

TUCSON WATER

FY 2014

**Summary Cost of Service/Revenue Targets
&
Proposed Rate Schedules**

**March 20, 2013
CWAC Meeting**



**TUCSON WATER
FINANCIAL PLAN
FY2013-FY2018
Preliminary 2-06-2013
(\$1,000)**

LINE #	Fiscal Years Ending June 30:						
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	
1	Projected Beginning Operating Working Capital						
	\$34,410	\$23,470	\$25,708	\$23,567	\$24,465	\$25,167	
2	Beginning Infrastructure Fund						
	\$3,000	\$20,853	\$12,190	\$1,263	\$1,289	\$527	
	PROJECTED REVENUES:						
3	Water Sales (existing rates)						
	\$148,572	\$145,468	\$143,220	\$141,009	\$140,136	\$139,273	
4	Water Sales Increases from Rate Adjustments:						
	<i>FY 2014</i>	8.30%	<i>\$12,074</i>	<i>\$11,887</i>	<i>\$11,704</i>	<i>\$11,631</i>	
	<i>FY 2015</i>	8.30%	<i>\$11,887</i>	<i>\$11,704</i>	<i>\$11,631</i>	<i>\$11,560</i>	
	<i>FY 2016</i>	8.30%		<i>\$11,704</i>	<i>\$11,631</i>	<i>\$11,560</i>	
	<i>FY 2017</i>	8.30%			<i>\$11,631</i>	<i>\$11,560</i>	
	<i>FY 2018</i>	8.30%				<i>\$11,560</i>	
	Total from Rate Adjustments		\$12,074	\$23,774	\$35,111	\$46,525	\$57,798
5	Water Sales (including Rate Adjustments)						
	\$148,572	\$157,542	\$166,994	\$176,121	\$186,661	\$197,071	
6	Other Water Revenues/Sources						
	\$12,748	\$12,226	\$12,295	\$12,379	\$12,509	\$12,661	
6A	System Equity Fee						
	\$2,371	\$2,371	\$2,371	\$2,371	\$2,371	\$2,371	
6B	CAP Water Resource Fee						
	\$350	\$350	\$350	\$350	\$350	\$350	
7	Total Revenues/Sources						
	\$164,041	\$172,489	\$182,010	\$191,220	\$201,892	\$212,452	
	PROJECTED REQUIREMENTS:						
8	O & M Expense						
	\$79,197	\$87,742	\$89,899	\$93,480	\$96,208	\$98,852	
9	Utility Tax Embedded in Water Sales Revenues						
	\$3,869	\$4,090	\$4,325	\$4,551	\$4,814	\$5,074	
10	Debt Service						
	\$43,384	\$45,116	\$52,613	\$55,555	\$58,584	\$62,137	
11	Other Requirements						
	\$1,758	\$2,501	\$2,492	\$2,751	\$2,823	\$2,798	
12	In Lieu of Tax						
	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	
13	Low Income Program						
	\$517	\$525	\$540	\$555	\$571	\$591	
14	Transfer to Infrastructure Fund						
	\$17,853	\$1,337	\$3,323	\$26	\$738	\$704	
15	Capital from Water Revenues						
	\$17,941	\$18,436	\$20,201	\$22,382	\$26,160	\$26,937	
16	Administrative Service Charge(direct/indirect)						
	\$8,861	\$8,905	\$9,158	\$9,421	\$9,691	\$10,020	
17	Total Requirements						
	\$174,980	\$170,251	\$184,151	\$190,322	\$201,190	\$208,713	
18	Projected Ending Operating Working Capital/Reserve						
	\$23,470	\$25,708	\$23,567	\$24,465	\$25,167	\$28,907	
19	Estimated Reserves As % of Sales Revenue						
	15.8%	16.3%	14.1%	13.9%	13.5%	14.7%	
20	Estimated Reserves as Days of O&M						
	95	95	85	85	85	95	
	OTHER SIGNIFICANT DATA/PROJECTIONS:						
21	% Increases: Water Sales Rates/Revenue						
	N/A	8.3%	8.3%	8.3%	8.3%	8.3%	
22	Debt Service Coverage (All Debt)						
	173.0%	166.0%	160.0%	161.0%	166.0%	168.0%	
22a	Coverage: Senior Lien Debt						
	206.0%	197.0%	185.0%	185.0%	188.0%	189.0%	
23	Total Capital Improvement Program (CIP)						
	\$68,811	\$67,382	\$68,664	\$56,499	\$78,232	\$68,081	
	Debt Sales:						
24	Water System Revenue Obligations/Bonds						
	\$23,368	\$36,106	\$34,155	\$43,990	\$44,375	\$39,781	
25	WIFA Loan						
	\$13,318	\$0	\$0	\$0	\$0	\$0	
26	% of CIP from Current Revenue						
	42%						

Cost of Service Principles: *Slicing the Revenue Pie*

Theoretical framework for cost of service analysis:

- Utility is to be self-supporting
- Utility incurs costs to provide service

Costs are dependent upon or driven by:

- The nature of the water product delivered to customers (***system functions and service characteristics***)
- The water usage/demand of customers (***usage characteristics***)
- The number of customers in each class

Cost of service analysis attempts to assign an appropriate share of costs to customer groups based on:

- The water product the group is receiving (potable/reclaimed)
 - The total amount/average daily amount of water the group uses
 - The water usage pattern of the group (constant versus peaking)
 - The number of customer connections and equivalent meters to the water system within each group
-

Summary Cost of Service

Options A B

FY 2014

Scenarios A&B : RECLAIMED WATER TO RECOVER APPROX:
 POTABLE USERS RECOVER % OF RECLAIMED
 No Class Over 12% Increase; No Increase in Reclaimed Std. Rate

Reclaimed COS to be recovered from reclaimed rate payers
 Reclaimed Benefit to be Allocated
 Potable COS

\$9,876,910
\$2,328,290
 \$145,337,063
\$157,542,263

Reclaimed Contract Customer Cost **\$2,053,865**
 (Difference between Avg. Reclaimed Rate & Contract rates)
 From Standard Rates (Based on current rates) **-\$274,425**
 From Potable Rates **\$2,328,290**
Total **\$2,053,865**

Customer Class	(1) FY 2014 % Potable COS, Less Pvt Hyd & Public FP	(2) Allocated COS (\$1,000)	(3) Allocate Reclaimed Benefit (\$1,000)	(4) Class Adjustments	(5) Adjusted COS (\$1,000)	(6) Revenue Under Existing Rates (\$1,000)	(7) Change in Revenue Target (\$1,000)	(8) % Revenue Increase Required
Residential	60.14%	87,405	1,304	48	88,757	80,042	(8,715)	10.9%
Multifamily	15.56%	22,613	452	12	23,077	21,823	(1,254)	5.8%
Commercial	20.61%	29,957	512	16	30,485	28,883	(1,602)	5.6%
Industrial	1.51%	2,199	40	1	2,241	2,139	(102)	4.8%
Construction Water	0.94%	1,372	20	0	1,392	1,253	(139)	11.1%
Private Fire Protection:								
Fire Sprinkler Service	1.23%	1,791		(78)	1,713	1,532	(181)	11.9%
Sub-Total Potable	100.00%	145,337	2,328	0	147,665	135,672	(11,994)	8.8%
Total Potable		145,337			147,665	135,672	(11,994)	8.8%
Reclaimed		12,205		(2,328)	9,878	9,797	(81)	0.8%
Utility Total		157,542			157,543	145,468	(12,075)	8.3%

FY 2014
Rate Schedule
CWAC
Finance Sub-Committee
Option A



Option A

Tucson Water Recommended Water Rate Schedule Comparison of Existing Rates and Proposed Rates FY2014

