



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday January 27, 2015

9:30am

- 1. Call to OrderAlan Roth, Chairman
2. FY 2016 Proposed Rates, Charges & Fees (Attachment A) Mark Kim
3. Action Items (Attachment B) Mark Kim
- FY 2016 Retail Rates, Charges and Fees (Action Item1)
- Customer Class-Based Volumetric Rates
- Lifeline Water Rate for Residential Customers
- DC Housing Authority Recoded into Multi-family Class
- Infrastructure Fee to Fund Water Line Replacement Program
- Amend CAP Program to Give 100 percent Credit for Infrastructure Fee (\$6.30 per month)
- Ten Year Financial Plan FY 2015 - 2024 (Action Item 2)
4. DC Retail Water and Sewer Rates Committee Workplan Mark Kim
- FY 2015 Proposed DC Retail Rates Committee Workplan (Attachment C)
5. Other Business Mark Kim
6. Executive Session
7. Agenda for February 24, 2015 Committee Meeting (Attachment D)Alan Roth, Chairman
8. Adjournment

* The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10);proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

FOLLOW-UP-ITEMS – DC Retail Water and Sewer Rates Committee Meeting (December 19, 2014)

- 1. Prepare CAP customers average usage analysis. (Mr. Gibbs) Status: February 2015



Presentation to Retail Rates Committee

Proposed FY2016 Rates, Charges and Fees

January 27, 2015





Agenda

- **Proposed FY 2016 Rates, Charges and Fees**
 - **Customer class based volumetric rates**
 - **Lifeline water rate for residential customers**
 - **Infrastructure fee for 1% water line replacement program**

- **Proposed FY2015 - FY2024 Financial Plan**
 - **10-year CIP disbursement budget**
 - **Projected water and sewer rates**
 - **Projected residential customer bills**

Proposed FY 2016 Rates, Charges & Fees

	Units	Approved FY 2015	Proposed FY 2016	Increase / (Decrease)	
				\$	%
DC Water Retail Rates – Water:					
Residential ⁽²⁾	Ccf	\$3.88	\$3.08	(\$0.80)	(20.6%)
Residential - > 4 Ccf ⁽²⁾	Ccf	\$3.88	\$3.87	(\$0.01)	(0.26%)
Multi-family / DC Housing ⁽²⁾	Ccf	\$3.88	\$3.45	(\$0.43)	(11.1%)
Non-Residential	Ccf	\$3.88	\$3.99	\$0.11	2.8%
DC Water Retail Rates – Sewer	Ccf	\$4.74	\$5.44	\$0.70	14.8%
DC Water Clean Rivers IAC	ERU	\$16.75	\$20.30	\$3.55	21.2%
DC Water Customer Metering Fee	5/8"	\$3.86	\$3.86	-	-
DC Water Infrastructure Fee ⁽¹⁾	5/8"	\$0.00	\$6.30	\$6.30	-
District of Columbia PILOT Fee	Ccf	\$0.46	\$0.47	\$0.01	2.2%
District of Columbia Right-of-Way Fee	Ccf	\$0.17	\$0.17	-	-
District of Columbia Stormwater Fee	ERU	\$2.67	\$2.67	-	-

(1) DC Water Infrastructure Fee of \$6.30 effective October 1, 2015

(2) Proposed Class-Based rates (w/lifeline)

Customer Class Based Water Rates

Customer Class	Monthly Peaking Factor
Residential	1.15
Multi-Family / DC Housing	1.16
Non-Residential	1.39

- Based upon an analysis of the peak demand of different customer classes, management recommends establishing class-based volumetric rates
- Given the relatively small difference between Residential and Multi-Family monthly peaking factors, management recommends establishing the same rate for these two customer classes

Lifeline Residential Water Rates

- Management recommends establishing a lifeline water rate for Residential customers by discounting the first 4 Ccf of “core” consumption
- This structure provides an economic benefit to low-volume Residential customers, while spreading the cost of peaking to high-volume Residential Customers

