjustments	\$308,990	\$280,174	\$292,546	\$304,728	\$294,462	\$280,594	\$277,141	\$275,485	\$275,645	\$277,913
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$304,728	\$294,462	\$280,594	\$277,141	\$275,485	\$275,645	\$277,913	\$284,913
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.09	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.39	30.0%	\$0.45	15.4%	\$0.45	\$0.45
Infrastructure Charge per Meter per Month										
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.00	\$5.00	\$9.47	89.4%	\$12.38	30.7%	\$12.38	\$12.38
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.21	\$19.21	\$27.67	44.0%	\$33.19	19.9%	\$33.19	\$33.19
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$38.41	\$38.41	\$55.33	44.1%	\$66.37	20.0%	\$66.37	\$66.37
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$61.46	\$61.46	\$88.53	44.0%	\$106.19	19.9%	\$106.19	\$106.19
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$122.90	\$122.90	\$177.03	44.0%	\$212.36	20.0%	\$212.36	\$212.36
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$192.03	\$192.03	\$276.60	44.0%	\$331.81	20.0%	\$331.81	\$331.81
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$384.05	\$384.05	\$553.19	44.0%	\$663.60	20.0%	\$663.60	\$663.60
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$614.47	\$614.47	\$885.09	44.0%	\$1,061.75	20.0%	\$1,061.75	\$1,061.75
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.05	\$19.05	\$23.52	23.5%	\$26.43	12.4%	\$26.43	\$26.43
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.08	\$36.08	\$44.54	23.4%	\$50.06	12.4%	\$50.06	\$50.06
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$72.16	\$72.16	\$89.08	23.4%	\$100.12	12.4%	\$100.12	\$100.12
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$115.45	\$115.45	\$142.52	23.4%	\$160.18	12.4%	\$160.18	\$160.18
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$230.90	\$230.90	\$285.03	23.4%	\$320.36	12.4%	\$320.36	\$320.36
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$360.79	\$360.79	\$445.36	23.4%	\$500.57	12.4%	\$500.57	\$500.57
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$721.57	\$721.57	\$890.71	23.4%	\$1,001.12	12.4%	\$1,001.12	\$1,001.12
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,154.50	\$1,154.50	\$1,425.12	23.4%	\$1,601.78	12.4%	\$1,601.78	\$1,601.78
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,659.59	\$1,659.59	\$2,048.60	23.4%	\$2,302.55	12.4%	\$2,302.55	\$2,302.55
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34	0.0%	\$3.34	0.0%	\$3.34	\$3.34
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	0.0%	\$6.32	0.0%	\$6.32	\$6.32
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63	0.0%	\$12.63	0.0%	\$12.63	\$12.63
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21	0.0%	\$20.21	0.0%	\$20.21	\$20.21
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41	0.0%	\$40.41	0.0%	\$40.41	\$40.41
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14	0.0%	\$63.14	0.0%	\$63.14	\$63.14
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28	0.0%	\$126.28	0.0%	\$126.28	\$126.28
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04	0.0%	\$202.04	0.0%	\$202.04	\$202.04
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43	0.0%	\$290.43	0.0%	\$290.43	\$290.43

Example 4B: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

No increase to existing fireline rates

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$40	\$44
	High: 28	\$108	\$115	\$119
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,084	\$26,560
Commercial Laundry	18,488 (all services)	\$66,142	\$68,315	\$69,757
High School	3,080 (all services)	\$11,487	\$11,939	\$12,239

Example 4C: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

Firelines increase with inflation (3%)

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Fireline rates increase with inflation (3 percent).

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Fireline rates increase with inflation (3 percent).

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4C: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

Firelines increase with inflation (3%)

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$60,667	\$81,091	\$79,593	\$78,056	\$76,346	\$72,120
Additional Required Revenues due to Price Elastic					\$1,297	\$2,159	\$2,185	\$2,211	\$2,236	\$2,261
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,964	\$83,250	\$81,778	\$80,267	\$78,582	\$74,381
Additional Regional Commodity Charge Revenue					\$35,451	\$57,883	\$58,584	\$59,275	\$59,951	\$60,616
Implicit Additional Reliability Surcharge Revenue					\$395	\$646	\$654	\$661	\$669	\$676
Fixed Charge per Meter Revenue					\$12,017	\$19,878	\$20,054	\$20,230	\$20,439	\$20,699
Total Additional Revenues					\$47,864	\$78,407	\$79,291	\$80,166	\$81,059	\$81,991
Beginning Fund Balance with Revenue Adjustments	\$308,990	\$280,174	\$292,546	\$304,728	\$294,462	\$280,362	\$275,518	\$273,031	\$272,931	\$275,408
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$304,728	\$294,462	\$280,362	\$275,518	\$273,031	\$272,931	\$275,408	\$283,018
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.26	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.56	86.7%	\$0.73	30.4%	\$0.73	\$0.73
Infrastructure Charge per Meter per Month										
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.00	\$5.00	\$6.50	30.0%	\$7.46	14.8%	\$7.46	\$7.46
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.21	\$19.21	\$22.06	14.8%	\$23.87	8.2%	\$23.87	\$23.87
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$38.41	\$38.41	\$44.10	14.8%	\$47.73	8.2%	\$47.73	\$47.73
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$61.46	\$61.46	\$70.56	14.8%	\$76.37	8.2%	\$76.37	\$76.37
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$122.90	\$122.90	\$141.09	14.8%	\$152.72	8.2%	\$152.72	\$152.72
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$192.03	\$192.03	\$220.44	14.8%	\$238.63	8.3%	\$238.63	\$238.63
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$384.05	\$384.05	\$440.87	14.8%	\$477.24	8.2%	\$477.24	\$477.24
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$614.47	\$614.47	\$705.38	14.8%	\$763.57	8.2%	\$763.57	\$763.57
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.05	\$19.05	\$20.55	7.9%	\$21.51	4.7%	\$21.51	\$21.51
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.08	\$36.08	\$38.93	7.9%	\$40.74	4.6%	\$40.74	\$40.74
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$72.16	\$72.16	\$77.85	7.9%	\$81.48	4.7%	\$81.48	\$81.48
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$115.45	\$115.45	\$124.55	7.9%	\$130.36	4.7%	\$130.36	\$130.36
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$230.90	\$230.90	\$249.09	7.9%	\$260.72	4.7%	\$260.72	\$260.72
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$360.79	\$360.79	\$389.20	7.9%	\$407.39	4.7%	\$407.39	\$407.39
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$721.57	\$721.57	\$778.39	7.9%	\$814.76	4.7%	\$814.76	\$814.76
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,154.50	\$1,154.50	\$1,245.41	7.9%	\$1,303.60	4.7%	\$1,303.60	\$1,303.60
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,659.59	\$1,659.59	\$1,790.28	7.9%	\$1,873.91	4.7%	\$1,873.91	\$1,873.91
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$3.44	3.0%	\$3.54	3.0%	\$3.65	\$3.76
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$6.51	3.0%	\$6.70	3.0%	\$6.91	\$7.11
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$13.01	3.0%	\$13.40	3.0%	\$13.80	\$14.22
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$20.82	3.0%	\$21.44	3.0%	\$22.08	\$22.75
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$41.62	3.0%	\$42.87	3.0%	\$44.16	\$45.48
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$65.03	3.0%	\$66.99	3.0%	\$68.99	\$71.06
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$130.07	3.0%	\$133.97	3.0%	\$137.99	\$142.13
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$208.10	3.0%	\$214.34	3.0%	\$220.77	\$227.40
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$299.14	3.0%	\$308.12	3.0%	\$317.36	\$326.88

Example 4C: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

Firelines increase with inflation (3%)

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$39	\$42
	High: 28	\$108	\$117	\$122
Retail Complex – Mall	6,030 (all services)	\$25,365	\$27,038	\$28,135
Commercial Laundry	18,488 (all services)	\$66,142	\$71,241	\$74,579
High School	3,080 (all services)	\$11,487	\$12,377	\$12,961

Example 4D: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

Firelines increase with inflation (3%)

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Fireline rates increase with inflation (3 percent).

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Fireline rates increase with inflation (3 percent).

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4D: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

Firelines increase with inflation (3%)

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$60,667	\$81,091	\$79,593	\$78,056	\$76,346	\$72,120
Additional Required Revenues due to Price Elastic					\$1,038	\$1,687	\$1,707	\$1,727	\$1,747	\$1,767
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,706	\$82,778	\$81,301	\$79,784	\$78,093	\$73,887
Additional Regional Commodity Charge Revenue					\$12,349	\$19,066	\$19,297	\$19,524	\$19,747	\$19,966
Implicit Additional Reliability Surcharge Revenue					\$138	\$213	\$215	\$218	\$220	\$223
Fixed Charge per Meter Revenue					\$35,160	\$58,260	\$58,776	\$59,292	\$59,906	\$60,667
Total Additional Revenues					\$47,647	\$77,539	\$78,288	\$79,034	\$79,873	\$80,856
Beginning Fund Balance with Revenue Adjustments	\$308,990	\$280,174	\$292,546	\$304,728	\$294,462	\$280,403	\$275,163	\$272,151	\$271,402	\$273,182
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$304,728	\$294,462	\$280,403	\$275,163	\$272,151	\$271,402	\$273,182	\$280,150
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.09	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.39	30.0%	\$0.44	12.8%	\$0.44	\$0.44
Infrastructure Charge per Meter per Month										
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.00	\$5.00	\$9.39	87.8%	\$12.21	30.0%	\$12.21	\$12.21
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.21	\$19.21	\$27.53	43.3%	\$32.87	19.4%	\$32.87	\$32.87
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$38.41	\$38.41	\$55.04	43.3%	\$65.73	19.4%	\$65.73	\$65.73
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$61.46	\$61.46	\$88.07	43.3%	\$105.16	19.4%	\$105.16	\$105.16
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$122.90	\$122.90	\$176.12	43.3%	\$210.30	19.4%	\$210.30	\$210.30
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$192.03	\$192.03	\$275.18	43.3%	\$328.59	19.4%	\$328.59	\$328.59
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$384.05	\$384.05	\$550.34	43.3%	\$657.16	19.4%	\$657.16	\$657.16
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$614.47	\$614.47	\$880.54	43.3%	\$1,051.44	19.4%	\$1,051.44	\$1,051.44
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.05	\$19.05	\$23.44	23.0%	\$26.26	12.0%	\$26.26	\$26.26
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.08	\$36.08	\$44.40	23.1%	\$49.74	12.0%	\$49.74	\$49.74
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$72.16	\$72.16	\$88.79	23.0%	\$99.48	12.0%	\$99.48	\$99.48
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$115.45	\$115.45	\$142.06	23.0%	\$159.15	12.0%	\$159.15	\$159.15
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$230.90	\$230.90	\$284.12	23.0%	\$318.30	12.0%	\$318.30	\$318.30
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$360.79	\$360.79	\$443.94	23.0%	\$497.35	12.0%	\$497.35	\$497.35
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$721.57	\$721.57	\$887.86	23.0%	\$994.68	12.0%	\$994.68	\$994.68
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,154.50	\$1,154.50	\$1,420.57	23.0%	\$1,591.47	12.0%	\$1,591.47	\$1,591.47
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,659.59	\$1,659.59	\$2,042.06	23.0%	\$2,287.74	12.0%	\$2,287.74	\$2,287.74
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$3.44	3.0%	\$3.54	3.0%	\$3.65	\$3.76
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$6.51	3.0%	\$6.70	3.0%	\$6.91	\$7.11
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$13.01	3.0%	\$13.40	3.0%	\$13.80	\$14.22
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$20.82	3.0%	\$21.44	3.0%	\$22.08	\$22.75
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$41.62	3.0%	\$42.87	3.0%	\$44.16	\$45.48
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$65.03	3.0%	\$66.99	3.0%	\$68.99	\$71.06
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$130.07	3.0%	\$133.97	3.0%	\$137.99	\$142.13
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$208.10	3.0%	\$214.34	3.0%	\$220.77	\$227.40
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$299.14	3.0%	\$308.12	3.0%	\$317.36	\$326.88

Example 4D: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

Firelines increase with inflation (3%)

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$40	\$43
	High: 28	\$108	\$115	\$119
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,092	\$26,516
Commercial Laundry	18,488 (all services)	\$66,142	\$68,322	\$69,580
High School	3,080 (all services)	\$11,487	\$11,948	\$12,226

Example 4E: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

Firelines increase at proportionate levels

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Firelines increase at amounts proportionate to the fixed charge increases.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Firelines increase at amounts proportionate to the fixed charge increases.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4E: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