Customer Class	Amount			Amount			Amount		
	Existing	Proposed	Increase	Existing	Proposed	Increase	Existing	Proposed	Increase
Service Charge	<i>Potable</i>			<i>Reclaimed</i>			<i>Fire Sprinkler</i>		
Meter Size									
5/8"	\$8.27	\$9.25	\$0.98	\$6.66	\$7.30	64.4%	na	na	na
3/4"	\$10.92	\$12.21	\$1.29	na	na	na	na	na	na
1"	\$16.23	\$18.12	\$1.89	\$12.21	\$13.25	\$1.04	na	na	na
1.5"	\$29.49	\$32.89	\$3.40	\$21.46	\$23.16	\$1.70	na	na	na
2"	\$45.41	\$50.62	\$5.21	\$32.55	\$35.05	\$2.50	\$8.20	\$9.19	\$0.99
2.5"	\$66.64	\$74.26	\$7.62	\$47.35	\$50.90	\$3.55	na	na	na
3"	\$87.86	\$97.90	\$10.04	\$62.15	\$66.76	\$4.61	\$13.43	\$15.05	\$1.62
4"	\$148.89	\$165.87	\$16.98	\$104.69	\$112.34	\$7.65	\$20.76	\$23.24	\$2.48
6"	\$301.71	\$336.07	\$34.36	\$211.22	\$226.49	\$15.27	\$39.61	\$44.32	\$4.71
8"	\$454.00	\$505.69	\$51.69	\$317.38	\$340.25	\$22.86	\$58.45	\$65.39	\$6.94
10"	\$692.79	\$771.64	\$78.85	\$483.84	\$518.61	\$34.76	\$88.29	\$98.75	\$10.46
12"	\$1,143.82	\$1,273.99	\$130.17	\$798.27	\$855.51	\$57.25	\$143.78	\$160.80	\$17.02
Usage Charge (Per Ccf)									
Residential (Single Family) Block Rates									
1-10 Ccf	\$1.26	\$1.36	\$0.10						
11-15 Ccf	\$2.45	\$2.70	\$0.25						
16-30 Ccf	\$6.45	\$6.83	\$0.38						
Over 30 Ccf	\$10.45	\$10.85	\$0.40						
Residential (Duplex-Triplex) Block Rates									
1-15 Ccf	\$1.26	\$1.36	\$0.10						
16-20 Ccf	\$2.45	\$2.70	\$0.25						
21-35 Ccf	\$6.45	\$6.83	\$0.38						
Over 35 Ccf	\$10.45	\$10.85	\$0.40						
Other Classes: Base Rates									
Multifamily *	\$2.29	\$2.31	\$0.02						
Mobile Home Parks w/sub-meters *	\$1.75	\$1.75	\$0.00						
Commercial	\$2.25	\$2.26	\$0.01						
Industrial	\$2.05	\$2.05	\$0.00						
Construction *	\$2.55	\$2.75	\$0.20						
Tier Rates (Summer Only: May - Oct)**									
Tier 1	\$1.00	\$1.00	\$0.00						
Tier 2	\$0.27	\$0.27	\$0.00						
Reclaimed Std Usage Rate *				\$1.83	\$1.83	\$0.00			
<i>Per Acre-Foot</i>				\$797	\$797	\$0.00			
CAP Charge ***	\$0.36	\$0.48	\$0.12						
Conservation Charge	\$0.07	\$0.07	\$0.00						
* Uniform rate year-round; not subject to summer tier rates									
** Applicable for Commercial and Industrial classes only.									
*** Assessed to potable customers only.									

Option A

Tucson Water

Recommended Water Rate Schedule

Comparison of Existing Rates and Proposed Rates

FY2014

<i>Usage Charge (Per Ccf)</i>	Volume Rates w/CAP Charge		
	Existing	Proposed	Amount Increase
Residential (Single Family) Block Rates			
1-10 Ccf	\$1.62	\$1.84	\$0.22
11-15 Ccf	\$2.81	\$3.18	\$0.37
16-30 Ccf	\$6.81	\$7.31	\$0.50
Over 30 Ccf	\$10.81	\$11.33	\$0.52
Residential (Duplex-Triplex) Block Rates			
1-15 Ccf	\$1.62	\$1.84	\$0.22
16-20 Ccf	\$2.81	\$3.18	\$0.37
21-35 Ccf	\$6.81	\$7.31	\$0.50
Over 35 Ccf	\$10.81	\$11.33	\$0.52
Other Classes: Base Rates			
Multifamily *	\$2.65	\$2.79	\$0.14
Mobile Home Parks w/sub-meters *	\$2.11	\$2.23	\$0.12
Commercial	\$2.61	\$2.74	\$0.13
Industrial	\$2.41	\$2.53	\$0.12
Construction *	\$2.91	\$3.23	\$0.32

