## **Electronic Annual Report (eAR)**

Section 6A, Residential Water Rates, Examples of rate structures and responses.

Below are some examples for how to complete the 2018 electronic Annual Report, Section 6A, on Residential Water Rates. Also see the help tips for question 6A.1 for additional assistance (a link is provided on the online eAR form).

Example 1a: <u>Base Rate (fixed) and Usage Rates (uniform)</u>

Example 1b: Base Rate (fixed) and Usage Rates (variable)

• Example 1c: Base Rate (fixed) and Usage Rates (variable and uniform)

• Example 2: Base Rate (variable) and Usage Rates (variable) with Features

• Example 3: Flat-Rate (often unmetered)

• Example 4: <u>Allocation Rate</u>

Example 5: No Rate

# Example 1a: Base Rate (fixed) and Usage Rates (uniform)

In this example, there is a base rate that everyone pays and a uniform usage rate. A **base rate** is a charge that is non-volumetric (meaning it doesn't depend on the amount of water used). A base rate may be a fixed charge (each customer pays the same amount) or it may be variable (the fee changes with certain features (e.g., location, climate, lot size, meter size. See example 2). In this example the base rate is a **fixed base rate**. The usage rate is a type of volumetric pricing where customers who use more water, pay more. In this example the **uniform usage rate** is a constant fee that is billed at a constant volume.

## Rates for Example 1a

(The rates in this example appear in the table that follows)

## Single-family

Fixed base rate: \$45.00

Uniform usage rate: \$6.00 per HCF

**Multi-family** 

Fixed base rate: \$35.00 Uniform usage rate: \$6.00 per HCF

**Notes for example 1a:** Water is measured in hundred cubic feet (HCF) for all types of customers. Most common meter sizes: ¾ inch for single-family homes, 1 inch for multi-family homes. Water is

billed monthly.

#### Complete Section 6A rates as noted below. Bold blue font shows answers for example 1a:

A1a. Indicate the type of residential water rate structure ② used by your water system.

# **Base Rate**

✓ Fixed Base Rate

#### **Usage Rate**

Uniform Usage Rate

A1c. What is your billing frequency?

Monthly

A1d. If charges change with different levels of water consumption or features, what is the number of tiers or levels of charges?

Not tiered A single volumetric usage rate level is counted as "not tiered"

A1e. Features: Identify any aspects or factors used to determine or adjust residential water rates (mark those that apply).

Mark answer(s) from list that apply to your water system

A1f. Units of Measure (UOM) for table that follows: HCF

## A1g. Table for Example 1a

Residential Water Rates Single-family, Multi-family	Single-family		Multi-family	
	Upper volume of water included in base rate in Units of Measure (UOM)  If there is no base rate or volume of water associated with a base rate, enter the number zero "0".	Cost per Billing Period (Dollars)	Upper volume of water included in base rate in UOM  If there is no base rate or volume of water associated with a base rate enter the number zero "0".	Cost per Billing Period (Dollars)
Base Rate (non-volumetric rates)	0	45.00	0	35.00
Usage Rate (volumetric rates)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)
Rate Structure level 1	1	6.00	1	6.00
Rate Structure level 2	0	0	0	0
Rate Structure level 3	0	0	0	0
Rate Structure level 4	0	0	0	0
Rate Structure level 5	0	0	0	0
Rate Structure level 6	0	0	0	0
Rate Structure level 7	U	U	U	U

Enter zeros to show "not applicable".

A1j. Provide a direct link to a web page that explains water rates and fees, if available: (only include the hyperlink)

https://city1awater.org/rates

A1k. Comments on Residential Rate Structure.

Explain allocation rate, if applicable.

All customers pay a fixed base rate.

Single-family: Customers pay a base fee of \$45 and a uniform usage fee depending on the amount of water used.

Multi-family: Customers pay a fixed monthly charge \$35 and a uniform usage rate of \$6.00 per HCF.

# **Example 1b: Base Rate (fixed) and Usage Rates (variable)**

In this example, there is a base rate that everyone pays and a variable usage rate. A base rate is a charge that is non-volumetric (meaning it doesn't depend on the amount of water used). In this example there is a fixed base rate (each customer pays the same amount). A usage rate is a type of volumetric pricing where customers that use more water, pay more. In this example there is a variable usage rate changes and increases in price as more water is used.