Firelines increase at proportionate levels

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854
Additional Required Revenues due to Price Elastic					1,051	1,754	1,776	1,797	1,817	1,837
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$62,140	\$83,708	\$82,688	\$81,647	\$80,407	\$76,691
Additional Regional Commodity Charge Revenue					\$34,292	\$58,463	\$59,170	\$59,868	\$60,551	\$61,223
Implicit Additional Reliability Surcharge Revenue					\$383	\$652	\$660	\$668	\$676	\$683
Fixed Charge per Meter Revenue					\$11,901	\$20,375	\$20,540	\$20,706	\$20,902	\$21,146
Total Additional Revenues					\$46,576	\$79,490	\$80,371	\$81,242	\$82,129	\$83,052
Beginning Fund Balance with Revenue Adjustment	\$308,990	\$280,174	\$292,546	\$304,728	\$294,462	\$278,897	\$274,679	\$272,362	\$271,957	\$273,678
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$304,728	\$294,462	\$278,897	\$274,679	\$272,362	\$271,957	\$273,678	\$280,039
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.25	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.55	83.3%	\$0.73	32.7%	\$0.73	\$0.73
Infrastructure Charge per Meter per Month										
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.00	\$5.00	\$6.36	27.2%	\$7.31	14.9%	\$7.31	\$7.31
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.21	\$19.21	\$21.79	13.4%	\$23.59	8.3%	\$23.59	\$23.59
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$38.41	\$38.41	\$43.57	13.4%	\$47.16	8.2%	\$47.16	\$47.16
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$61.46	\$61.46	\$69.71	13.4%	\$75.46	8.2%	\$75.46	\$75.46
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$122.90	\$122.90	\$139.39	13.4%	\$150.90	8.3%	\$150.90	\$150.90
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$192.03	\$192.03	\$217.79	13.4%	\$235.78	8.3%	\$235.78	\$235.78
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$384.05	\$384.05	\$435.57	13.4%	\$471.55	8.3%	\$471.55	\$471.55
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$614.47	\$614.47	\$696.90	13.4%	\$754.47	8.3%	\$754.47	\$754.47
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.05	\$19.05	\$20.41	7.1%	\$21.36	4.7%	\$21.36	\$21.36
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.08	\$36.08	\$38.66	7.2%	\$40.46	4.7%	\$40.46	\$40.46
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$72.16	\$72.16	\$77.32	7.2%	\$80.91	4.6%	\$80.91	\$80.91
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$115.45	\$115.45	\$123.70	7.1%	\$129.45	4.6%	\$129.45	\$129.45
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$230.90	\$230.90	\$247.39	7.1%	\$258.90	4.7%	\$258.90	\$258.90
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$360.79	\$360.79	\$386.55	7.1%	\$404.54	4.7%	\$404.54	\$404.54
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$721.57	\$721.57	\$773.09	7.1%	\$809.07	4.7%	\$809.07	\$809.07
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,154.50	\$1,154.50	\$1,236.93	7.1%	\$1,294.50	4.7%	\$1,294.50	\$1,294.50
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,659.59	\$1,659.59	\$1,778.08	7.1%	\$1,860.84	4.7%	\$1,860.84	\$1,860.84
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$3.58	7.2%	\$3.75	4.7%	\$3.75	\$3.75
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$6.78	7.3%	\$7.09	4.6%	\$7.09	\$7.09
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$13.54	7.2%	\$14.17	4.7%	\$14.17	\$14.17
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$21.66	7.2%	\$22.66	4.6%	\$22.66	\$22.66
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$43.30	7.2%	\$45.31	4.6%	\$45.31	\$45.31
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$67.65	7.1%	\$70.80	4.7%	\$70.80	\$70.80
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$135.30	7.1%	\$141.60	4.7%	\$141.60	\$141.60
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$216.47	7.1%	\$226.54	4.7%	\$226.54	\$226.54
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$311.17	7.1%	\$325.65	4.7%	\$325.65	\$325.65

Example 4E: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%)

Firelines increase at proportionate levels

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$38	\$41
	High: 28	\$108	\$116	\$122
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,986	\$28,152
Commercial Laundry	18,488 (all services)	\$66,142	\$71,057	\$74,592
High School	3,080 (all services)	\$11,487	\$12,355	\$12,980

Example 4F: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

Firelines increase at proportionate levels

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Firelines increase at amounts proportionate to the Infrastructure Charge increases.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Firelines increase at amounts proportionate to the Infrastructure Charge increases.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4F: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

Firelines increase at proportionate levels

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854
Additional Required Revenues due to Price Elastic					1,051	1,754	1,776	1,797	1,817	1,837
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$62,140	\$83,708	\$82,688	\$81,647	\$80,407	\$76,691
Additional Regional Commodity Charge Revenue					\$12,345	\$20,394	\$20,641	\$20,884	\$21,122	\$21,357
Implicit Additional Reliability Surcharge Revenue					\$138	\$228	\$230	\$233	\$236	\$238
Fixed Charge per Meter Revenue					\$35,519	\$59,624	\$60,107	\$60,591	\$61,167	\$61,880
Total Additional Revenues					\$48,001	\$80,245	\$80,978	\$81,709	\$82,525	\$83,475
Beginning Fund Balance with Revenue Adjustments	\$308,990	\$280,174	\$292,546	\$304,728	\$294,462	\$280,323	\$276,860	\$275,150	\$275,212	\$277,329
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$304,728	\$294,462	\$280,323	\$276,860	\$275,150	\$275,212	\$277,329	\$284,113
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.09	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.39	30.0%	\$0.45	15.4%	\$0.45	\$0.45
Infrastructure Charge per Meter per Month										
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.00	\$5.00	\$9.06	81.2%	\$11.76	29.8%	\$11.76	\$11.76
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.21	\$19.21	\$26.90	40.0%	\$32.02	19.0%	\$32.02	\$32.02
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$38.41	\$38.41	\$53.79	40.0%	\$64.02	19.0%	\$64.02	\$64.02
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$61.46	\$61.46	\$86.07	40.0%	\$102.43	19.0%	\$102.43	\$102.43
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$122.90	\$122.90	\$172.12	40.0%	\$204.84	19.0%	\$204.84	\$204.84
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$192.03	\$192.03	\$268.93	40.0%	\$320.07	19.0%	\$320.07	\$320.07
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$384.05	\$384.05	\$537.84	40.0%	\$640.12	19.0%	\$640.12	\$640.12
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$614.47	\$614.47	\$860.54	40.0%	\$1,024.17	19.0%	\$1,024.17	\$1,024.17
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.05	\$19.05	\$23.11	21.3%	\$25.81	11.7%	\$25.81	\$25.81
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.08	\$36.08	\$43.77	21.3%	\$48.89	11.7%	\$48.89	\$48.89
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$72.16	\$72.16	\$87.54	21.3%	\$97.77	11.7%	\$97.77	\$97.77
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$115.45	\$115.45	\$140.06	21.3%	\$156.42	11.7%	\$156.42	\$156.42
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$230.90	\$230.90	\$280.12	21.3%	\$312.84	11.7%	\$312.84	\$312.84
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$360.79	\$360.79	\$437.69	21.3%	\$488.83	11.7%	\$488.83	\$488.83
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$721.57	\$721.57	\$875.36	21.3%	\$977.64	11.7%	\$977.64	\$977.64
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,154.50	\$1,154.50	\$1,400.57	21.3%	\$1,564.20	11.7%	\$1,564.20	\$1,564.20
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,659.59	\$1,659.59	\$2,013.31	21.3%	\$2,248.53	11.7%	\$2,248.53	\$2,248.53
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$4.06	21.6%	\$4.53	11.6%	\$4.53	\$4.53
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$7.67	21.4%	\$8.57	11.7%	\$8.57	\$8.57
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$15.33	21.4%	\$17.12	11.7%	\$17.12	\$17.12
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$24.52	21.3%	\$27.38	11.7%	\$27.38	\$27.38
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$49.03	21.3%	\$54.75	11.7%	\$54.75	\$54.75
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$76.60	21.3%	\$85.55	11.7%	\$85.55	\$85.55
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$153.20	21.3%	\$171.10	11.7%	\$171.10	\$171.10
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$245.11	21.3%	\$273.74	11.7%	\$273.74	\$273.74
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$352.33	21.3%	\$393.50	11.7%	\$393.50	\$393.50

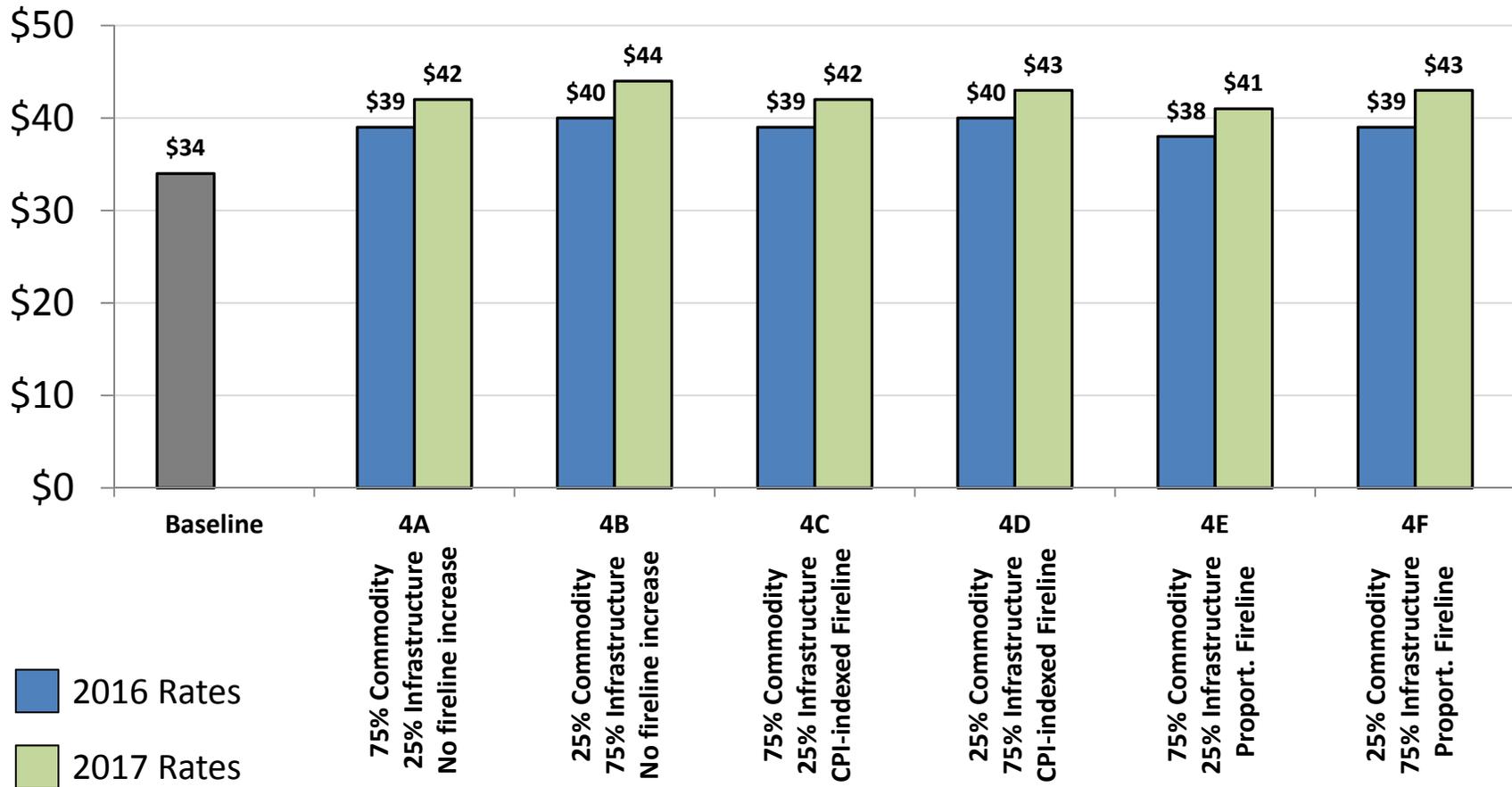
Example 4F: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%)

Firelines increase at proportionate levels

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$39	\$43
	High: 28	\$108	\$114	\$118
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,149	\$26,672
Commercial Laundry	18,488 (all services)	\$66,142	\$68,377	\$69,866
High School	3,080 (all services)	\$11,487	\$12,010	\$12,359