Option A

Sample Bills -- Single-Family

Consumption (Ccf)		Current Monthly Bill	Proposed Monthly Water Bill	Dollar Difference	Current CAP Charge	Proposed CAP Charge	Proposed Total Utility Monthly Bill	Total Bill Dollar Difference
0		\$8.27	\$9.25	\$0.98	\$0.00	\$0.00	\$9.25	\$0.98
1		\$9.60	\$10.68	\$1.08	\$0.36	\$0.48	\$11.16	\$1.20
2		\$10.93	\$12.11	\$1.18	\$0.72	\$0.96	\$13.07	\$1.42
3		\$12.26	\$13.54	\$1.28	\$1.08	\$1.44	\$14.98	\$1.64
4		\$13.59	\$14.97	\$1.38	\$1.44	\$1.92	\$16.89	\$1.86
5		\$14.92	\$16.40	\$1.48	\$1.80	\$2.40	\$18.80	\$2.08
6		\$16.25	\$17.83	\$1.58	\$2.16	\$2.88	\$20.71	\$2.30
7		\$17.58	\$19.26	\$1.68	\$2.52	\$3.36	\$22.62	\$2.52
8		\$18.91	\$20.69	\$1.78	\$2.88	\$3.84	\$24.53	\$2.74
9		\$20.24	\$22.12	\$1.88	\$3.24	\$4.32	\$26.44	\$2.96
10		\$21.57	\$23.55	\$1.98	\$3.60	\$4.80	\$28.35	\$3.18
11		\$24.09	\$26.32	\$2.23	\$3.96	\$5.28	\$31.60	\$3.55
12		\$26.61	\$29.09	\$2.48	\$4.32	\$5.76	\$34.85	\$3.92
13		\$29.13	\$31.86	\$2.73	\$4.68	\$6.24	\$38.10	\$4.29
14		\$31.65	\$34.63	\$2.98	\$5.04	\$6.72	\$41.35	\$4.66
15		\$34.17	\$37.40	\$3.23	\$5.40	\$7.20	\$44.60	\$5.03
16		\$40.69	\$44.30	\$3.61	\$5.76	\$7.68	\$51.98	\$5.53
17		\$47.21	\$51.20	\$3.99	\$6.12	\$8.16	\$59.36	\$6.03
18		\$53.73	\$58.10	\$4.37	\$6.48	\$8.64	\$66.74	\$6.53
19		\$60.25	\$65.00	\$4.75	\$6.84	\$9.12	\$74.12	\$7.03
20		\$66.77	\$71.90	\$5.13	\$7.20	\$9.60	\$81.50	\$7.53
21		\$73.29	\$78.80	\$5.51	\$7.56	\$10.08	\$88.88	\$8.03
22		\$79.81	\$85.70	\$5.89	\$7.92	\$10.56	\$96.26	\$8.53
23		\$86.33	\$92.60	\$6.27	\$8.28	\$11.04	\$103.64	\$9.03
24		\$92.85	\$99.50	\$6.65	\$8.64	\$11.52	\$111.02	\$9.53
25		\$99.37	\$106.40	\$7.03	\$9.00	\$12.00	\$118.40	\$10.03
26		\$105.89	\$113.30	\$7.41	\$9.36	\$12.48	\$125.78	\$10.53
27		\$112.41	\$120.20	\$7.79	\$9.72	\$12.96	\$133.16	\$11.03
28		\$118.93	\$127.10	\$8.17	\$10.08	\$13.44	\$140.54	\$11.53
29		\$125.45	\$134.00	\$8.55	\$10.44	\$13.92	\$147.92	\$12.03
30		\$131.97	\$140.90	\$8.93	\$10.80	\$14.40	\$155.30	\$12.53
31		\$142.49	\$151.82	\$9.33	\$11.16	\$14.88	\$166.70	\$13.05
32		\$153.01	\$162.74	\$9.73	\$11.52	\$15.36	\$178.10	\$13.57
33		\$163.53	\$173.66	\$10.13	\$11.88	\$15.84	\$189.50	\$14.09
34		\$174.05	\$184.58	\$10.53	\$12.24	\$16.32	\$200.90	\$14.61
35		\$184.57	\$195.50	\$10.93	\$12.60	\$16.80	\$212.30	\$15.13
36		\$195.09	\$206.42	\$11.33	\$12.96	\$17.28	\$223.70	\$15.65
37		\$205.61	\$217.34	\$11.73	\$13.32	\$17.76	\$235.10	\$16.17
38		\$216.13	\$228.26	\$12.13	\$13.68	\$18.24	\$246.50	\$16.69
39		\$226.65	\$239.18	\$12.53	\$14.04	\$18.72	\$257.90	\$17.21
40		\$237.17	\$250.10	\$12.93	\$14.40	\$19.20	\$269.30	\$17.73
41		\$247.69	\$261.02	\$13.33	\$14.76	\$19.68	\$280.70	\$18.25
42		\$258.21	\$271.94	\$13.73	\$15.12	\$20.16	\$292.10	\$18.77
43		\$268.73	\$282.86	\$14.13	\$15.48	\$20.64	\$303.50	\$19.29
44		\$279.25	\$293.78	\$14.53	\$15.84	\$21.12	\$314.90	\$19.81
45		\$289.77	\$304.70	\$14.93	\$16.20	\$21.60	\$326.30	\$20.33
46		\$300.29	\$315.62	\$15.33	\$16.56	\$22.08	\$337.70	\$20.85
47		\$310.81	\$326.54	\$15.73	\$16.92	\$22.56	\$349.10	\$21.37
48		\$321.33	\$337.46	\$16.13	\$17.28	\$23.04	\$360.50	\$21.89
49		\$331.85	\$348.38	\$16.53	\$17.64	\$23.52	\$371.90	\$22.41
50		\$342.37	\$359.30	\$16.93	\$18.00	\$24.00	\$383.30	\$22.93
51		\$352.89	\$370.22	\$17.33	\$18.36	\$24.48	\$394.70	\$23.45
52		\$363.41	\$381.14	\$17.73	\$18.72	\$24.96	\$406.10	\$23.97
53		\$373.93	\$392.06	\$18.13	\$19.08	\$25.44	\$417.50	\$24.49
54		\$384.45	\$402.98	\$18.53	\$19.44	\$25.92	\$428.90	\$25.01
55		\$394.97	\$413.90	\$18.93	\$19.80	\$26.40	\$440.30	\$25.53
56		\$405.49	\$424.82	\$19.33	\$20.16	\$26.88	\$451.70	\$26.05
57		\$416.01	\$435.74	\$19.73	\$20.52	\$27.36	\$463.10	\$26.57
58		\$426.53	\$446.66	\$20.13	\$20.88	\$27.84	\$474.50	\$27.09
59		\$437.05	\$457.58	\$20.53	\$21.24	\$28.32	\$485.90	\$27.61
60		\$447.57	\$468.50	\$20.93	\$21.60	\$28.80	\$497.30	\$28.13

Option A

Sample Bills -- Single-Family								
Consumption (Ccf)		Current Monthly Bill	Proposed Monthly Water Bill	Dollar Difference	Current CAP Charge	Proposed CAP Charge	Proposed Total Utility Monthly Bill	Total Bill Dollar Difference
61		\$458.09	\$479.42	\$21.33	\$21.96	\$29.28	\$508.70	\$28.65
62		\$468.61	\$490.34	\$21.73	\$22.32	\$29.76	\$520.10	\$29.17
63		\$479.13	\$501.26	\$22.13	\$22.68	\$30.24	\$531.50	\$29.69
64		\$489.65	\$512.18	\$22.53	\$23.04	\$30.72	\$542.90	\$30.21
65		\$500.17	\$523.10	\$22.93	\$23.40	\$31.20	\$554.30	\$30.73
66		\$510.69	\$534.02	\$23.33	\$23.76	\$31.68	\$565.70	\$31.25
67		\$521.21	\$544.94	\$23.73	\$24.12	\$32.16	\$577.10	\$31.77
68		\$531.73	\$555.86	\$24.13	\$24.48	\$32.64	\$588.50	\$32.29
69		\$542.25	\$566.78	\$24.53	\$24.84	\$33.12	\$599.90	\$32.81
70		\$552.77	\$577.70	\$24.93	\$25.20	\$33.60	\$611.30	\$33.33

Average Single Family Monthly Water Bill Comparison¹

OPTION A

(Average annual bill high to low)

	WATER UTILITIES	MONTHLY SERVICE CHARGE	AVERAGE ANNUAL BILL
1	Green Valley	\$26.00	\$46.40
2	Flagstaff	\$12.18	\$40.03
3	Metro	\$20.00	\$39.60
4	Mesa	\$20.73	\$39.32
5	Oro Valley	\$14.19	\$37.79
6	Marana	\$15.12	\$35.72
7	Yuma	\$15.68	\$29.33
8	Casa Grande	\$16.00	\$28.33
9	<i>Tucson*</i>	<i>\$9.25</i>	<i>\$28.11</i>
10	Sierra Vista	\$15.00	\$27.79
11	Scottsdale	\$10.75	\$26.06
12	Flowing Wells	\$10.35	\$25.38
13	Glendale	\$9.70	\$25.33
14	Tempe	\$10.80	\$24.54
15	Chandler	\$8.87	\$20.37
16	Nogales	\$6.62	\$19.60
17	Phoenix	\$4.36	\$18.29

¹ Bills based on average monthly usage for FY12 at Tucson Water for Single Family customers (10.0 Ccf) applied to the current rates of the respective utilities.

Monthly usage shown below. Residential Monthly Service charge based on 5/8" meter cost.

*Tucson based on Proposed 2013 Rates

BILLING MONTH	CONSUMPTION
January	8
February	8
March	9
April	9
May	10
June	12
July	12
August	11
September	11
October	11
November	9
December	10

**CITY OF TUCSON - TUCSON WATER
SINGLE FAMILY WATER BILL COMPARISONS: FY 2004 to FY 2014 WATER RATES
CWAC Option A**

	2004	2014	Change \$
MONTHLY MINIMUM CHARGE			
Meter Size			
5/8"	\$5.35	\$9.25	\$3.90

	Block Rates		Change \$
MONTHLY WATER USE CHARGES			
1-3 Ccf	\$1.03	\$1.36	\$0.33
4-10 Ccf	\$1.03	\$1.36	\$0.33
11 - 15 Ccf	\$1.03	\$2.70	\$1.67
16 - 30 Ccf	\$3.60	\$6.83	\$3.23
31 - 45 Ccf	\$5.05	\$10.85	\$5.80
Over 45 Ccf	\$7.13	\$10.85	\$3.72

	2004	2014	Change \$
CAP SURCHARGE PER Ccf	\$0.04	\$0.48	\$0.44

	2004	2014	Change \$
CONSERVATION CHARGE PER Ccf*	\$0.00	\$0.07	\$0.07

	Usage		2004		2014		Change \$	
	Usage	2004	2004	2014	2014	Change \$		
BILL IMPACTS OF ABOVE								
Average User	10 Ccf	\$16.05	\$28.35	\$12.30				
High User	46 Ccf	\$159.52	\$337.70	\$178.18				
Very High User	65 Ccf	\$295.75	\$554.30	\$258.55				

Average Yearly Increase
3.79%
5.00%
4.19%

* Water bills shown above include the conservation charge first implemented in July 2008.