# Rates for Example 1b

(The rates in this example appear in table that follows)

#### Single-family

Fixed base rate: \$25.00 (includes 2 HCF of water)

Variable usage rate:

3-4 HCF are billed at \$5.00 per HCF

5-12 HCF are billed at \$5.50 per HCF

13-18 HCF are billed at \$8.00 per HCF

Each HCF after the initial 18 HCF is billed at \$11.00 per HCF

## Multi-family

Fixed base rate: \$10.00 (does not include water)

Variable usage rate:

0-4 HCF are billed at \$5.00 per HCF

5-12 HCF are billed at \$5.50 per HCF

13-18 HCF are billed at \$8.00 per HCF

Each HCF after the initial 18 HCF is billed at \$11.00 per HCF

**Notes for example 1b:** Water is measured in hundred cubic feet (HCF) for all types of customers. Most common meter sizes: ¾ inch for single-family homes, 1 inch for multi-family homes. Water is billed monthly.

# Complete Section 6A rates as noted below. Bold blue font shows answers for the example:

A1a. Indicate the type of residential water rate structure 3 used by your water system.

**Base Rate** 

✓ Fixed Base Rate

**Usage Rate** 

✓ Variable Usage Rate

A1c. What is your billing frequency?

Monthly

A1d. If charges change with different levels of water consumption or features, what is the number of tiers or levels of charges?

4

A1e. Features: Identify any aspects or factors used to determine or adjust residential water rates (mark those that apply).

Mark answer(s) from list that apply to your water system

A1f. Units of Measure (UOM) for table that follows: HCF

1g. Table for Example 1b

Residential Water Rates Single-family, Multi-family			Multi-family	
	Upper volume of water included in base rate in Units of Measure (UOM)*	Cost per Billing Period (Dollars)	Upper volume of water included in base rate in UOM*	Cost per Billing Period (Dollars)
	If there is no base rate or volume of water associated with a base rate, enter the number zero "0".		If there is no base rate or volume of water associated with a base rate enter the number zero "0".	
Base Rate (non-volumetric rates)	2	25.00	0	10.00
Usage Rate (volumetric rates)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)
Rate Structure level 1	4	5.00	4	5.00
Rate Structure level 2	12	5.50	12	5.50
Rate Structure level 3	18	8.00	18	8.00
Rate Structure level 4	19*	11.00	19*	11.00
Rate Structure level 5 Rate Structure level 6	0	0	0	0
Rate Structure level 7	0	0	0	0

Enter zeros to show "not applicable".

A1j. Provide a direct link to a web page that explains water rates and fees, if available: (only include the hyperlink)

https://city1bwater.org/rates

A1k. Comments on Residential Rate Structure. Explain allocation rate, if applicable.

All customers pay a fixed base rate. Level 4 does not have an upper limit, so the lower end of the range was added to the table.

Single-family: Customers pay a base fee of \$25, which includes 2 HCF of water, and a variable usage fee based on the amount of water used. Multi-family: Customers pay a fixed monthly charge \$10 and a variable usage fee based on the amount of water used.

<sup>\*</sup>When the last level doesn't have an upper limit and only has a lower limit, just enter lower end of the range and add a comment that this was done.

# Example 1c: Base Rate (fixed) and Usage Rates (variable and uniform)

In this example, there is a base rate that everyone pays and a usage rate that is variable or uniform. A base rate is a charge that is non-volumetric (meaning it doesn't depend on the amount of water used). In this example there is a fixed base rate for all residential customers. The usage rate is a type of volumetric pricing where customers that use more water, pay more. In this example single-family customers have a variable usage rate that increases in price as more water is used, while multi-family customers have a uniform usage rate that is a constant fee for a constant volume of water use, that is, each hundred cubic feet (HCF) has the same price).

# Rates for Example 1c

(The rates in this example appear in the table that follows)

## Single-family

Base rate: \$25.00 (includes 2 HCF) 3-4 HCF are billed at \$5.00 per HCF 5-12 HCF are billed at \$5.50 per HCF 13-18 HCF are billed at \$8.00 per HCF

Each HCF after 18 HCF is billed at \$11.00 per HCF

**Multi-family** Base rate: \$35

Volumetric rate: \$6.00 per HCF

**Notes for example 1c:** Water is measured in hundred cubic feet (HCF) for all types of customers. Most common meter sizes: ¾ inch for single-family homes, 1 inch for multi-family homes. Water is billed monthly.