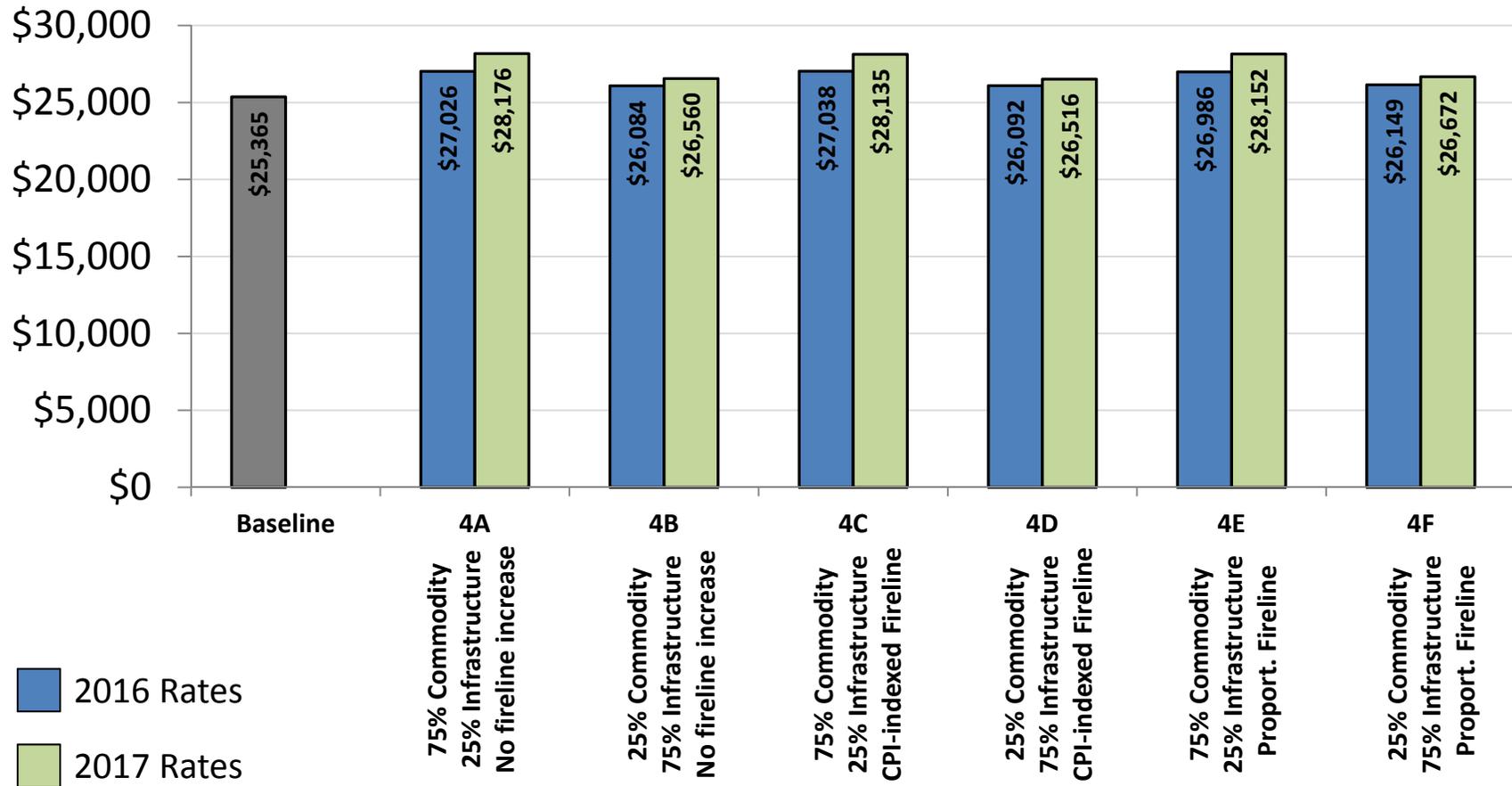
Median Use Single-Family Residential Bill Comparisons

Rate increases beginning in 2016



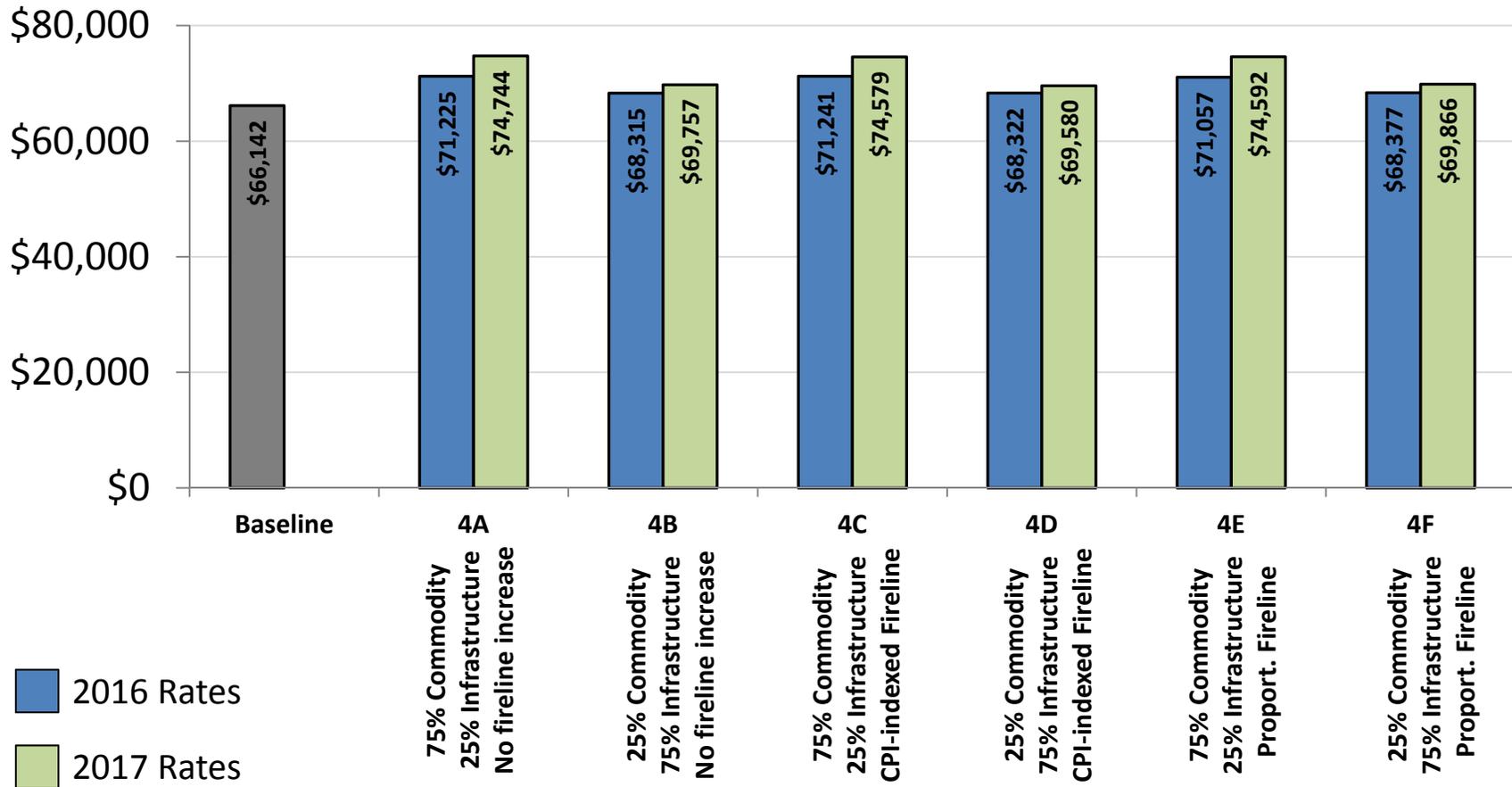
Bill Comparisons for Retail Complex- Mall

Rate increases beginning in 2016



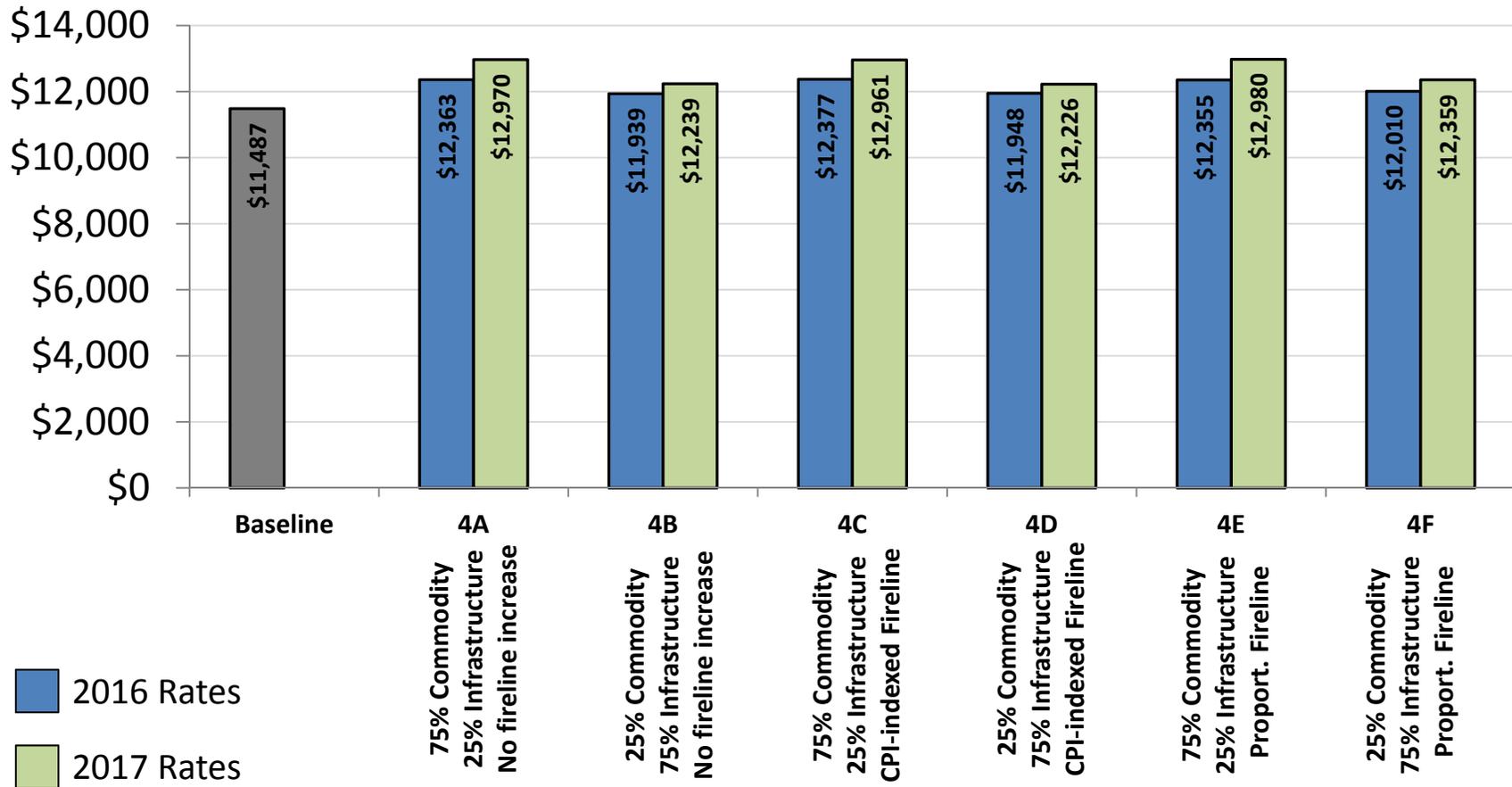
Bill Comparisons for Commercial Laundry

Rate increases beginning in 2016



Bill Comparisons for High School

Rate increases beginning in 2016



New Rate Examples for Consideration

Rate increases beginning in 2014 (early phase-in of rates)

No increase
to existing
fireline rates



- 4G. Hybrid: Commodity Charge (75%) and Infrastructure Charge (25%)
- 4H. Hybrid: Commodity Charge (25%) and Infrastructure Charge (75%)

Fireline increases
with inflation



- 4I. Hybrid: Commodity Charge (75%) and Infrastructure Charge (25%)
- 4J. Hybrid: Commodity Charge (25%) and Infrastructure Charge (75%)

Fireline increases
with proportionate
levels



- 4K. Hybrid: Commodity Charge (75%) and Infrastructure Charge (25%)
- 4L. Hybrid: Commodity Charge (25%) and Infrastructure Charge (75%)

Example 4G: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) - Gradual increases beginning in 2014

No increase to existing fireline rates

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. No increase to fireline charges. Gradual rate increases beginning in 2014.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. No increase to fireline charges. Rate increases begin in 2014 to reduce rate impacts.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4G: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) - Gradual increases beginning in 2014