FY 2014 Sample Monthly Bills: Other Customer Classes
(Usage in Ccf based on actual FY 2012 average use per service)

Option A

Class	Typical Meter Size	Summer Usage	Winter Usage	MONTHLY AVERAGE BILLS						Difference	
				Existing Rates			Proposed - Existing Blocks				
				Water Bill	CAP Charge	Total Utility Bill	Water Bill	Conservation Charge	Total Utility Bill		
Potable											
Multifamily	2"	125	107	\$ 319.65	\$ 41.83	\$ 361.48	\$ 327.20	\$ 55.78	\$ 382.98	\$ 21.50	
Mobile Home Parks w/sub-meters	2"	272	228	\$ 500.01	\$ 89.92	\$ 589.93	\$ 505.24	\$ 119.90	\$ 625.14	\$ 35.21	
Commercial	2"	62	45	\$ 185.78	\$ 19.13	\$ 204.91	\$ 191.54	\$ 25.51	\$ 217.05	\$ 12.14	
Industrial	2"	242	116	\$ 497.14	\$ 64.40	\$ 561.54	\$ 502.37	\$ 85.87	\$ 588.24	\$ 26.70	
Construction Water	2.5"	60	45	\$ 204.25	\$ 18.91	\$ 223.16	\$ 222.40	\$ 25.21	\$ 247.61	\$ 24.45	
Fire Sprinkler Service (unmetered - 4" conr	na	na	na	\$ 20.76	na	\$ 20.76	\$ 23.24	na	\$ 23.24	\$ 2.48	

FY 2014
Rate Schedule
CWAC
Finance Sub-Committee
Option B



Option B

Tucson Water

Recommended Water Rate Schedule

Comparison of Existing Rates and Proposed Rates

FY2014

Customer Class	Amount			Amount			Amount		
	Existing	Proposed	Increase	Existing	Proposed	Increase	Existing	Proposed	Increase
Service Charge	<i>Potable</i>			<i>Reclaimed</i>			<i>Fire Sprinkler</i>		
Meter Size									
5/8"	\$8.27	\$9.25	\$0.98	\$6.66	\$7.30	\$0.64	na	na	na
3/4"	\$10.92	\$12.21	\$1.29	na	na	na	na	na	na
1"	\$16.23	\$18.12	\$1.89	\$12.21	\$13.25	\$1.04	na	na	na
1.5"	\$29.49	\$32.89	\$3.40	\$21.46	\$23.16	\$1.70	na	na	na
2"	\$45.41	\$50.62	\$5.21	\$32.55	\$35.05	\$2.50	\$8.20	\$9.19	\$0.99
2.5"	\$66.64	\$74.26	\$7.62	\$47.35	\$50.90	\$3.55	na	na	na
3"	\$87.86	\$97.90	\$10.04	\$62.15	\$66.76	\$4.61	\$13.43	\$15.05	\$1.62
4"	\$148.89	\$165.87	\$16.98	\$104.69	\$112.34	\$7.65	\$20.76	\$23.24	\$2.48
6"	\$301.71	\$336.07	\$34.36	\$211.22	\$226.49	\$15.27	\$39.61	\$44.32	\$4.71
8"	\$454.00	\$505.69	\$51.69	\$317.38	\$340.25	\$22.86	\$58.45	\$65.39	\$6.94
10"	\$692.79	\$771.64	\$78.85	\$483.84	\$518.61	\$34.76	\$88.29	\$98.75	\$10.46
12"	\$1,143.82	\$1,273.99	\$130.17	\$798.27	\$855.51	\$57.25	\$143.78	\$160.80	\$17.02
Usage Charge (Per Ccf)									
Residential (Single Family) Block Rates									
1-10 Ccf	\$1.26	\$1.41	\$0.15						
11-15 Ccf	\$2.45	\$2.80	\$0.35						
16-30 Ccf	\$6.45	\$6.50	\$0.05						
Over 30 Ccf	\$10.45	\$10.50	\$0.05						
Residential (Duplex-Triplex) Block Rates									
1-15 Ccf	\$1.26	\$1.41	\$0.15						
16-20 Ccf	\$2.45	\$2.80	\$0.35						
21-35 Ccf	\$6.45	\$6.50	\$0.05						
Over 35 Ccf	\$10.45	\$10.50	\$0.05						
Other Classes: Base Rates									
Multifamily *	\$2.29	\$2.31	\$0.02						
Mobile Home Parks w/sub-meters *	\$1.75	\$1.75	\$0.00						
Commercial	\$2.25	\$2.26	\$0.01						
Industrial	\$2.05	\$2.05	\$0.00						
Construction *	\$2.55	\$2.75	\$0.20						
Tier Rates (Summer Only: May - Oct)**									
Tier 1	\$1.00	\$1.00	\$0.00						
Tier 2	\$0.27	\$0.27	\$0.00						
Reclaimed Std Usage Rate * Per Acre-Foot				\$1.83	\$1.83	\$0.00			
CAP Charge ***	\$0.36	\$0.48	\$0.12	\$797	\$797	\$0.00			
Conservation Charge	\$0.07	\$0.07	\$0.00						
<p>* Uniform rate year-round; not subject to summer tier rates **Applicable for Commercial and Industrial classes only. *** Assessed to potable customers only.</p>									

Option B
Tucson Water
Recommended Water Rate Schedule
Comparison of Existing Rates and Proposed Rates
FY2014

Usage Charge (Per Ccf)	Volume Rates w/CAP Charge		
	Existing	Proposed	Amount Increase
Residential (Single Family) Block Rates			
1-10 Ccf	\$1.62	\$1.89	\$0.27
11-15 Ccf	\$2.81	\$3.28	\$0.47
16-30 Ccf	\$6.81	\$6.98	\$0.17
Over 30 Ccf	\$10.81	\$10.98	\$0.17
Residential (Duplex-Triplex) Block Rates			
1-15 Ccf	\$1.62	\$1.89	\$0.27
16-20 Ccf	\$2.81	\$3.28	\$0.47
21-35 Ccf	\$6.81	\$6.98	\$0.17
Over 35 Ccf	\$10.81	\$10.98	\$0.17
Other Classes: Base Rates			
Multifamily *	\$2.65	\$2.79	\$0.14
Mobile Home Parks w/sub-meters *	\$2.11	\$2.23	\$0.12
Commercial	\$2.61	\$2.74	\$0.13
Industrial	\$2.41	\$2.53	\$0.12
Construction *	\$2.91	\$3.23	\$0.32