# Complete Section 6A rates as noted below. Bold blue font shows answers for the example:

A1a. Indicate the type of residential water rate structure ② used by your water system.

**Base Rate** 

✓ Fixed Base Rate

**Usage Rate** 

✓ Variable Usage Rate

When a single-family rate structure is different than a multi-family rate structure, answer with the single-family rate structure. Explain the multi-family rate in the comment box and the Table.

A1c. What is your billing frequency?

Monthly

A1d. If charges change with different levels of water consumption or features, what is the number of tiers or levels of charges?

A1e. Features: Identify any aspects or factors used to determine or adjust residential water rates (mark those that apply).

4

Mark answer(s) from list that apply to your water system

A1f. Units of Measure (UOM) for table that follows:

**HCF** 

A1g. Table for Example 1c

Residential Water Rates Single-family, Multi-family			Multi-family	
	Upper volume of water? included in base rate in Units of Measure (UOM)*	Cost per Billing Period (Dollars)	Upper volume of water? included in base rate in UOM*	Cost per Billing Period (Dollars)
	If there is no base rate or volume of water associated with a base rate, enter the number zero "0".		If there is no base rate or volume of water associated with a base rate enter the number zero "0".	
Base Rate (non-volumetric rates)	2	25.00	0	35.00
Usage Rate (volumetric rates)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)
Rate Structure level 1	4	5.00	1	6.00
Rate Structure level 2	12	5.50	0	0
Rate Structure level 3	18	8.00	0	0
Rate Structure level 4	19	11.00	0	0
Rate Structure level 5	0	0	0	0
Rate Structure level 6	0	0	0	0
Rate Structure level 7	0	0	0	0

Enter zeros to show "not applicable".

A1j. Provide a direct link to a web page that explains water rates and fees, if available: (only include the hyperlink)

https://city1cwater.org/rates

A1k. Comments on Residential Rate Structure.

Explain allocation rate, if applicable.

All customers pay a fixed base rate. Single-family homes also pay a variable usage rate while multi-family customers pay a uniform usage rate.

Single-family: Customer pay a base fee of \$25, which includes 2 HCF of water, and a variable usage fee based on the amount of water used. Level 4 does not have an upper limit, so the lower end of the range was added to the table.

Multi-family: Customers pay a fixed monthly charge of \$35 and a uniform usage rate of \$6.00 per HCF.

<sup>\*</sup>When the last level doesn't have an upper limit and only has a lower limit, just enter lower end of the range and add a comment.

# Example 2: Base Rate (variable) and Usage Rates (variable) with Features

In this example, there is a variable base rate that everyone pays dependent on the features and a usage rate where customers that use more water, pay more. A Base Rate is a charge that is non-volumetric (meaning it doesn't depend on the amount of water used) A Base rate might change with certain features such as elevation or some other conditions (e.g., lot size, climate, pressure zone, seasonal occupancy, large animals, evaporative coolers, etc.). In this example the rates change with elevation. Depending on the features, the usage rate could be variable for single-family or uniform for multi-family. When there are other features that affect your residential rates, complete the annual report form with information on the most common rate structure and describe its key features in the comments box.

#### Rates for Example 2

(\*or \*\* show data that appear in table 2 that follows.

Rate data in Table 2 is for the features that **most commonly occur** in water supplier's service area.

## Single-family

Base rate:

Elevation less than 1000 feet: \$20.10\* (most common)

Elevation higher than 1000 feet: \$50.00

Variable Usage Rate (elevation less than 1000 ft):\* (most common)

Level 1: 0-6 HCF are billed at \$6.00 per HCF

Level 2: 6-10 HCF are billed at \$7.50 per HCF

Level 3: Each HCF after the initial 10 HCF is \$13.00 per HCF

Variable Usage Rate (elevation above than 1000 ft):

Level 1: 0-6 HCF are billed at \$8.00 per HCF

Level 2: 6-10 HCF are billed at \$9.50 per HCF

Level 3: Each HCF after the initial 10 HCF is \$15.00 per HCF

#### Multi-family

Base Rate:

Elevation less than 1000 feet: \$10.00

Elevation higher than 1000 feet: \$15.00 \*\* (most common)

Uniform Usage rate

Elevation less than 1000 feet: \$6.00 per HCF

Elevation higher than 1000 feet: \$8.00 per HCF\*\* (most common)

# Notes for example 2:

Water is measured in hundred cubic feet (HCF) for all types of customers. Water is billed monthly.