No increase to existing fireline rates

Fiscal Year (bold numbers in thousands)	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854
Add. Required Revenues due to Price Elasticity		\$428	\$1,028	\$1,148	\$1,609	\$2,135	\$2,160	\$2,185	\$2,209
Total Required Revenues	(\$12,372)	(\$11,754)	\$11,294	\$62,237	\$83,563	\$83,047	\$82,011	\$80,775	\$77,063
Add. Regional Commodity Charge Revenue		\$9,677	\$19,255	\$31,475	\$43,662	\$57,291	\$57,967	\$58,628	\$59,278
Implicit Add. Reliability Surcharge Revenue		\$108	\$215	\$351	\$487	\$639	\$647	\$654	\$661
Fixed Charge per Meter Revenue		\$3,241	\$6,756	\$10,653	\$14,951	\$19,648	\$19,821	\$20,026	\$20,280
Total Additional Revenues		\$13,026	\$26,226	\$42,479	\$59,100	\$77,578	\$78,434	\$79,308	\$80,220
Beginning Fund Balance add. Revenues	\$280,174	\$292,546	\$317,325	\$332,258	\$312,499	\$288,037	\$282,567	\$278,991	\$277,524
Ending Fund Balance add Revenue	\$292,546	\$317,325	\$332,258	\$312,499	\$288,037	\$282,567	\$278,991	\$277,524	\$280,680
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.07	\$0.14	\$0.23	\$0.32	\$0.42	\$0.42	\$0.42	\$0.42
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.37	\$0.44	\$0.53	\$0.62	\$0.72	\$0.72	\$0.72	\$0.72
Infrastructure Charge per Meter per Month									
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.41	\$5.85	\$6.33	\$6.85	\$7.41	\$7.41	\$7.41	\$7.41
<i>Residential - 1" meter size</i>	\$19.21	\$19.99	\$20.82	\$21.73	\$22.72	\$23.78	\$23.78	\$23.78	\$23.78
<i>Residential - 1.5" meter size</i>	\$38.41	\$39.97	\$41.63	\$43.45	\$45.42	\$47.54	\$47.54	\$47.54	\$47.54
<i>Residential - 2" meter size</i>	\$61.46	\$63.95	\$66.62	\$69.53	\$72.68	\$76.07	\$76.07	\$76.07	\$76.07
<i>Residential - 3" meter size</i>	\$122.90	\$127.87	\$133.21	\$139.03	\$145.33	\$152.12	\$152.12	\$152.12	\$152.12
<i>Residential - 4" meter size</i>	\$192.03	\$199.80	\$208.13	\$217.22	\$227.07	\$237.68	\$237.68	\$237.68	\$237.68
<i>Residential - 6" meter size</i>	\$384.05	\$399.59	\$416.25	\$434.43	\$454.13	\$475.34	\$475.34	\$475.34	\$475.34
<i>Residential - 8" meter size and larger</i>	\$614.47	\$639.32	\$665.99	\$695.08	\$726.60	\$760.54	\$760.54	\$760.54	\$760.54
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.46	\$19.90	\$20.38	\$20.90	\$21.46	\$21.46	\$21.46	\$21.46
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.86	\$37.69	\$38.60	\$39.59	\$40.65	\$40.65	\$40.65	\$40.65
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$73.72	\$75.38	\$77.20	\$79.17	\$81.29	\$81.29	\$81.29	\$81.29
<i>Non-Residential - 2" meter size</i>	\$115.45	\$117.94	\$120.61	\$123.52	\$126.67	\$130.06	\$130.06	\$130.06	\$130.06
<i>Non-Residential - 3" meter size</i>	\$230.90	\$235.87	\$241.21	\$247.03	\$253.33	\$260.12	\$260.12	\$260.12	\$260.12
<i>Non-Residential - 4" meter size</i>	\$360.79	\$368.56	\$376.89	\$385.98	\$395.83	\$406.44	\$406.44	\$406.44	\$406.44
<i>Non-Residential - 6" meter size</i>	\$721.57	\$737.11	\$753.77	\$771.95	\$791.65	\$812.86	\$812.86	\$812.86	\$812.86
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,179.35	\$1,206.02	\$1,235.11	\$1,266.63	\$1,300.57	\$1,300.57	\$1,300.57	\$1,300.57
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,695.31	\$1,733.65	\$1,775.47	\$1,820.77	\$1,869.56	\$1,869.56	\$1,869.56	\$1,869.56
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34	\$3.34
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21	\$20.21
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41	\$40.41
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14	\$63.14
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28	\$126.28
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04	\$202.04
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43	\$290.43

Example 4G: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) - Gradual increases beginning in 2014

No increase to existing fireline rates

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$38	\$40
	High: 28	\$108	\$115	\$119
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,835	\$27,410
Commercial Laundry	18,488 (all services)	\$66,142	\$70,640	\$72,400
High School	3,080 (all services)	\$11,487	\$12,262	\$12,566

Example 4H: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) - Gradual increases beginning in 2014

No increase to existing fireline rates

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. No increase to fireline charges. Gradual rate increases beginning in 2014.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. No increase to fireline charges. Rate increases begin in 2014 to reduce rate impacts.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4H: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) - Gradual increases beginning in 2014

No increase to existing fireline rates

Fiscal Year (bold numbers in thousands)	2013	2014	2015	2016	2017	2018	2019	2020	2021					
Revenue Requirement without Price Elasticity	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854					
Add. Required Revenues due to Price Elasticity		\$246	\$559	\$837	\$1,231	\$1,732	\$1,753	\$1,773	\$1,792					
Total Required Revenues	(\$12,372)	(\$11,935)	\$10,825	\$61,927	\$83,185	\$82,644	\$81,603	\$80,363	\$76,646					
Add. Regional Commodity Charge Revenue		\$2,773	\$5,529	\$9,652	\$13,770	\$19,285	\$19,513	\$19,735	\$19,954					
Implicit Add. Reliability Surcharge Revenue		\$31	\$62	\$108	\$154	\$215	\$218	\$220	\$223					
Fixed Charge per Meter Revenue		\$7,821	\$17,327	\$28,912	\$42,989	\$60,079	\$60,607	\$61,234	\$62,012					
Total Additional Revenues		\$10,625	\$22,918	\$38,672	\$56,913	\$79,579	\$80,337	\$81,189	\$82,188					
Beginning Fund Balance add. Revenues	\$280,174	\$292,546	\$315,106	\$327,198	\$303,943	\$277,671	\$274,606	\$273,340	\$274,167					
Ending Fund Balance add Revenue	\$292,546	\$315,106	\$327,198	\$303,943	\$277,671	\$274,606	\$273,340	\$274,167	\$279,709					
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.02	\$0.04	\$0.07	\$0.10	\$0.14	\$0.14	\$0.14	\$0.14					
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.32	6.7%	\$0.34	6.2%	\$0.37	8.8%	\$0.40	8.1%	\$0.44	10.0%	\$0.44	\$0.44	\$0.44
Infrastructure Charge per Meter per Month														
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.99	19.8%	\$7.18	19.9%	\$8.61	19.9%	\$10.32	19.9%	\$12.37	19.9%	\$12.37	\$12.37	\$12.37
<i>Residential - 1" meter size</i>	\$19.21	\$21.09	9.8%	\$23.34	10.7%	\$26.05	11.6%	\$29.29	12.4%	\$33.17	13.2%	\$33.17	\$33.17	\$33.17
<i>Residential - 1.5" meter size</i>	\$38.41	\$42.16	9.8%	\$46.67	10.7%	\$52.09	11.6%	\$58.57	12.4%	\$66.33	13.2%	\$66.33	\$66.33	\$66.33
<i>Residential - 2" meter size</i>	\$61.46	\$67.46	9.8%	\$74.68	10.7%	\$83.34	11.6%	\$93.71	12.4%	\$106.13	13.3%	\$106.13	\$106.13	\$106.13
<i>Residential - 3" meter size</i>	\$122.90	\$134.90	9.8%	\$149.33	10.7%	\$166.66	11.6%	\$187.39	12.4%	\$212.24	13.3%	\$212.24	\$212.24	\$212.24
<i>Residential - 4" meter size</i>	\$192.03	\$210.78	9.8%	\$233.32	10.7%	\$260.41	11.6%	\$292.79	12.4%	\$331.62	13.3%	\$331.62	\$331.62	\$331.62
<i>Residential - 6" meter size</i>	\$384.05	\$421.55	9.8%	\$466.63	10.7%	\$520.80	11.6%	\$585.57	12.4%	\$663.22	13.3%	\$663.22	\$663.22	\$663.22
<i>Residential - 8" meter size and larger</i>	\$614.47	\$674.47	9.8%	\$746.60	10.7%	\$833.26	11.6%	\$936.90	12.4%	\$1,061.14	13.3%	\$1,061.14	\$1,061.14	\$1,061.14
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$20.04	5.2%	\$21.23	5.9%	\$22.66	6.7%	\$24.37	7.5%	\$26.42	8.4%	\$26.42	\$26.42	\$26.42
<i>Non-Residential - 1" meter size</i>	\$36.08	\$37.96	5.2%	\$40.21	5.9%	\$42.92	6.7%	\$46.16	7.5%	\$50.04	8.4%	\$50.04	\$50.04	\$50.04
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$75.91	5.2%	\$80.42	5.9%	\$85.84	6.7%	\$92.32	7.5%	\$100.08	8.4%	\$100.08	\$100.08	\$100.08
<i>Non-Residential - 2" meter size</i>	\$115.45	\$121.45	5.2%	\$128.67	5.9%	\$137.33	6.7%	\$147.70	7.6%	\$160.12	8.4%	\$160.12	\$160.12	\$160.12
<i>Non-Residential - 3" meter size</i>	\$230.90	\$242.90	5.2%	\$257.33	5.9%	\$274.66	6.7%	\$295.39	7.5%	\$320.24	8.4%	\$320.24	\$320.24	\$320.24
<i>Non-Residential - 4" meter size</i>	\$360.79	\$379.54	5.2%	\$402.08	5.9%	\$429.17	6.7%	\$461.55	7.5%	\$500.38	8.4%	\$500.38	\$500.38	\$500.38
<i>Non-Residential - 6" meter size</i>	\$721.57	\$759.07	5.2%	\$804.15	5.9%	\$858.32	6.7%	\$923.09	7.5%	\$1,000.74	8.4%	\$1,000.74	\$1,000.74	\$1,000.74
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,214.50	5.2%	\$1,286.63	5.9%	\$1,373.29	6.7%	\$1,476.93	7.5%	\$1,601.17	8.4%	\$1,601.17	\$1,601.17	\$1,601.17
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,745.84	5.2%	\$1,849.52	5.9%	\$1,974.10	6.7%	\$2,123.08	7.5%	\$2,301.68	8.4%	\$2,301.68	\$2,301.68	\$2,301.68
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	0.0%	\$3.34	0.0%	\$3.34	0.0%	\$3.34	0.0%	\$3.34	0.0%	\$3.34	\$3.34	\$3.34
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	0.0%	\$6.32	0.0%	\$6.32	0.0%	\$6.32	0.0%	\$6.32	0.0%	\$6.32	\$6.32	\$6.32
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	0.0%	\$12.63	0.0%	\$12.63	0.0%	\$12.63	0.0%	\$12.63	0.0%	\$12.63	\$12.63	\$12.63
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	0.0%	\$20.21	0.0%	\$20.21	0.0%	\$20.21	0.0%	\$20.21	0.0%	\$20.21	\$20.21	\$20.21
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	0.0%	\$40.41	0.0%	\$40.41	0.0%	\$40.41	0.0%	\$40.41	0.0%	\$40.41	\$40.41	\$40.41
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	0.0%	\$63.14	0.0%	\$63.14	0.0%	\$63.14	0.0%	\$63.14	0.0%	\$63.14	\$63.14	\$63.14
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	0.0%	\$126.28	0.0%	\$126.28	0.0%	\$126.28	0.0%	\$126.28	0.0%	\$126.28	\$126.28	\$126.28
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	0.0%	\$202.04	0.0%	\$202.04	0.0%	\$202.04	0.0%	\$202.04	0.0%	\$202.04	\$202.04	\$202.04
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	0.0%	\$290.43	0.0%	\$290.43	0.0%	\$290.43	0.0%	\$290.43	0.0%	\$290.43	\$290.43	\$290.43

Example 4H: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) - Gradual increases beginning in 2014