Option B

Sample Bills -- Single-Family								
Consumption (Ccf)		Current Monthly Bill	Proposed Monthly Water Bill	Dollar Difference	Current CAP Charge	Proposed CAP Charge	Proposed Total Utility Monthly Bill	Total Bill Dollar Difference
0		\$8.27	\$9.25	\$0.98	\$0.00	\$0.00	\$9.25	\$0.98
1		\$9.60	\$10.73	\$1.13	\$0.36	\$0.48	\$11.21	\$1.25
2		\$10.93	\$12.21	\$1.28	\$0.72	\$0.96	\$13.17	\$1.52
3		\$12.26	\$13.69	\$1.43	\$1.08	\$1.44	\$15.13	\$1.79
4		\$13.59	\$15.17	\$1.58	\$1.44	\$1.92	\$17.09	\$2.06
5		\$14.92	\$16.65	\$1.73	\$1.80	\$2.40	\$19.05	\$2.33
6		\$16.25	\$18.13	\$1.88	\$2.16	\$2.88	\$21.01	\$2.60
7		\$17.58	\$19.61	\$2.03	\$2.52	\$3.36	\$22.97	\$2.87
8		\$18.91	\$21.09	\$2.18	\$2.88	\$3.84	\$24.93	\$3.14
9		\$20.24	\$22.57	\$2.33	\$3.24	\$4.32	\$26.89	\$3.41
10		\$21.57	\$24.05	\$2.48	\$3.60	\$4.80	\$28.85	\$3.68
11		\$24.09	\$26.92	\$2.83	\$3.96	\$5.28	\$32.20	\$4.15
12		\$26.61	\$29.79	\$3.18	\$4.32	\$5.76	\$35.55	\$4.62
13		\$29.13	\$32.66	\$3.53	\$4.68	\$6.24	\$38.90	\$5.09
14		\$31.65	\$35.53	\$3.88	\$5.04	\$6.72	\$42.25	\$5.56
15		\$34.17	\$38.40	\$4.23	\$5.40	\$7.20	\$45.60	\$6.03
16		\$40.69	\$44.97	\$4.28	\$5.76	\$7.68	\$52.65	\$6.20
17		\$47.21	\$51.54	\$4.33	\$6.12	\$8.16	\$59.70	\$6.37
18		\$53.73	\$58.11	\$4.38	\$6.48	\$8.64	\$66.75	\$6.54
19		\$60.25	\$64.68	\$4.43	\$6.84	\$9.12	\$73.80	\$6.71
20		\$66.77	\$71.25	\$4.48	\$7.20	\$9.60	\$80.85	\$6.88
21		\$73.29	\$77.82	\$4.53	\$7.56	\$10.08	\$87.90	\$7.05
22		\$79.81	\$84.39	\$4.58	\$7.92	\$10.56	\$94.95	\$7.22
23		\$86.33	\$90.96	\$4.63	\$8.28	\$11.04	\$102.00	\$7.39
24		\$92.85	\$97.53	\$4.68	\$8.64	\$11.52	\$109.05	\$7.56
25		\$99.37	\$104.10	\$4.73	\$9.00	\$12.00	\$116.10	\$7.73
26		\$105.89	\$110.67	\$4.78	\$9.36	\$12.48	\$123.15	\$7.90
27		\$112.41	\$117.24	\$4.83	\$9.72	\$12.96	\$130.20	\$8.07
28		\$118.93	\$123.81	\$4.88	\$10.08	\$13.44	\$137.25	\$8.24
29		\$125.45	\$130.38	\$4.93	\$10.44	\$13.92	\$144.30	\$8.41
30		\$131.97	\$136.95	\$4.98	\$10.80	\$14.40	\$151.35	\$8.58
31		\$142.49	\$147.52	\$5.03	\$11.16	\$14.88	\$162.40	\$8.75
32		\$153.01	\$158.09	\$5.08	\$11.52	\$15.36	\$173.45	\$8.92
33		\$163.53	\$168.66	\$5.13	\$11.88	\$15.84	\$184.50	\$9.09
34		\$174.05	\$179.23	\$5.18	\$12.24	\$16.32	\$195.55	\$9.26
35		\$184.57	\$189.80	\$5.23	\$12.60	\$16.80	\$206.60	\$9.43
36		\$195.09	\$200.37	\$5.28	\$12.96	\$17.28	\$217.65	\$9.60
37		\$205.61	\$210.94	\$5.33	\$13.32	\$17.76	\$228.70	\$9.77
38		\$216.13	\$221.51	\$5.38	\$13.68	\$18.24	\$239.75	\$9.94
39		\$226.65	\$232.08	\$5.43	\$14.04	\$18.72	\$250.80	\$10.11
40		\$237.17	\$242.65	\$5.48	\$14.40	\$19.20	\$261.85	\$10.28
41		\$247.69	\$253.22	\$5.53	\$14.76	\$19.68	\$272.90	\$10.45
42		\$258.21	\$263.79	\$5.58	\$15.12	\$20.16	\$283.95	\$10.62
43		\$268.73	\$274.36	\$5.63	\$15.48	\$20.64	\$295.00	\$10.79
44		\$279.25	\$284.93	\$5.68	\$15.84	\$21.12	\$306.05	\$10.96
45		\$289.77	\$295.50	\$5.73	\$16.20	\$21.60	\$317.10	\$11.13
46		\$300.29	\$306.07	\$5.78	\$16.56	\$22.08	\$328.15	\$11.30
47		\$310.81	\$316.64	\$5.83	\$16.92	\$22.56	\$339.20	\$11.47
48		\$321.33	\$327.21	\$5.88	\$17.28	\$23.04	\$350.25	\$11.64
49		\$331.85	\$337.78	\$5.93	\$17.64	\$23.52	\$361.30	\$11.81
50		\$342.37	\$348.35	\$5.98	\$18.00	\$24.00	\$372.35	\$11.98
51		\$352.89	\$358.92	\$6.03	\$18.36	\$24.48	\$383.40	\$12.15
52		\$363.41	\$369.49	\$6.08	\$18.72	\$24.96	\$394.45	\$12.32
53		\$373.93	\$380.06	\$6.13	\$19.08	\$25.44	\$405.50	\$12.49
54		\$384.45	\$390.63	\$6.18	\$19.44	\$25.92	\$416.55	\$12.66
55		\$394.97	\$401.20	\$6.23	\$19.80	\$26.40	\$427.60	\$12.83
56		\$405.49	\$411.77	\$6.28	\$20.16	\$26.88	\$438.65	\$13.00
57		\$416.01	\$422.34	\$6.33	\$20.52	\$27.36	\$449.70	\$13.17
58		\$426.53	\$432.91	\$6.38	\$20.88	\$27.84	\$460.75	\$13.34
59		\$437.05	\$443.48	\$6.43	\$21.24	\$28.32	\$471.80	\$13.51
60		\$447.57	\$454.05	\$6.48	\$21.60	\$28.80	\$482.85	\$13.68

Option B

Sample Bills -- Single-Family								
Consumption (Ccf)		Current Monthly Bill	Proposed Monthly Water Bill	Dollar Difference	Current CAP Charge	Proposed CAP Charge	Proposed Total Utility Monthly Bill	Total Bill Dollar Difference
61		\$458.09	\$464.62	\$6.53	\$21.96	\$29.28	\$493.90	\$13.85
62		\$468.61	\$475.19	\$6.58	\$22.32	\$29.76	\$504.95	\$14.02
63		\$479.13	\$485.76	\$6.63	\$22.68	\$30.24	\$516.00	\$14.19
64		\$489.65	\$496.33	\$6.68	\$23.04	\$30.72	\$527.05	\$14.36
65		\$500.17	\$506.90	\$6.73	\$23.40	\$31.20	\$538.10	\$14.53
66		\$510.69	\$517.47	\$6.78	\$23.76	\$31.68	\$549.15	\$14.70
67		\$521.21	\$528.04	\$6.83	\$24.12	\$32.16	\$560.20	\$14.87
68		\$531.73	\$538.61	\$6.88	\$24.48	\$32.64	\$571.25	\$15.04
69		\$542.25	\$549.18	\$6.93	\$24.84	\$33.12	\$582.30	\$15.21
70		\$552.77	\$559.75	\$6.98	\$25.20	\$33.60	\$593.35	\$15.38