\* Most single-family customers are at an elevation below 1000 feet.

\*\*Most multi-family customers are at an elevation above 1000 feet.

Complete Section 6A rates as noted below. Bold blue font shows answers for the example:

(continued on next page)

A1a. Indicate the type of residential water rate structure ② used by your water system.

**Base Rate** 

**✓** Variable Base Rate

**Usage Rate** 

✓ Variable Usage Rate

When a single-family rate structure is different than a multifamily rate structure, provide a response for the single-family rate structure. Explain the multifamily rate in the comment box and the Table.

A1c. What is your billing frequency?

Monthly

A1d. If charges change with different levels of water consumption or features, what is the number of tiers or levels of charges?

3

1e. Features: Identify any aspects or factors used to determine or adjust residential water rates (mark those that apply).

Mark answer(s) from list that apply to your water system

A1f. Units of Measure (UOM) for table that follows:

**HCF** 

# A1g. Table for Example 2

Residential Water Rates Single-family, Multi-family	Single-family		Multi-family	
	Upper volume of water included in base rate in Units of Measure (UOM)  If there is no base rate or volume of water associated with a base rate, enter the number zero "0".	Cost per Billing Period (Dollars)	Upper volume of water included in base rate in UOM  If there is no base rate or volume of water associated with a base rate enter the number zero "0".	Cost per Billing Period (Dollars)
Base Rate (non- volumetric rates)	2	20.10	0	15.00
Usage Rate (volumetric rates)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)
Rate Structure level 1	6	6.00	1	8.00
Rate Structure level 2	10	7.50	0	0
Rate Structure level 3	10*	13.00	0	0
Rate Structure level 4	0	0	0	0
Rate Structure level 5	0	0	0	0
Rate Structure level 6	0	0	0	0
Rate Structure level 7	0	0	0	0

\*When the last level doesn't have an upper limit and only has a lower limit, just enter lower end of the range and add a comment that this was done.

Note: Present data for the most common rates that apply in your service area. In this example, the single-family rate structures show a variable usage rate and the multi-family rate structure has a uniform usage rate. Enter zeros to show "not applicable".

A1j. Provide a direct link to a web page that explains water rates and fees, if available: (only include the hyperlink)

A1k. Comments on Residential Rate Structure.

Explain allocation rate, if applicable.

https://city2water.org/rates

Rates for single-family and multi-family customers changes with elevation and meter size. Base rates depend on the meter size. Usage rates depend on elevation. We provided answers for single-family customers below 1000 ft and multi-family customers above 1000 ft (the most common rates for each). See our website for information on the different rates. Single-family customers have a variable usage rate while multi-family customers have a uniform usage rate. Level 3 does not have an upper limit, so the lower end of the range was added to the table.

## **Example 3: Flat Rate (Often Unmetered)**

Flat Rate means that there is one rate for providing drinking water regardless of the volume of water used and the rate is not combined with a usage rate. Flat rate may occur, for example, where there are no water meters or customers pay one set fee for all water services for the billing period. Everyone pays the same water use charge. If your water system has a flat rate, skip table A1.g on Residential Water Rates. Enter your water rates in question A4 Affordable Drinking Water (see an example below).

## Rates for example

(The rates in this example appear in the table that follows)

Single-family residential rate: \$45.10 per month for drinking water, there are other charges on the bill of \$10 per month

Multi-family residential rate: \$28.23 per month for drinking water, there are other charges on the bill of \$5 per month

Notes for example 3: For flat rates you may skip questions for A1.g *Table on Residential Water Rates*. The actual flat rate is entered in Question A4 *Affordable Drinking Water* and not in the A1.g *Table on Residential Water Rates*. Add information on multi-family residential rates to comments.