No increase to existing fireline rates

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$39	\$41
	High: 28	\$108	\$113	\$116
Retail Complex – Mall	6,030 (all services)	\$25,365	\$25,929	\$26,176
Commercial Laundry	18,488 (all services)	\$66,142	\$67,846	\$68,594
High School	3,080 (all services)	\$11,487	\$11,843	\$12,003

Example 4I: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) – Gradual increases beginning 2014

Firelines increase with inflation (3%)

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Fireline rates increase with inflation (3 percent) annually. Rate increases begin 2014.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Fireline rates increase with inflation (3 percent) annually. Rate increases begin 2014 to reduce impact in 2016.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4I: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) – Gradual increases beginning 2014

Firelines increase with inflation (3%)

Fiscal Year (bold numbers in thousands)	2013	2014	2015	2016	2017	2018	2019	2020	2021					
Revenue Requirement without Price Elasticity	(\$12,372)	(\$12,182)	\$10,266	\$60,667	\$81,091	\$79,593	\$78,056	\$76,346	\$72,120					
Add. Required Revenues due to Price Elasticity		\$426	\$1,025	\$1,103	\$1,563	\$2,087	\$2,112	\$2,136	\$2,159					
Total Required Revenues	(\$12,372)	(\$11,756)	\$11,291	\$61,771	\$82,655	\$81,680	\$80,168	\$78,482	\$74,280					
Add. Regional Commodity Charge Revenue		\$9,677	\$19,256	\$30,139	\$42,345	\$55,993	\$56,653	\$57,299	\$57,935					
Implicit Add. Reliability Surcharge Revenue		\$108	\$215	\$336	\$472	\$625	\$632	\$639	\$646					
Fixed Charge per Meter Revenue		\$3,161	\$6,680	\$10,495	\$14,708	\$19,321	\$19,491	\$19,692	\$19,942					
Total Additional Revenues		\$12,947	\$26,151	\$40,970	\$57,526	\$75,938	\$76,776	\$77,631	\$78,524					
Beginning Fund Balance add. Revenues	\$280,174	\$292,546	\$317,248	\$332,108	\$311,307	\$286,178	\$280,436	\$277,044	\$276,192					
Ending Fund Balance add Revenue	\$292,546	\$317,248	\$332,108	\$311,307	\$286,178	\$280,436	\$277,044	\$276,192	\$280,436					
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.07	\$0.14	\$0.22	\$0.31	\$0.41	\$0.41	\$0.41	\$0.41					
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.37	23.3%	\$0.44	18.9%	\$0.52	18.2%	\$0.61	17.3%	\$0.71	16.4%	\$0.71	\$0.71	\$0.71
Infrastructure Charge per Meter per Month														
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.40	8.0%	\$5.84	8.1%	\$6.31	8.0%	\$6.82	8.1%	\$7.37	8.1%	\$7.37	\$7.37	\$7.37
<i>Residential - 1" meter size</i>	\$19.21	\$19.97	4.0%	\$20.81	4.2%	\$21.70	4.3%	\$22.66	4.4%	\$23.70	4.6%	\$23.70	\$23.70	\$23.70
<i>Residential - 1.5" meter size</i>	\$38.41	\$39.93	4.0%	\$41.60	4.2%	\$43.38	4.3%	\$45.31	4.4%	\$47.39	4.6%	\$47.39	\$47.39	\$47.39
<i>Residential - 2" meter size</i>	\$61.46	\$63.89	4.0%	\$66.56	4.2%	\$69.40	4.3%	\$72.50	4.5%	\$75.83	4.6%	\$75.83	\$75.83	\$75.83
<i>Residential - 3" meter size</i>	\$122.90	\$127.75	3.9%	\$133.09	4.2%	\$138.78	4.3%	\$144.97	4.5%	\$151.63	4.6%	\$151.63	\$151.63	\$151.63
<i>Residential - 4" meter size</i>	\$192.03	\$199.61	3.9%	\$207.94	4.2%	\$216.85	4.3%	\$226.50	4.5%	\$236.92	4.6%	\$236.92	\$236.92	\$236.92
<i>Residential - 6" meter size</i>	\$384.05	\$399.21	3.9%	\$415.87	4.2%	\$433.68	4.3%	\$452.99	4.5%	\$473.83	4.6%	\$473.83	\$473.83	\$473.83
<i>Residential - 8" meter size and larger</i>	\$614.47	\$638.72	3.9%	\$665.38	4.2%	\$693.87	4.3%	\$724.78	4.5%	\$758.11	4.6%	\$758.11	\$758.11	\$758.11
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.45	2.1%	\$19.89	2.3%	\$20.36	2.4%	\$20.87	2.5%	\$21.42	2.6%	\$21.42	\$21.42	\$21.42
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.84	2.1%	\$37.68	2.3%	\$38.57	2.4%	\$39.53	2.5%	\$40.57	2.6%	\$40.57	\$40.57	\$40.57
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$73.68	2.1%	\$75.35	2.3%	\$77.13	2.4%	\$79.06	2.5%	\$81.14	2.6%	\$81.14	\$81.14	\$81.14
<i>Non-Residential - 2" meter size</i>	\$115.45	\$117.88	2.1%	\$120.55	2.3%	\$123.39	2.4%	\$126.49	2.5%	\$129.82	2.6%	\$129.82	\$129.82	\$129.82
<i>Non-Residential - 3" meter size</i>	\$230.90	\$235.75	2.1%	\$241.09	2.3%	\$246.78	2.4%	\$252.97	2.5%	\$259.63	2.6%	\$259.63	\$259.63	\$259.63
<i>Non-Residential - 4" meter size</i>	\$360.79	\$368.37	2.1%	\$376.70	2.3%	\$385.61	2.4%	\$395.26	2.5%	\$405.68	2.6%	\$405.68	\$405.68	\$405.68
<i>Non-Residential - 6" meter size</i>	\$721.57	\$736.73	2.1%	\$753.39	2.3%	\$771.20	2.4%	\$790.51	2.5%	\$811.35	2.6%	\$811.35	\$811.35	\$811.35
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,178.75	2.1%	\$1,205.41	2.3%	\$1,233.90	2.4%	\$1,264.81	2.5%	\$1,298.14	2.6%	\$1,298.14	\$1,298.14	\$1,298.14
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,694.44	2.1%	\$1,732.78	2.3%	\$1,773.72	2.4%	\$1,818.16	2.5%	\$1,866.07	2.6%	\$1,866.07	\$1,866.07	\$1,866.07
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	0.0%	\$3.34	0.0%	\$3.44	3.0%	\$3.54	3.0%	\$3.65	3.0%	\$3.76	\$3.87	\$3.99
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	0.0%	\$6.32	0.0%	\$6.51	3.0%	\$6.70	3.0%	\$6.91	3.0%	\$7.11	\$7.33	\$7.55
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	0.0%	\$12.63	0.0%	\$13.01	3.0%	\$13.40	3.0%	\$13.80	3.0%	\$14.22	\$14.64	\$15.08
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	0.0%	\$20.21	0.0%	\$20.82	3.0%	\$21.44	3.0%	\$22.08	3.0%	\$22.75	\$23.43	\$24.13
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	0.0%	\$40.41	0.0%	\$41.62	3.0%	\$42.87	3.0%	\$44.16	3.0%	\$45.48	\$46.85	\$48.25
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	0.0%	\$63.14	0.0%	\$65.03	3.0%	\$66.99	3.0%	\$68.99	3.0%	\$71.06	\$73.20	\$75.39
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	0.0%	\$126.28	0.0%	\$130.07	3.0%	\$133.97	3.0%	\$137.99	3.0%	\$142.13	\$146.39	\$150.78
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	0.0%	\$202.04	0.0%	\$208.10	3.0%	\$214.34	3.0%	\$220.77	3.0%	\$227.40	\$234.22	\$241.25
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	0.0%	\$290.43	0.0%	\$299.14	3.0%	\$308.12	3.0%	\$317.36	3.0%	\$326.88	\$336.69	\$346.79

Example 4I: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) – Gradual increases beginning 2014

Firelines increase with inflation (3%)

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$38	\$39
	High: 28	\$108	\$115	\$118
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,783	\$27,390
Commercial Laundry	18,488 (all services)	\$66,142	\$70,463	\$72,237
High School	3,080 (all services)	\$11,487	\$12,242	\$12,555

Example 4J: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) – Gradual increases beginning 2014

Firelines increase with inflation (3%)

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Fireline rates increase with inflation (3 percent) annually. Rate increases begin 2014.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Fireline rates increase with inflation (3 percent) annually. Rate increases begin 2014 to reduce impact in 2016.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4J: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) – Gradual increases beginning 2014

Firelines increase with inflation (3%)

Fiscal Year (bold numbers in thousands)	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue Requirement without Price Elasticity	(\$12,372)	(\$12,182)	\$10,266	\$60,667	\$81,091	\$79,593	\$78,056	\$76,346	\$72,120
Add. Required Revenues due to Price Elasticity		\$243	\$551	\$824	\$1,210	\$1,700	\$1,720	\$1,739	\$1,758
Total Required Revenues	(\$12,372)	(\$11,939)	\$10,817	\$61,491	\$82,301	\$81,293	\$79,776	\$78,086	\$73,879
Add. Regional Commodity Charge Revenue		\$2,773	\$5,530	\$9,655	\$13,778	\$19,300	\$19,528	\$19,751	\$19,970
Implicit Add. Reliability Surcharge Revenue		\$31	\$62	\$108	\$154	\$215	\$218	\$220	\$223
Fixed Charge per Meter Revenue		\$7,663	\$16,930	\$28,192	\$41,859	\$58,370	\$58,883	\$59,492	\$60,248
Total Additional Revenues		\$10,467	\$22,522	\$37,955	\$55,791	\$77,886	\$78,629	\$79,463	\$80,440
Beginning Fund Balance add. Revenues	\$280,174	\$292,546	\$314,952	\$326,657	\$303,121	\$276,610	\$273,204	\$272,056	\$273,434
Ending Fund Balance add Revenue	\$292,546	\$314,952	\$326,657	\$303,121	\$276,610	\$273,204	\$272,056	\$273,434	\$279,996