Average Single Family Monthly Water Bill Comparison¹

OPTION B

(Average annual bill high to low)

	WATER UTILITIES	MONTHLY SERVICE CHARGE	AVERAGE ANNUAL BILL
1	Green Valley	\$26.00	\$46.40
2	Flagstaff	\$12.18	\$40.03
3	Metro	\$20.00	\$39.60
4	Mesa	\$20.73	\$39.32
5	Oro Valley	\$14.19	\$37.79
6	Marana	\$15.12	\$35.72
7	Yuma	\$15.68	\$29.33
8	<i>Tucson*</i>	\$9.25	\$28.61
9	Casa Grande	\$16.00	\$28.33
10	Sierra Vista	\$15.00	\$27.79
11	Scottsdale	\$10.75	\$26.06
12	Flowing Wells	\$10.35	\$25.38
13	Glendale	\$9.70	\$25.33
14	Tempe	\$10.80	\$24.54
15	Chandler	\$8.87	\$20.37
16	Nogales	\$6.62	\$19.60
17	Phoenix	\$4.36	\$18.29

¹ Bills based on average monthly usage for FY12 at Tucson Water for Single Family customers (10.0 Ccf) applied to the current rates of the respective utilities.

Monthly usage shown below. Residential Monthly Service charge based on 5/8" meter cost.

**Tucson based on Proposed 2013 Rates*

BILLING MONTH	CONSUMPTION
January	8
February	8
March	9
April	9
May	10
June	12
July	12
August	11
September	11
October	11
November	9
December	10

FY 2014 Sample Monthly Bills: Other Customer Classes
(Usage in Ccf based on actual FY 2012 average use per service)

Option B

Class	Typical Meter Size	Summer Usage	Winter Usage	MONTHLY AVERAGE BILLS								
				Existing Rates			Proposed - Existing Blocks					
				Water Bill	CAP Charge	Total Utility Bill	Water Bill	Conservation Charge	Total Utility Bill	Difference		
Potable												
Multifamily	2"	125	107	\$ 319.65	\$ 41.83	\$ 361.48	\$ 327.20	\$ 55.78	\$ 382.98	\$ 21.50		
Mobile Home Parks w/sub-meters	2"	272	228	\$ 500.01	\$ 89.92	\$ 589.93	\$ 505.24	\$ 119.90	\$ 625.14	\$ 35.21		
Commercial	2"	62	45	\$ 185.78	\$ 19.13	\$ 204.91	\$ 191.54	\$ 25.51	\$ 217.05	\$ 12.14		
Industrial	2"	242	116	\$ 497.14	\$ 64.40	\$ 561.54	\$ 502.37	\$ 85.87	\$ 588.24	\$ 26.70		
Construction Water	2.5"	60	45	\$ 204.25	\$ 18.91	\$ 223.16	\$ 222.40	\$ 25.21	\$ 247.61	\$ 24.45		
Fire Sprinkler Service (unmetered - 4" conr	na	na	na	\$ 20.76	na	\$ 20.76	\$ 23.24	na	\$ 23.24	\$ 2.48		

FY 2014
Rate Schedule
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Summary Cost of Service

Option C

FY 2014

Scenario C : RECLAIMED WATER TO RECOVER APPROX:

POTABLE USERS RECOVER % OF RECLAIMED

No Class Over 12% Increase; No Increase in Reclaimed Std. Rate

81%

19%

Reclaimed COS to be recovered from reclaimed rate payers

Reclaimed Benefit to be Allocated

Potable COS

\$9,909,910

\$2,328,290

\$145,304,063

\$157,542,263

Reclaimed Contract Customer Cost	\$2,053,865
(Difference between Avg. Reclaimed Rate & Contract rates)	
From Standard Rates (Based on current rates)	-\$274,425
From Potable Rates	\$2,328,290
Total	\$2,053,865

Customer Class	(1) FY 2014 % Potable COS, Less Pvt Hyd & Public FP	(2) Allocated COS (\$1,000)	(3) Allocate Reclaimed Benefit (\$1,000)	(4) Class Adjustments	(5) Adjusted COS (\$1,000)	(6) Revenue Under Existing Rates (\$1,000)	(7) Change in Revenue Target (\$1,000)	(8) % Revenue Increase Required
Residential	60.25%	87,540	1,304	111	88,955	80,042	(8,913)	11.1%
Multifamily	15.45%	22,444	452	28	22,924	21,823	(1,101)	5.1%
Commercial	20.56%	29,871	512	38	30,420	28,883	(1,537)	5.3%
Industrial	1.50%	2,181	40	3	2,224	2,139	(85)	4.0%
Construction Water	0.95%	1,374	20	0	1,394	1,253	(141)	11.2%
Private Fire Protection:								
Fire Sprinkler Service	1.30%	1,894		(180)	1,714	1,532	(182)	11.9%
Sub-Total Potable	100.00%	145,304	2,328	0	147,632	135,672	(11,961)	8.8%
Total Potable		145,304			147,632	135,672	(11,961)	8.8%
Reclaimed		12,238	(2,327)		9,911	9,797	(114)	1.2%
Utility Total		157,542			157,543	145,468	(12,075)	8.3%

Option C

Tucson Water Recommended Water Rate Schedule Comparison of Existing Rates and Proposed Rates FY2014

Customer Class	Existing	Proposed	Amount Increase	Existing	Proposed	Amount Increase	Existing	Proposed	Amount Increase
Service Charge	<i>Potable</i>			<i>Reclaimed</i>			<i>Fire Sprinkler</i>		
Meter Size									
5/8"	\$8.27	\$9.68	\$1.41	\$6.66	\$7.74	\$1.08	na	na	na
3/4"	\$10.92	\$12.84	\$1.92	na	na	na	na	na	na
1"	\$16.23	\$19.18	\$2.95	\$12.21	\$14.33	\$2.13	na	na	na
1.5"	\$29.49	\$35.02	\$5.53	\$21.46	\$25.33	\$3.87	na	na	na
2"	\$45.41	\$54.03	\$8.62	\$32.55	\$38.52	\$5.97	\$8.20	\$9.20	\$1.00
2.5"	\$66.64	\$79.37	\$12.74	\$47.35	\$56.11	\$8.76	na	na	na
3"	\$87.86	\$104.72	\$16.86	\$62.15	\$73.70	\$11.56	\$13.43	\$15.05	\$1.62
4"	\$148.89	\$177.59	\$28.70	\$104.69	\$124.28	\$19.59	\$20.76	\$23.25	\$2.49
6"	\$301.71	\$360.07	\$58.36	\$211.22	\$250.93	\$39.71	\$39.61	\$44.34	\$4.73
8"	\$454.00	\$541.92	\$87.92	\$317.38	\$377.14	\$59.76	\$58.45	\$65.43	\$6.98
10"	\$692.79	\$827.05	\$134.26	\$483.84	\$575.04	\$91.19	\$88.29	\$98.81	\$10.52
12"	\$1,143.82	\$1,365.63	\$221.80	\$798.27	\$948.84	\$150.57	\$143.78	\$160.90	\$17.12
Usage Charge (Per Ccf)									
Residential (Single Family) Block Rates									
1-10 Ccf	\$1.26	\$1.29	2.4%						
11-15 Ccf	\$2.45	\$2.68	9.4%						
16-30 Ccf	\$6.45	\$6.87	6.5%						
Over 30 Ccf	\$10.45	\$11.04	5.6%						
Residential (Duplex-Triplex) Block Rates									
1-15 Ccf	\$1.26	\$1.29	2.4%						
16-20 Ccf	\$2.45	\$2.68	9.4%						
21-35 Ccf	\$6.45	\$6.87	6.5%						
Over 35 Ccf	\$10.45	\$11.04	5.6%						
Other Classes: Base Rates									
Multifamily *	\$2.29	\$2.27	-0.9%						
Mobile Home Parks w/sub-meters *	\$1.75	\$1.72	-1.7%						
Commercial	\$2.25	\$2.22	-1.3%						
Industrial	\$2.05	\$2.01	-2.0%						
Construction *	\$2.55	\$2.70	5.9%						
Tier Rates (Summer Only: May - Oct)**									
Tier 1	\$1.00	\$1.00	0.0%						
Tier 2	\$0.27	\$0.27	0.0%						
Reclaimed Std Usage Rate * Per Acre-Foot				\$1.83	\$1.83	0.0%			
CAP Charge ***	\$0.36	\$0.48	33.3%	\$797	\$797	0.0%			
Conservation Charge	\$0.07	\$0.07	0.0%						
<p>* Uniform rate year-round; not subject to summer tier rates **Applicable for Commercial and Industrial classes only. *** Assessed to potable customers only.</p>									