# Complete Section 6A.1 Residential Water Rates as noted below. Bold blue font shows answers for an example (your answer may be different):

A1a. Indicate the type of residential water rate structure ② used by your water system.

Other Rates

✓ Flat Rate

In some service areas there are a combination of rate structures in use. When the most common rate structure for single-family residential customers is a flat rate, then provide responses for those rates. When the most common rate structure for single-family residential customers is volumetric pricing (a customer that uses more, pays more), then provide responses for those rates (see examples 1 and 2).

A1c. What is your billing frequency?

A1d. If charges change with different levels of water consumption or features, what is the number of tiers or levels of charges?

A1e. Features: Identify any aspects or factors used to determine or adjust residential water rates (mark those that apply).

Monthly

Not tiered

You may skip question 1d. If so, we will enter "Not tiered" on your behalf in our final data

Mark answer(s) from list that apply to your water system. For example, if customers with large lot sizes pay more, you would mark the box for "Lot Size"

X

x Lot size

A1f. Units of Measure (UOM) for table that follows: Not applicable

You may skip question 1f. If so, we may enter "Not applicable" on your behalf in our final data set.

A1g. Table on Residential Water Rate for Example 3

# Skip table A1.g Residential Water Rates.

Enter your Flat Rate in A4. Affordable Drinking Water (shown below in this example).

A1j. Provide a direct link to a web page that explains water rates and fees, if available: (only enter a hyperlink)

https://citywater3.org/rates

A1k. Comments on Residential Rate Structure. Explain allocation rate, if applicable.

Insert your comments here. This could include why there is a flat rate or the portion of customers that have a flat rate. Enter information on multi-family rates here.

## A4. Affordable Drinking Water:

Enter your Single-family residential flat rate in Section 6 Water Rate, question A4a.

A flat rate means the rate is the same regardless of the amount of water used. In means the answer you provide for drinking water charges is the same for residential customers using these volumes of water: 6 HCF, 12 HCF and 24 HCF. If that does not occur, then your rates are not considered a **flat rate** for this report.

Totals will be automatically calculated. You don't need to enter a total.

A.4a. 6 HCF 3

**Drinking Water Charges** (Fixed and variable water charges)

45.10 Dollars/month 10.00 Dollars/month

Other Charges (e.g., property tax, fire suppression, waste water, other)

Dollars/month

Total Monthly Water Bill (Automatic sum of Water Charges and Other Charges)\*

A.4b. 12 HCF 🔞

**Drinking Water Charges** (Fixed and variable water charges)

45.10 Dollars/month

Other Charges (e.g., property tax, fire suppression, waste water, other)

10.00 Dollars/month

Total Monthly Water Bill (Automatic sum of Water Charges and Other Charges)\*

Dollars/month

A.4c. 24 HCF 3

**Drinking Water Charges** (Fixed and variable water charges)

45.10 Dollars/month

Other Charges (e.g., property tax, fire suppression, waste water, other)

10.00 Dollars/month

Total Monthly Water Bill (Automatic sum of Water Charges and Other Charges)\*

Dollars/month

# **Example 4: Allocation Rate**

Allocation Rates are explained in Water Code Section 372. If an allocation rate is the most common rate structure for your residential customers, you do not need to complete the table on residential rates. Instead, enter zeros "0" in the following table and use the comment box to provide an explanation of the basic features of your rate structure and a direct link to a web page that provides more details.

# Rates for example

Non-volumetric fee: \$45.00 (covers facility repairs and maintenance, meter reading, billing, customer service costs)

Residential Single-Family and Multi-family

Tier 1: Indoor Water Budget Total Water Budget

Tier 2: Outdoor Water Budget 101% to 125% of Water Budget

Tier 3: 101% to 125% of Total Water Budget

Tier 4: 126% to 150% of Total Water Budget Tier 5: Over 150% of Total Water Budget

Notes: The retail water supplier's website has detailed information on how a customer's water budget is calculated. Water is billed monthly.