Additional Commodity Charge Level (per 1,000 Gallons)	\$0.00	\$0.02	\$0.04	\$0.07	\$0.10	\$0.14	\$0.14	\$0.14	\$0.14					
Total Commodity Charge Level (per 1,000 Gallons)	\$0.30	\$0.32	6.7%	\$0.34	6.2%	\$0.37	8.8%	\$0.40	8.1%	\$0.44	10.0%	\$0.44	\$0.44	\$0.44
Infrastructure Charge per Meter per Month														
Residential - 5/8" & 3/4" meter sizes	\$5.00	\$5.97	19.4%	\$7.13	19.4%	\$8.52	19.5%	\$10.18	19.5%	\$12.16	19.4%	\$12.16	\$12.16	\$12.16
Residential - 1" meter size	\$19.21	\$21.05	9.6%	\$23.25	10.5%	\$25.88	11.3%	\$29.03	12.2%	\$32.78	12.9%	\$32.78	\$32.78	\$32.78
Residential - 1.5" meter size	\$38.41	\$42.09	9.6%	\$46.48	10.4%	\$51.75	11.3%	\$58.04	12.2%	\$65.54	12.9%	\$65.54	\$65.54	\$65.54
Residential - 2" meter size	\$61.46	\$67.34	9.6%	\$74.37	10.4%	\$82.80	11.3%	\$92.86	12.1%	\$104.86	12.9%	\$104.86	\$104.86	\$104.86
Residential - 3" meter size	\$122.90	\$134.66	9.6%	\$148.72	10.4%	\$165.57	11.3%	\$185.69	12.2%	\$209.69	12.9%	\$209.69	\$209.69	\$209.69
Residential - 4" meter size	\$192.03	\$210.41	9.6%	\$232.38	10.4%	\$258.70	11.3%	\$290.14	12.2%	\$327.64	12.9%	\$327.64	\$327.64	\$327.64
Residential - 6" meter size	\$384.05	\$420.80	9.6%	\$464.74	10.4%	\$517.39	11.3%	\$580.27	12.2%	\$655.27	12.9%	\$655.27	\$655.27	\$655.27
Residential - 8" meter size and larger	\$614.47	\$673.26	9.6%	\$743.57	10.4%	\$827.81	11.3%	\$928.41	12.2%	\$1,048.41	12.9%	\$1,048.41	\$1,048.41	\$1,048.41
Non-Residential - 5/8" & 3/4" meter sizes	\$19.05	\$20.02	5.1%	\$21.18	5.8%	\$22.57	6.6%	\$24.23	7.4%	\$26.21	8.2%	\$26.21	\$26.21	\$26.21
Non-Residential - 1" meter size	\$36.08	\$37.92	5.1%	\$40.12	5.8%	\$42.75	6.6%	\$45.90	7.4%	\$49.65	8.2%	\$49.65	\$49.65	\$49.65
Non-Residential - 1.5" meter size	\$72.16	\$75.84	5.1%	\$80.23	5.8%	\$85.50	6.6%	\$91.79	7.4%	\$99.29	8.2%	\$99.29	\$99.29	\$99.29
Non-Residential - 2" meter size	\$115.45	\$121.33	5.1%	\$128.36	5.8%	\$136.79	6.6%	\$146.85	7.4%	\$158.85	8.2%	\$158.85	\$158.85	\$158.85
Non-Residential - 3" meter size	\$230.90	\$242.66	5.1%	\$256.72	5.8%	\$273.57	6.6%	\$293.69	7.4%	\$317.69	8.2%	\$317.69	\$317.69	\$317.69
Non-Residential - 4" meter size	\$360.79	\$379.17	5.1%	\$401.14	5.8%	\$427.46	6.6%	\$458.90	7.4%	\$496.40	8.2%	\$496.40	\$496.40	\$496.40
Non-Residential - 6" meter size	\$721.57	\$758.32	5.1%	\$802.26	5.8%	\$854.91	6.6%	\$917.79	7.4%	\$992.79	8.2%	\$992.79	\$992.79	\$992.79
Non-Residential - 8" meter size	\$1,154.50	\$1,213.29	5.1%	\$1,283.60	5.8%	\$1,367.84	6.6%	\$1,468.44	7.4%	\$1,588.44	8.2%	\$1,588.44	\$1,588.44	\$1,588.44
Non-Residential - 10" and larger meter sizes	\$1,659.59	\$1,744.10	5.1%	\$1,845.16	5.8%	\$1,966.26	6.6%	\$2,110.88	7.4%	\$2,283.38	8.2%	\$2,283.38	\$2,283.38	\$2,283.38
Non-Residential - 5/8" & 3/4" meter sizes Fire Meter	\$3.34	\$3.34	0.0%	\$3.34	0.0%	\$3.44	3.0%	\$3.54	3.0%	\$3.65	3.0%	\$3.76	\$3.87	\$3.99
Non-Residential - 1" meter size Fire Meter	\$6.32	\$6.32	0.0%	\$6.32	0.0%	\$6.51	3.0%	\$6.70	3.0%	\$6.91	3.0%	\$7.11	\$7.33	\$7.55
Non-Residential - 1.5" meter size Fire Meter	\$12.63	\$12.63	0.0%	\$12.63	0.0%	\$13.01	3.0%	\$13.40	3.0%	\$13.80	3.0%	\$14.22	\$14.64	\$15.08
Non-Residential - 2" meter size Fire Meter	\$20.21	\$20.21	0.0%	\$20.21	0.0%	\$20.82	3.0%	\$21.44	3.0%	\$22.08	3.0%	\$22.75	\$23.43	\$24.13
Non-Residential - 3" meter size Fire Meter	\$40.41	\$40.41	0.0%	\$40.41	0.0%	\$41.62	3.0%	\$42.87	3.0%	\$44.16	3.0%	\$45.48	\$46.85	\$48.25
Non-Residential - 4" meter size Fire Meter	\$63.14	\$63.14	0.0%	\$63.14	0.0%	\$65.03	3.0%	\$66.99	3.0%	\$68.99	3.0%	\$71.06	\$73.20	\$75.39
Non-Residential - 6" meter size Fire Meter	\$126.28	\$126.28	0.0%	\$126.28	0.0%	\$130.07	3.0%	\$133.97	3.0%	\$137.99	3.0%	\$142.13	\$146.39	\$150.78
Non-Residential - 8" meter size Fire Meter	\$202.04	\$202.04	0.0%	\$202.04	0.0%	\$208.10	3.0%	\$214.34	3.0%	\$220.77	3.0%	\$227.40	\$234.22	\$241.25
Non-Residential - 10" and larger meter sizes Fire Meter	\$290.43	\$290.43	0.0%	\$290.43	0.0%	\$299.14	3.0%	\$308.12	3.0%	\$317.36	3.0%	\$326.88	\$336.69	\$346.79

Example 4J: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) – Gradual increases beginning 2014

Firelines increase with inflation (3%)

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$39	\$41
	High: 28	\$108	\$113	\$115
Retail Complex – Mall	6,030 (all services)	\$25,365	\$25,937	\$26,194
Commercial Laundry	18,488 (all services)	\$66,142	\$67,852	\$68,609
High School	3,080 (all services)	\$11,487	\$11,852	\$12,022

Example 4K: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) – Gradual increases beginning 2014

Fireline increases at proportionate rates

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Fireline rates increase proportionate to the infrastructure surcharge. Rate increases begin 2014.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Fireline rates increase proportionate to the infrastructure surcharge. Rate increases begin 2014 to reduce impact in 2016.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4K: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) – Gradual increases beginning 2014

Fireline increases at proportionate rates

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854					
Additional Required Revenues due to Price Elasticity					1,051	1,754	1,776	1,797	1,817	1,837					
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$62,140	\$83,708	\$82,688	\$81,647	\$80,407	\$76,691					
Additional Regional Commodity Charge Revenue			\$9,758	\$19,582	\$31,549	\$43,507	\$56,418	\$57,084	\$57,734	\$58,375					
Implicit Additional Reliability Surcharge Revenue			\$109	\$218	\$352	\$485	\$629	\$637	\$644	\$651					
Fixed Charge per Meter Revenue			\$3,284	\$6,865	\$10,761	\$14,995	\$19,652	\$19,811	\$19,999	\$20,232					
Total Additional Revenues			\$13,151	\$26,665	\$42,662	\$58,987	\$76,700	\$77,531	\$78,377	\$79,258					
Beginning Fund Balance with Revenue Adjustment	\$308,990	\$280,174	\$292,546	\$317,878	\$334,278	\$314,800	\$290,079	\$284,091	\$279,975	\$277,945					
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$317,878	\$334,278	\$314,800	\$290,079	\$284,091	\$279,975	\$277,945	\$280,512					
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.07	\$0.14	\$0.23	\$0.32	\$0.41	\$0.41	\$0.41	\$0.41					
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.37	23.3%	\$0.44	18.9%	\$0.53	20.5%	\$0.62	17.0%	\$0.71	14.5%	\$0.71	\$0.71	\$0.71
Infrastructure Charge per Meter per Month															
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.38	7.6%	\$5.79	7.6%	\$6.23	7.6%	\$6.70	7.5%	\$7.21	7.6%	\$7.21	\$7.21	\$7.21
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$19.93	3.7%	\$20.71	3.9%	\$21.54	4.0%	\$22.43	4.1%	\$23.40	4.3%	\$23.40	\$23.40	\$23.40
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$39.85	3.7%	\$41.41	3.9%	\$43.07	4.0%	\$44.85	4.1%	\$46.79	4.3%	\$46.79	\$46.79	\$46.79
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$63.77	3.8%	\$66.25	3.9%	\$68.92	4.0%	\$71.77	4.1%	\$74.86	4.3%	\$74.86	\$74.86	\$74.86
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$127.51	3.8%	\$132.48	3.9%	\$137.81	4.0%	\$143.51	4.1%	\$149.69	4.3%	\$149.69	\$149.69	\$149.69
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$199.23	3.7%	\$207.00	3.9%	\$215.33	4.0%	\$224.23	4.1%	\$233.89	4.3%	\$233.89	\$233.89	\$233.89
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$398.45	3.7%	\$413.98	3.9%	\$430.65	4.0%	\$448.45	4.1%	\$467.77	4.3%	\$467.77	\$467.77	\$467.77
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$637.51	3.7%	\$662.35	3.9%	\$689.02	4.0%	\$717.51	4.1%	\$748.41	4.3%	\$748.41	\$748.41	\$748.41
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.43	2.0%	\$19.84	2.1%	\$20.28	2.2%	\$20.75	2.3%	\$21.26	2.5%	\$21.26	\$21.26	\$21.26
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$36.80	2.0%	\$37.58	2.1%	\$38.41	2.2%	\$39.30	2.3%	\$40.27	2.5%	\$40.27	\$40.27	\$40.27
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$73.60	2.0%	\$75.16	2.1%	\$76.82	2.2%	\$78.60	2.3%	\$80.54	2.5%	\$80.54	\$80.54	\$80.54
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$117.76	2.0%	\$120.24	2.1%	\$122.91	2.2%	\$125.76	2.3%	\$128.85	2.5%	\$128.85	\$128.85	\$128.85
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$235.51	2.0%	\$240.48	2.1%	\$245.81	2.2%	\$251.51	2.3%	\$257.69	2.5%	\$257.69	\$257.69	\$257.69
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$367.99	2.0%	\$375.76	2.1%	\$384.09	2.2%	\$392.99	2.3%	\$402.65	2.5%	\$402.65	\$402.65	\$402.65
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$735.97	2.0%	\$751.50	2.1%	\$768.17	2.2%	\$785.97	2.3%	\$805.29	2.5%	\$805.29	\$805.29	\$805.29
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,177.54	2.0%	\$1,202.38	2.1%	\$1,229.05	2.2%	\$1,257.54	2.3%	\$1,288.44	2.5%	\$1,288.44	\$1,288.44	\$1,288.44
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,692.70	2.0%	\$1,728.42	2.1%	\$1,766.75	2.2%	\$1,807.70	2.3%	\$1,852.13	2.5%	\$1,852.13	\$1,852.13	\$1,852.13
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.41	2.1%	\$3.48	2.1%	\$3.56	2.3%	\$3.64	2.2%	\$3.73	2.5%	\$3.73	\$3.73	\$3.73
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.45	2.1%	\$6.59	2.2%	\$6.73	2.1%	\$6.89	2.4%	\$7.06	2.5%	\$7.06	\$7.06	\$7.06
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$12.89	2.1%	\$13.16	2.1%	\$13.45	2.2%	\$13.76	2.3%	\$14.10	2.5%	\$14.10	\$14.10	\$14.10
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$20.62	2.0%	\$21.05	2.1%	\$21.52	2.2%	\$22.02	2.3%	\$22.56	2.5%	\$22.56	\$22.56	\$22.56
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$41.22	2.0%	\$42.09	2.1%	\$43.02	2.2%	\$44.02	2.3%	\$45.10	2.5%	\$45.10	\$45.10	\$45.10
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$64.40	2.0%	\$65.76	2.1%	\$67.22	2.2%	\$68.78	2.3%	\$70.47	2.5%	\$70.47	\$70.47	\$70.47
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$128.80	2.0%	\$131.52	2.1%	\$134.44	2.2%	\$137.55	2.3%	\$140.93	2.5%	\$140.93	\$140.93	\$140.93
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$206.08	2.0%	\$210.42	2.1%	\$215.09	2.2%	\$220.08	2.3%	\$225.48	2.5%	\$225.48	\$225.48	\$225.48
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$296.23	2.0%	\$302.48	2.1%	\$309.19	2.2%	\$316.35	2.3%	\$324.13	2.5%	\$324.13	\$324.13	\$324.13

Example 4K: Hybrid- Commodity Charge (75%) and Infrastructure Charge Increase (25%) – Gradual increases beginning 2014

Fireline increases at proportionate rates

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$38	\$39
	High: 28	\$108	\$115	\$118
Retail Complex – Mall	6,030 (all services)	\$25,365	\$26,855	\$27,438
Commercial Laundry	18,488 (all services)	\$66,142	\$70,661	\$72,428
High School	3,080 (all services)	\$11,487	\$12,284	\$12,596

Example 4L: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) – Gradual increases beginning 2014

Fireline increases at proportionate rates

WHAT IT IS:

Increase to the Commodity Charge. Increase to Infrastructure Charge. Fireline rates increase proportionate to the infrastructure surcharge. Rate increases begin 2014.

WHAT IT WOULD DO:

Increase all customers' Commodity Charge. Increase all customers' Infrastructure Charge. Remove the \$5 constraint from single-family residential customers' infrastructure charge. Fireline rates increase proportionate to the infrastructure surcharge. Rate increases begin 2014 to reduce impact in 2016.