Option C

Tucson Water
Recommended Water Rate Schedule
Comparison of Existing Rates and Proposed Rates
 FY2014

<i>Usage Charge (Per Ccf)</i>	Volume Rates w/CAP Charge		
	Current	Proposed	Amount Increase
Residential (Single Family) Block Rates			
1-10 Ccf	\$1.62	\$1.77	\$0.15
11-15 Ccf	\$2.81	\$3.16	\$0.35
16-30 Ccf	\$6.81	\$7.35	\$0.54
Over 30 Ccf	\$10.81	\$11.52	\$0.71
Residential (Duplex-Triplex) Block Rates			
1-15 Ccf	\$1.62	\$1.77	\$0.15
16-20 Ccf	\$2.81	\$3.16	\$0.35
21-35 Ccf	\$6.81	\$7.35	\$0.54
Over 35 Ccf	\$10.81	\$11.52	\$0.71
Other Classes: Base Rates			
Multifamily *	\$2.65	\$2.75	\$0.10
Mobile Home Parks w/sub-meters *	\$2.11	\$2.20	\$0.09
Commercial	\$2.61	\$2.70	\$0.09
Industrial	\$2.41	\$2.49	\$0.08
Construction *	\$2.91	\$3.18	\$0.27

Option C

Sample Bills -- Single-Family								
Consumption (Ccf)	Current Monthly Bill	Proposed Monthly Water Bill	Dollar Difference	Current CAP Charge	Proposed CAP Charge	Proposed Total Utility Monthly Bill	Total Bill Dollar Difference	
0	\$8.27	\$9.68	\$1.41	\$0.00	\$0.00	\$9.68	\$1.41	
1	\$9.60	\$11.04	\$1.44	\$0.36	\$0.48	\$11.52	\$1.56	
2	\$10.93	\$12.40	\$1.47	\$0.72	\$0.96	\$13.36	\$1.71	
3	\$12.26	\$13.76	\$1.50	\$1.08	\$1.44	\$15.20	\$1.86	
4	\$13.59	\$15.12	\$1.53	\$1.44	\$1.92	\$17.04	\$2.01	
5	\$14.92	\$16.48	\$1.56	\$1.80	\$2.40	\$18.88	\$2.16	
6	\$16.25	\$17.84	\$1.59	\$2.16	\$2.88	\$20.72	\$2.31	
7	\$17.58	\$19.20	\$1.62	\$2.52	\$3.36	\$22.56	\$2.46	
8	\$18.91	\$20.56	\$1.65	\$2.88	\$3.84	\$24.40	\$2.61	
9	\$20.24	\$21.92	\$1.68	\$3.24	\$4.32	\$26.24	\$2.76	
10	\$21.57	\$23.28	\$1.71	\$3.60	\$4.80	\$28.08	\$2.91	
11	\$24.09	\$26.03	\$1.94	\$3.96	\$5.28	\$31.31	\$3.26	
12	\$26.61	\$28.78	\$2.17	\$4.32	\$5.76	\$34.54	\$3.61	
13	\$29.13	\$31.53	\$2.40	\$4.68	\$6.24	\$37.77	\$3.96	
14	\$31.65	\$34.28	\$2.63	\$5.04	\$6.72	\$41.00	\$4.31	
15	\$34.17	\$37.03	\$2.86	\$5.40	\$7.20	\$44.23	\$4.66	
16	\$40.69	\$43.97	\$3.28	\$5.76	\$7.68	\$51.65	\$5.20	
17	\$47.21	\$50.91	\$3.70	\$6.12	\$8.16	\$59.07	\$5.74	
18	\$53.73	\$57.85	\$4.12	\$6.48	\$8.64	\$66.49	\$6.28	
19	\$60.25	\$64.79	\$4.54	\$6.84	\$9.12	\$73.91	\$6.82	
20	\$66.77	\$71.73	\$4.96	\$7.20	\$9.60	\$81.33	\$7.36	
21	\$73.29	\$78.67	\$5.38	\$7.56	\$10.08	\$88.75	\$7.90	
22	\$79.81	\$85.61	\$5.80	\$7.92	\$10.56	\$96.17	\$8.44	
23	\$86.33	\$92.55	\$6.22	\$8.28	\$11.04	\$103.59	\$8.98	
24	\$92.85	\$99.49	\$6.64	\$8.64	\$11.52	\$111.01	\$9.52	
25	\$99.37	\$106.43	\$7.06	\$9.00	\$12.00	\$118.43	\$10.06	
26	\$105.89	\$113.37	\$7.48	\$9.36	\$12.48	\$125.85	\$10.60	
27	\$112.41	\$120.31	\$7.90	\$9.72	\$12.96	\$133.27	\$11.14	
28	\$118.93	\$127.25	\$8.32	\$10.08	\$13.44	\$140.69	\$11.68	
29	\$125.45	\$134.19	\$8.74	\$10.44	\$13.92	\$148.11	\$12.22	
30	\$131.97	\$141.13	\$9.16	\$10.80	\$14.40	\$155.53	\$12.76	
31	\$142.49	\$152.24	\$9.75	\$11.16	\$14.88	\$167.12	\$13.47	
32	\$153.01	\$163.35	\$10.34	\$11.52	\$15.36	\$178.71	\$14.18	
33	\$163.53	\$174.46	\$10.93	\$11.88	\$15.84	\$190.30	\$14.89	
34	\$174.05	\$185.57	\$11.52	\$12.24	\$16.32	\$201.89	\$15.60	
35	\$184.57	\$196.68	\$12.11	\$12.60	\$16.80	\$213.48	\$16.31	
36	\$195.09	\$207.79	\$12.70	\$12.96	\$17.28	\$225.07	\$17.02	
37	\$205.61	\$218.90	\$13.29	\$13.32	\$17.76	\$236.66	\$17.73	
38	\$216.13	\$230.01	\$13.88	\$13.68	\$18.24	\$248.25	\$18.44	
39	\$226.65	\$241.12	\$14.47	\$14.04	\$18.72	\$259.84	\$19.15	
40	\$237.17	\$252.23	\$15.06	\$14.40	\$19.20	\$271.43	\$19.86	
41	\$247.69	\$263.34	\$15.65	\$14.76	\$19.68	\$283.02	\$20.57	
42	\$258.21	\$274.45	\$16.24	\$15.12	\$20.16	\$294.61	\$21.28	
43	\$268.73	\$285.56	\$16.83	\$15.48	\$20.64	\$306.20	\$21.99	
44	\$279.25	\$296.67	\$17.42	\$15.84	\$21.12	\$317.79	\$22.70	
45	\$289.77	\$307.78	\$18.01	\$16.20	\$21.60	\$329.38	\$23.41	
46	\$300.29	\$318.89	\$18.60	\$16.56	\$22.08	\$340.97	\$24.12	
47	\$310.81	\$330.00	\$19.19	\$16.92	\$22.56	\$352.56	\$24.83	
48	\$321.33	\$341.11	\$19.78	\$17.28	\$23.04	\$364.15	\$25.54	
49	\$331.85	\$352.22	\$20.37	\$17.64	\$23.52	\$375.74	\$26.25	
50	\$342.37	\$363.33	\$20.96	\$18.00	\$24.00	\$387.33	\$26.96	
51	\$352.89	\$374.44	\$21.55	\$18.36	\$24.48	\$398.92	\$27.67	
52	\$363.41	\$385.55	\$22.14	\$18.72	\$24.96	\$410.51	\$28.38	
53	\$373.93	\$396.66	\$22.73	\$19.08	\$25.44	\$422.10	\$29.09	
54	\$384.45	\$407.77	\$23.32	\$19.44	\$25.92	\$433.69	\$29.80	
55	\$394.97	\$418.88	\$23.91	\$19.80	\$26.40	\$445.28	\$30.51	
56	\$405.49	\$429.99	\$24.50	\$20.16	\$26.88	\$456.87	\$31.22	
57	\$416.01	\$441.10	\$25.09	\$20.52	\$27.36	\$468.46	\$31.93	
58	\$426.53	\$452.21	\$25.68	\$20.88	\$27.84	\$480.05	\$32.64	
59	\$437.05	\$463.32	\$26.27	\$21.24	\$28.32	\$491.64	\$33.21	
60	\$447.57	\$474.43	\$26.86	\$21.60	\$28.80	\$503.23	\$34.06	