## e:

Complete Section 6A rates as noted below. Bold blue A1a. Indicate the type of residential water rate structure  3 used by your water system.	Other Rates  Allocation Rate
A1c. What is your billing frequency?	Monthly
A1d. If charges change with different levels of water consumption or features, what is the number of tiers or levels of charges?	5
A1e. Features: Identify any aspects or factors used to determine or adjust residential water rates (mark those that apply).	Mark answer(s) from list that apply to your water system
A1f. Units of Measure (UOM) for table that follows:	not applicable
continued on next page)	

A1g. Table for Example 4

Example 4: Allocation Rate

Residential Water Rates Single-family, Multi-family	Single-family		Multi-family	
	Upper volume of water included in base rate in Units of Measure (UOM)	Cost per Billing Period (Dollars)	Upper volume of water included in base rate in UOM	Cost per Billing Period (Dollars)
	If there is no base rate or volume of water associated with a base rate, enter the number zero "0".		If there is no base rate or volume of water associated with a base rate enter the number zero "0".	
Base Rate (non-volumetric rates)	0	0	0	0
Usage Rate (volumetric rates)	• •	Cost per UOM (Dollars)	Upper level of water volume for each level in UOM	Cost per UOM (Dollars)
Rate Structure level 1	0	0	0	0
Rate Structure level 2	0	0	0	0
Rate Structure level 3	0	0	0	0
Rate Structure level 4	0	) )	0	0
Rate Structure level 5 Rate Structure level 6	0	) N	0	0
Rate Structure level 7	0	0	0	0

Note: For allocation rate structures, enter zeros to show the table is "not applicable". Explain the allocation rate structure levels in the comment box and provide a weblink above.

A1j. Provide a direct link to a web page that explains water rates and fees, if available:

(only include the hyperlink)

A1k. Comments on Residential Rate Structure. Explain allocation rate, if applicable.

https://city4water.org/rates

Each customer is assigned a monthly water budget which is called the customer's base rate. If customers go above their budgets, they pay a higher usage rate. The amount of water consumed as a percentage of a customer's budget determines which rate level applies. Single-family homes have a budget that includes outdoor water use. Multi-family units have a budget for indoor use only. Rates include:

Non-volumetric fee: \$45.00 (covers facility repairs and maintenance, meter reading, billing, customer service costs)
Residential Single-Family and Multi-family

**Tier 1: Indoor Water Budget Total Water Budget** 

Tier 2: Outdoor Water Budget 101% to 125% of Water Budget

Tier 3: 101% to 125% of Total Water Budget

Tier 4: 126% to 150% of Total Water Budget

Tier 5: Over 150% of Total Water Budget

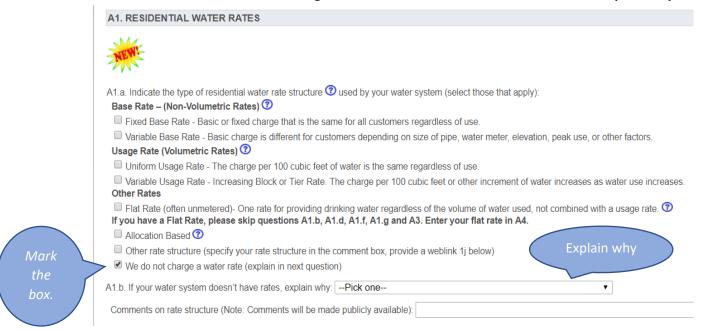
See our webpage for detailed information on how customers'

budgets are calculated.

# **Example 5: No Rates**

Some water systems do not charge a rate, for example, when the supplier is a business with its own well. If your water system doesn't have rates, follow the example below to complete section 6A on Water Rates.

## Question A1.a Mark the box "We do not charge a water rate" and answer Question A1.b to explain why.

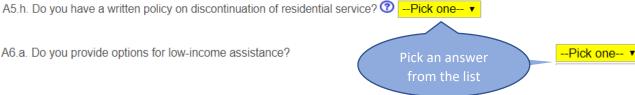


**Complete highlighted questions.** These questions need a response to avoid any error messages: A5.a, A5.b, A5.h and 6A.a.

A5.a and A5.b Mark the box to indicate that you did not collect the information or that the question is not applicable.

If there was no information collected for question A5.a, mark the check box "Did not collect information" 🗵 and skip below table.





Move to the next section, 6B Water Deliveries.

A6.a. Do you provide options for low-income assistance?