IMPACTS

- Commodity Charge
- Reliability Surcharge
- Infrastructure Charge
- Fireline Charge

Example 4L: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) – Gradual increases beginning 2014

Fireline increases at proportionate rates

Fiscal Year (bold numbers in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021					
Revenue Requirement without Price Elasticity	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$61,090	\$81,954	\$80,912	\$79,850	\$78,590	\$74,854					
Additional Required Revenues due to Price Elasticity					1,051	1,754	1,776	1,797	1,817	1,837					
Total Required Revenues	\$28,816	(\$12,372)	(\$12,182)	\$10,266	\$62,140	\$83,708	\$82,688	\$81,647	\$80,407	\$76,691					
Additional Regional Commodity Charge Revenue			\$2,788	\$5,595	\$9,602	\$14,956	\$19,265	\$19,492	\$19,714	\$19,933					
Implicit Additional Reliability Surcharge Revenue			\$31	\$62	\$107	\$167	\$215	\$217	\$220	\$222					
Fixed Charge per Meter Revenue			\$8,038	\$17,637	\$29,222	\$43,132	\$59,751	\$60,232	\$60,804	\$61,513					
Total Additional Revenues			\$10,857	\$23,295	\$38,931	\$58,255	\$79,231	\$79,941	\$80,738	\$81,668					
Beginning Fund Balance with Revenue Adjustment	\$308,990	\$280,174	\$292,546	\$315,584	\$328,613	\$305,404	\$279,950	\$276,493	\$274,787	\$275,118					
Ending Fund Balance with Revenue Adjustments	\$280,174	\$292,546	\$315,584	\$328,613	\$305,404	\$279,950	\$276,493	\$274,787	\$275,118	\$280,095					
<i>Additional Commodity Charge Level (per 1,000 Gallons)</i>	\$0.00	\$0.00	\$0.02	\$0.04	\$0.07	\$0.11	\$0.14	\$0.14	\$0.14	\$0.14					
<i>Total Commodity Charge Level (per 1,000 Gallons)</i>	\$0.30	\$0.30	\$0.32	6.7%	\$0.34	6.2%	\$0.37	8.8%	\$0.41	10.8%	\$0.44	7.3%	\$0.44	\$0.44	\$0.44
Infrastructure Charge per Meter per Month															
<i>Residential - 5/8" & 3/4" meter sizes</i>	\$5.00	\$5.00	\$5.93	18.6%	\$7.03	18.5%	\$8.34	18.6%	\$9.89	18.6%	\$11.72	18.5%	\$11.72	\$11.72	\$11.72
<i>Residential - 1" meter size</i>	\$19.21	\$19.21	\$20.98	9.2%	\$23.06	9.9%	\$25.54	10.8%	\$28.48	11.5%	\$31.94	12.1%	\$31.94	\$31.94	\$31.94
<i>Residential - 1.5" meter size</i>	\$38.41	\$38.41	\$41.94	9.2%	\$46.10	9.9%	\$51.07	10.8%	\$56.94	11.5%	\$63.87	12.2%	\$63.87	\$63.87	\$63.87
<i>Residential - 2" meter size</i>	\$61.46	\$61.46	\$67.10	9.2%	\$73.77	9.9%	\$81.71	10.8%	\$91.10	11.5%	\$102.19	12.2%	\$102.19	\$102.19	\$102.19
<i>Residential - 3" meter size</i>	\$122.90	\$122.90	\$134.18	9.2%	\$147.51	9.9%	\$163.39	10.8%	\$182.18	11.5%	\$204.36	12.2%	\$204.36	\$204.36	\$204.36
<i>Residential - 4" meter size</i>	\$192.03	\$192.03	\$209.65	9.2%	\$230.48	9.9%	\$255.29	10.8%	\$284.65	11.5%	\$319.31	12.2%	\$319.31	\$319.31	\$319.31
<i>Residential - 6" meter size</i>	\$384.05	\$384.05	\$419.28	9.2%	\$460.95	9.9%	\$510.57	10.8%	\$569.28	11.5%	\$638.60	12.2%	\$638.60	\$638.60	\$638.60
<i>Residential - 8" meter size and larger</i>	\$614.47	\$614.47	\$670.84	9.2%	\$737.51	9.9%	\$816.90	10.8%	\$910.84	11.5%	\$1,021.75	12.2%	\$1,021.75	\$1,021.75	\$1,021.75
<i>Non-Residential - 5/8" & 3/4" meter sizes</i>	\$19.05	\$19.05	\$19.98	4.9%	\$21.08	5.5%	\$22.39	6.2%	\$23.94	6.9%	\$25.77	7.6%	\$25.77	\$25.77	\$25.77
<i>Non-Residential - 1" meter size</i>	\$36.08	\$36.08	\$37.85	4.9%	\$39.93	5.5%	\$42.41	6.2%	\$45.35	6.9%	\$48.81	7.6%	\$48.81	\$48.81	\$48.81
<i>Non-Residential - 1.5" meter size</i>	\$72.16	\$72.16	\$75.69	4.9%	\$79.85	5.5%	\$84.82	6.2%	\$90.69	6.9%	\$97.62	7.6%	\$97.62	\$97.62	\$97.62
<i>Non-Residential - 2" meter size</i>	\$115.45	\$115.45	\$121.09	4.9%	\$127.76	5.5%	\$135.70	6.2%	\$145.09	6.9%	\$156.18	7.6%	\$156.18	\$156.18	\$156.18
<i>Non-Residential - 3" meter size</i>	\$230.90	\$230.90	\$242.18	4.9%	\$255.51	5.5%	\$271.39	6.2%	\$290.18	6.9%	\$312.36	7.6%	\$312.36	\$312.36	\$312.36
<i>Non-Residential - 4" meter size</i>	\$360.79	\$360.79	\$378.41	4.9%	\$399.24	5.5%	\$424.05	6.2%	\$453.41	6.9%	\$488.07	7.6%	\$488.07	\$488.07	\$488.07
<i>Non-Residential - 6" meter size</i>	\$721.57	\$721.57	\$756.80	4.9%	\$798.47	5.5%	\$848.09	6.2%	\$906.80	6.9%	\$976.12	7.6%	\$976.12	\$976.12	\$976.12
<i>Non-Residential - 8" meter size</i>	\$1,154.50	\$1,154.50	\$1,210.87	4.9%	\$1,277.54	5.5%	\$1,356.93	6.2%	\$1,450.87	6.9%	\$1,561.78	7.6%	\$1,561.78	\$1,561.78	\$1,561.78
<i>Non-Residential - 10" and larger meter sizes</i>	\$1,659.59	\$1,659.59	\$1,740.62	4.9%	\$1,836.45	5.5%	\$1,950.58	6.2%	\$2,085.62	6.9%	\$2,245.05	7.6%	\$2,245.05	\$2,245.05	\$2,245.05
<i>Non-Residential - 5/8" & 3/4" meter sizes Fire Meter</i>	\$3.34	\$3.34	\$3.51	5.1%	\$3.70	5.4%	\$3.93	6.2%	\$4.20	6.9%	\$4.52	7.6%	\$4.52	\$4.52	\$4.52
<i>Non-Residential - 1" meter size Fire Meter</i>	\$6.32	\$6.32	\$6.63	4.9%	\$7.00	5.6%	\$7.43	6.1%	\$7.95	7.0%	\$8.55	7.5%	\$8.55	\$8.55	\$8.55
<i>Non-Residential - 1.5" meter size Fire Meter</i>	\$12.63	\$12.63	\$13.25	4.9%	\$13.98	5.5%	\$14.85	6.2%	\$15.88	6.9%	\$17.09	7.6%	\$17.09	\$17.09	\$17.09
<i>Non-Residential - 2" meter size Fire Meter</i>	\$20.21	\$20.21	\$21.20	4.9%	\$22.37	5.5%	\$23.76	6.2%	\$25.40	6.9%	\$27.34	7.6%	\$27.34	\$27.34	\$27.34
<i>Non-Residential - 3" meter size Fire Meter</i>	\$40.41	\$40.41	\$42.39	4.9%	\$44.72	5.5%	\$47.50	6.2%	\$50.79	6.9%	\$54.67	7.6%	\$54.67	\$54.67	\$54.67
<i>Non-Residential - 4" meter size Fire Meter</i>	\$63.14	\$63.14	\$66.23	4.9%	\$69.87	5.5%	\$74.22	6.2%	\$79.35	6.9%	\$85.42	7.6%	\$85.42	\$85.42	\$85.42
<i>Non-Residential - 6" meter size Fire Meter</i>	\$126.28	\$126.28	\$132.45	4.9%	\$139.74	5.5%	\$148.43	6.2%	\$158.70	6.9%	\$170.83	7.6%	\$170.83	\$170.83	\$170.83
<i>Non-Residential - 8" meter size Fire Meter</i>	\$202.04	\$202.04	\$211.91	4.9%	\$223.58	5.5%	\$237.47	6.2%	\$253.91	6.9%	\$273.32	7.6%	\$273.32	\$273.32	\$273.32
<i>Non-Residential - 10" and larger meter sizes Fire Meter</i>	\$290.43	\$290.43	\$304.61	4.9%	\$321.38	5.5%	\$341.36	6.2%	\$364.99	6.9%	\$392.89	7.6%	\$392.89	\$392.89	\$392.89

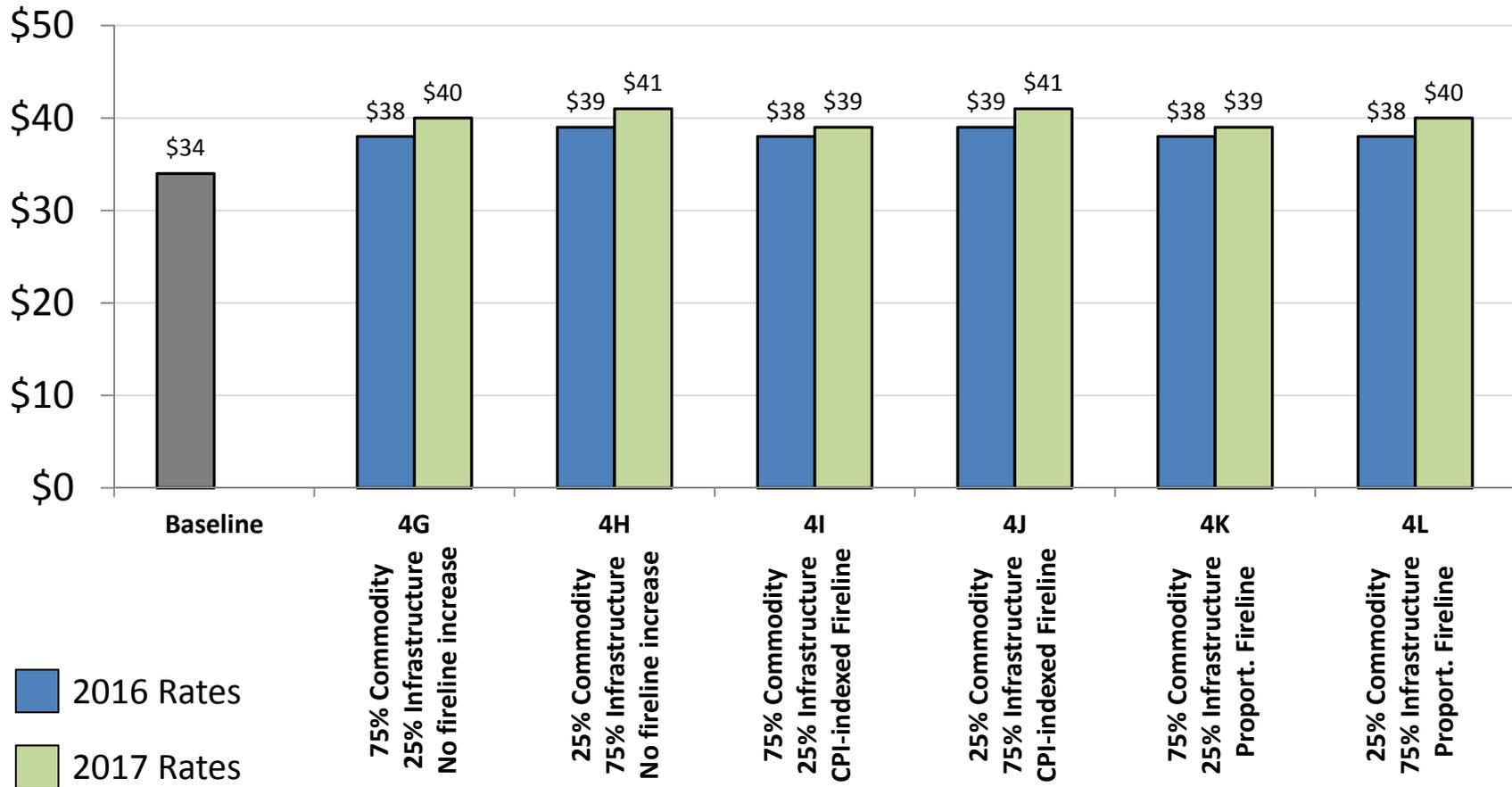
Example 4L: Hybrid- Commodity Charge (25%) and Infrastructure Charge Increase (75%) – Gradual increases beginning 2014