Option C

Sample Bills -- Single-Family								
Consumption (Ccf)		Current Monthly Bill	Proposed Monthly Water Bill	Dollar Difference	Current CAP Charge	Proposed CAP Charge	Proposed Total Utility Monthly Bill	Total Bill Dollar Difference
61		\$458.09	\$485.54	\$27.45	\$21.96	\$29.28	\$514.82	\$34.77
62		\$468.61	\$496.65	\$28.04	\$22.32	\$29.76	\$526.41	\$35.48
63		\$479.13	\$507.76	\$28.63	\$22.68	\$30.24	\$538.00	\$36.19
64		\$489.65	\$518.87	\$29.22	\$23.04	\$30.72	\$549.59	\$36.90
65		\$500.17	\$529.98	\$29.81	\$23.40	\$31.20	\$561.18	\$37.61
66		\$510.69	\$541.09	\$30.40	\$23.76	\$31.68	\$572.77	\$38.32
67		\$521.21	\$552.20	\$30.99	\$24.12	\$32.16	\$584.36	\$39.03
68		\$531.73	\$563.31	\$31.58	\$24.48	\$32.64	\$595.95	\$39.74
69		\$542.25	\$574.42	\$32.17	\$24.84	\$33.12	\$607.54	\$40.45
70		\$552.77	\$585.53	\$32.76	\$25.20	\$33.60	\$619.13	\$41.16

Average Single Family Monthly Water Bill Comparison¹

OPTION C

(Average annual bill high to low)

	WATER UTILITIES	MONTHLY SERVICE CHARGE	AVERAGE ANNUAL BILL
1	Green Valley	\$26.00	\$46.40
2	Flagstaff	\$12.18	\$40.03
3	Metro	\$20.00	\$39.60
4	Mesa	\$20.73	\$39.32
5	Oro Valley	\$14.19	\$37.79
6	Marana	\$15.12	\$35.72
7	Yuma	\$15.68	\$29.33
8	Casa Grande	\$16.00	\$28.33
9	Tucson*	\$9.68	\$27.89
10	Sierra Vista	\$15.00	\$27.79
11	Scottsdale	\$10.75	\$26.06
12	Flowing Wells	\$10.35	\$25.38
13	Glendale	\$9.70	\$25.33
14	Tempe	\$10.80	\$24.54
15	Chandler	\$8.87	\$20.37
16	Nogales	\$6.62	\$19.60
17	Phoenix	\$4.36	\$18.29

¹ Bills based on average monthly usage for FY12 at Tucson Water for Single Family customers (10.0 Ccf) applied to the current rates of the respective utilities. Monthly usage shown below. Residential Monthly Service charge based on 5/8" meter cost.

*Tucson based on Proposed 2013 Rates

BILLING MONTH	CONSUMPTION
January	8
February	8
March	9
April	9
May	10
June	12
July	12
August	11
September	11
October	11
November	9
December	10

**CITY OF TUCSON - TUCSON WATER
SINGLE FAMILY WATER BILL COMPARISONS: FY 2004 to FY 2014 WATER RATES
CWAC Option C**

	2004	2014	
MONTHLY MINIMUM CHARGE			
Meter Size			
5/8"	\$5.35	\$9.68	Change \$ \$4.33

	2004	2014	
MONTHLY WATER USE CHARGES			
			Change \$
Block Rates			
1-3 Ccf	\$1.03	\$1.29	\$0.26
4-10 Ccf	\$1.03	\$1.29	\$0.26
11 - 15 Ccf	\$1.03	\$2.68	\$1.65
16 - 30 Ccf	\$3.60	\$6.87	\$3.27
31 - 45 Ccf	\$5.05	\$11.04	\$5.99
Over 45 Ccf	\$7.13	\$11.04	\$3.91

CAP SURCHARGE PER Ccf	\$0.04	\$0.48	Change \$ \$0.44
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CONSERVATION CHARGE PER Ccf*	\$0.00	\$0.07	Change \$ \$0.07
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BILL IMPACTS OF ABOVE	2004	2014	Change \$
Usage			
Average User	\$16.05	\$28.08	\$12.03
High User	\$159.52	\$340.97	\$181.45
Very High User	\$295.75	\$561.18	\$265.43

Average Yearly Increase	3.73%
	5.06%
	4.27%

* Water bills shown above include the conservation charge first implemented in July 2008.

FY 2014 Sample Monthly Bills: Other Customer Classes
(Usage in Ccf based on actual FY 2012 average use per service)

Option C

		MONTHLY AVERAGE BILLS									
		Existing Rates					Proposed - Existing Blocks				
		Water Bill	CAP Charge	Total Utility Bill	Water Bill	Conservation Charge	Total Utility Bill	Water Bill	Conservation Charge	Total Utility Bill	Difference
Class	Typical Meter Size	Summer Usage	Winter Usage	Water Bill	CAP Charge	Total Utility Bill	Water Bill	Conservation Charge	Total Utility Bill	Difference	
Potable											
Multifamily	2"	125	107	\$ 319.65	\$ 41.83	\$ 361.48	\$ 325.94	\$ 55.78	\$ 381.72	\$ 20.24	
Mobile Home Parks w/sub-meters	2"	272	228	\$ 500.01	\$ 89.92	\$ 589.93	\$ 501.14	\$ 119.90	\$ 621.04	\$ 31.11	
Commercial	2"	62	45	\$ 185.78	\$ 19.13	\$ 204.91	\$ 192.81	\$ 25.51	\$ 218.32	\$ 13.41	
Industrial	2"	242	116	\$ 497.14	\$ 64.40	\$ 561.54	\$ 498.60	\$ 85.87	\$ 584.47	\$ 22.93	
Construction Water	2.5"	60	45	\$ 204.25	\$ 18.91	\$ 223.16	\$ 224.86	\$ 25.21	\$ 250.07	\$ 26.91	
Fire Sprinkler Service (unmetered - 4" conr	na	na	na	\$ 20.76	na	\$ 20.76	\$ 23.25	na	\$ 23.25	\$ 2.49	

Comparison of Monthly Fixed Charges All Options