Fireline increases at proportionate rates

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill (Current Rates)	Sample Bill 2016	Sample Bill 2017
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10	\$34	\$38	\$40
	High: 28	\$108	\$113	\$115
Retail Complex – Mall	6,030 (all services)	\$25,365	\$25,985	\$26,320
Commercial Laundry	18,488 (all services)	\$66,142	\$67,904	\$68,865
High School	3,080 (all services)	\$11,487	\$11,904	\$12,122

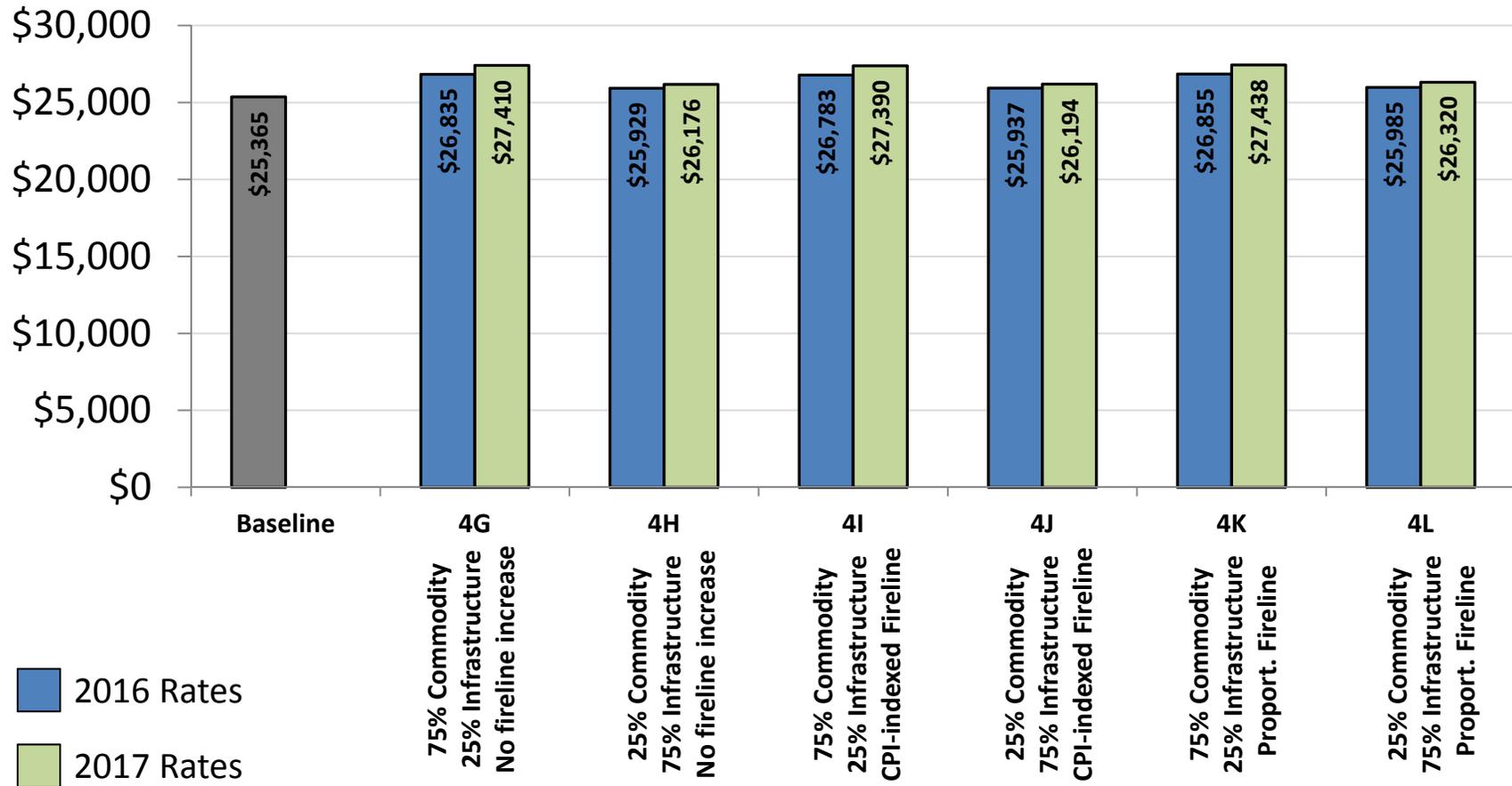
Median Use Single-Family Residential Bill Comparisons

Rate Increases beginning in 2014, phased-in rates



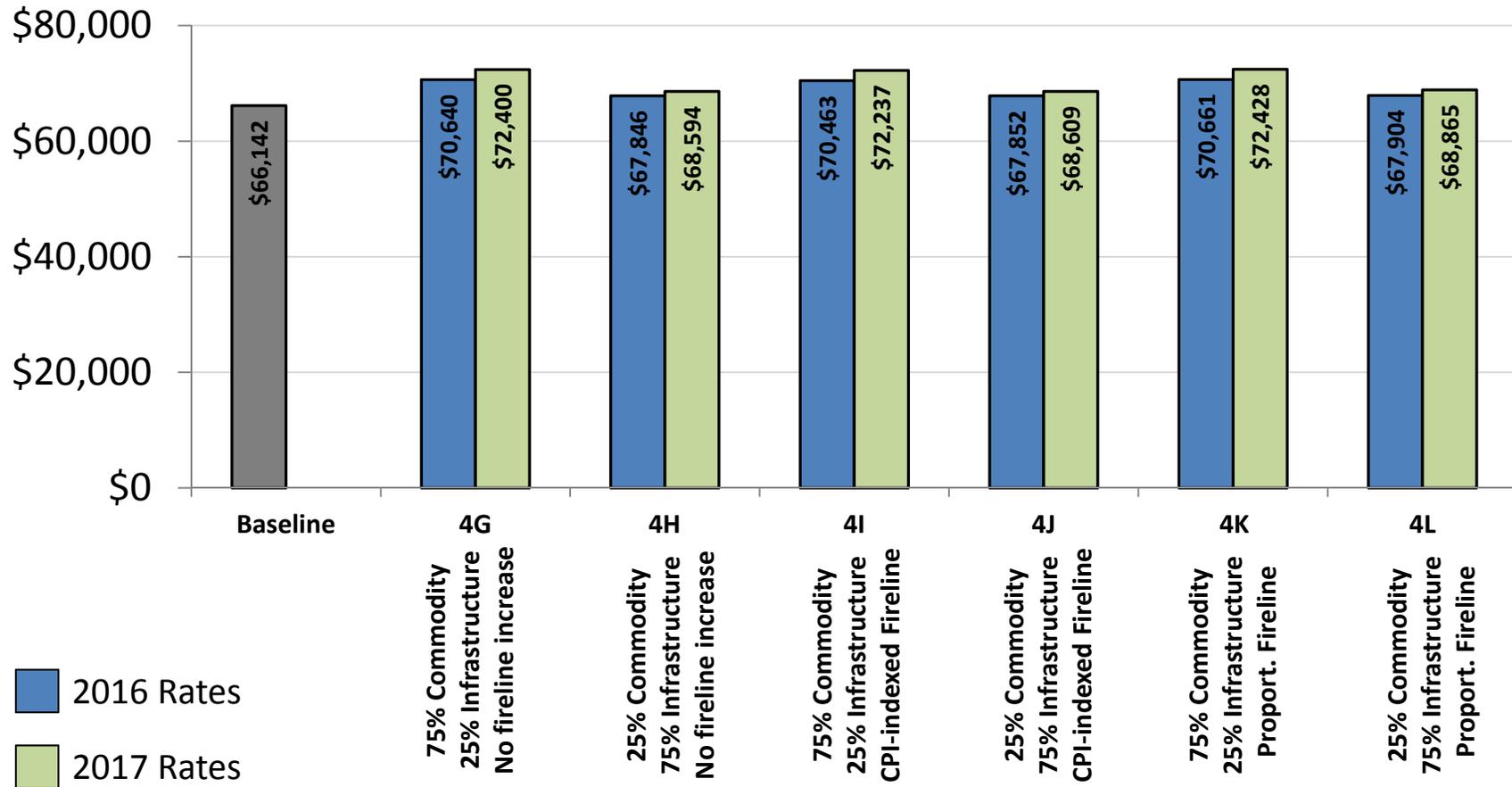
Bill Comparisons for Retail Complex- Mall

Rate Increases beginning in 2014, phased-in rates



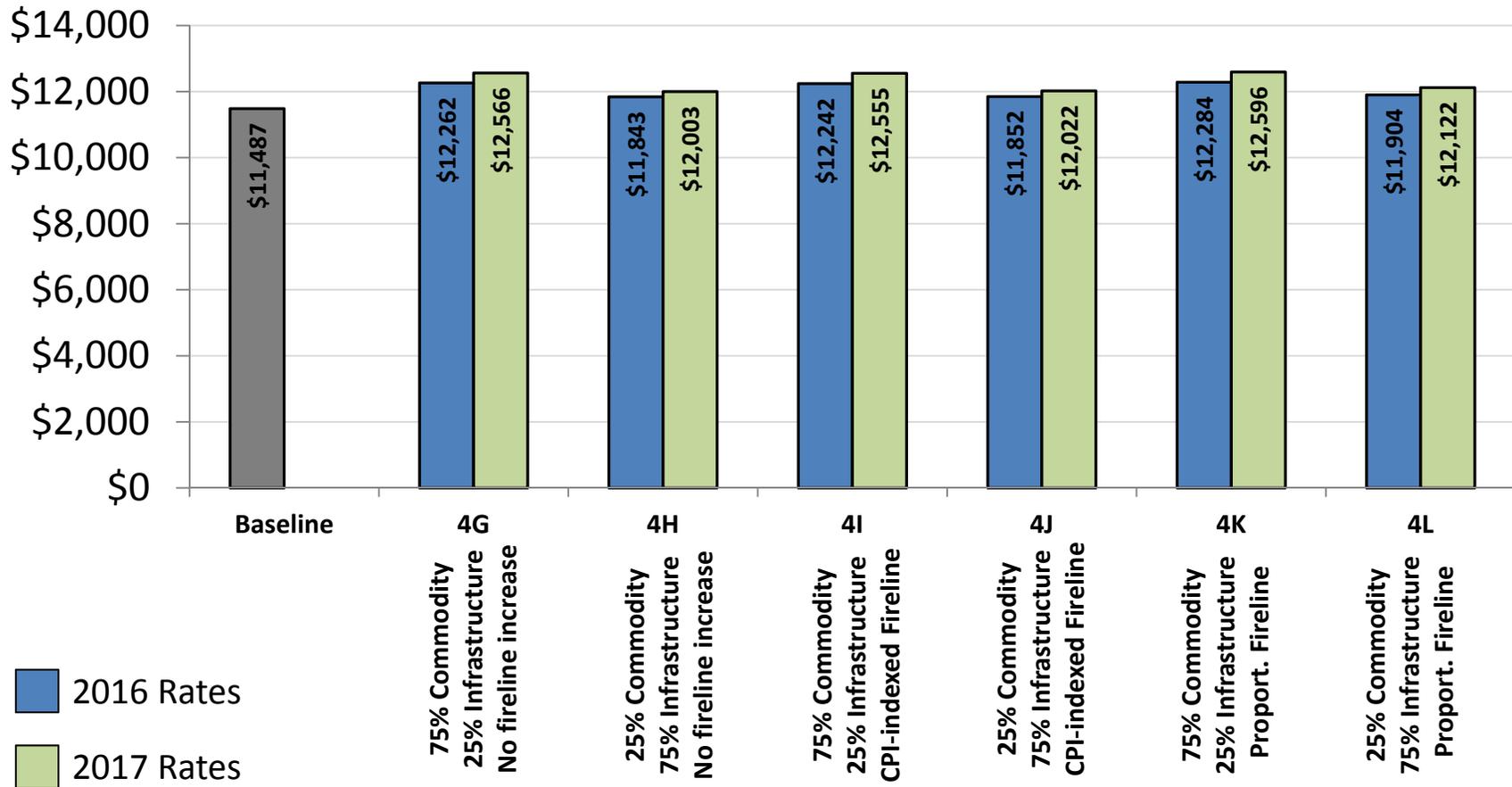
Bill Comparisons for Commercial Laundry

Rate Increases beginning in 2014, phased-in rates



Bill Comparisons for High School

Rate Increases beginning in 2014, phased-in rates



Upcoming Dates

- **April 20: Facility Tour**
- **May 6: Next Meeting**