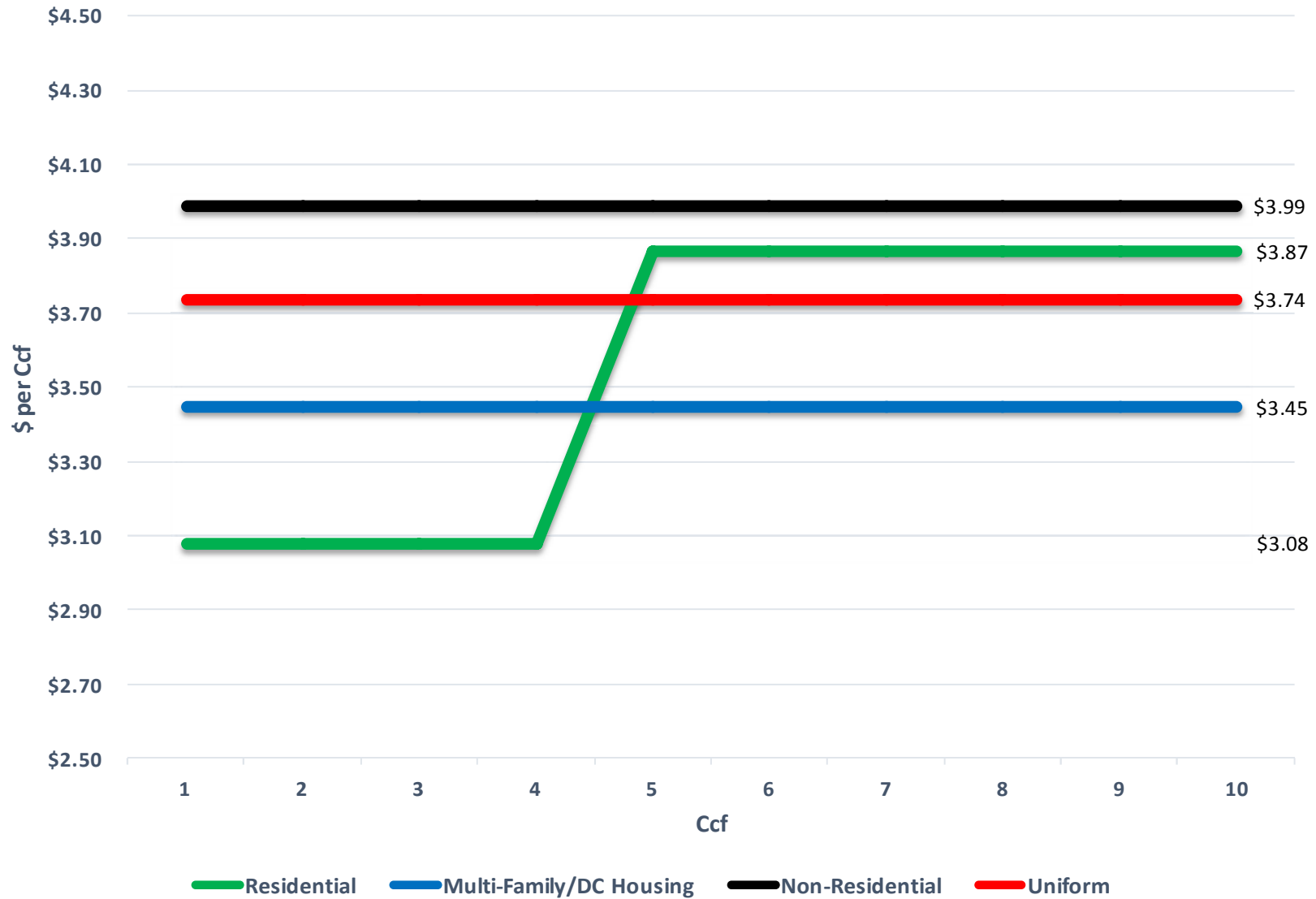
Water Volumetric	Uniform	Class-Based (w/o lifeline)	Class-Based (w/ lifeline)
Residential - 0-4 Ccf	\$ 3.74	\$ 3.45	\$ 3.08
Residential - >4 Ccf	\$ 3.74	\$ 3.45	\$ 3.87
Multi-Family / DC Housing	\$ 3.74	\$ 3.45	\$ 3.45
Non-Residential	\$ 3.74	\$ 3.99	\$ 3.99

Infrastructure Fee

Meter Size	Monthly Fee
5/8"	\$ 6.30
3/4"	\$ 7.39
1"	\$ 9.67
2"	\$ 83.75
3"	\$ 232.13
4"	\$ 561.02
6"	\$ 1,292.14
8"	\$ 5,785.51
8"x2"	\$ 1,899.60
8"x4"x1"	\$ 2,438.35
10" and Greater	\$ 6,679.65

- Management recommends adopting an “infrastructure fee” which is a fixed monthly fee set to recover the costs of the 1% renewal and replacement program for water service lines
- The fee would be based upon meter size and average flow
- DC Water’s low income CAP customers would receive a 100% credit for this fee

FY2016 Rate Structure Comparison



Residential Customer Monthly Bill

	Current (FY 2015)	FY 2016 Uniform	FY 2016 Proposed
DC Water and Sewer Retail Rates	\$ 57.67	\$ 61.41	\$ 59.12
DC Water Clean Rivers IAC	16.75	20.30	20.30
DC Water Customer Metering Fee	3.86	3.86	3.86
DC Water Infrastructure Fee	-	6.30	6.30
Subtotal: DC Water Rates & Charges	\$ 78.28	\$ 91.87	\$ 89.58
Increase / Decrease		\$ 13.59	\$ 11.30
District of Columbia PILOT	\$ 3.08	\$ 3.14	\$ 3.14
District of Columbia Right-of-Way Fee	1.14	1.14	1.14
District of Columbia Stormwater Fee	2.67	2.67	2.67
Subtotal District of Columbia Charges	\$ 6.89	\$ 6.95	\$ 6.95
Total Amount Appearing on DC Water Bill	\$ 85.17	\$ 98.82	\$ 96.53
Increase / Decrease Over Prior Year		\$ 13.65	\$ 11.36
Percent Increase in Total Bill		16.03%	13.34%

* Assumes 6.69 Ccf consumption, 1 ERU and 5/8" meter

Low Income CAP Customer Monthly Bill

	Current (FY 2015)	FY 2016 Uniform	FY 2016 Proposed
DC Water and Sewer Retail Rates	\$ 57.67	\$ 61.41	\$ 59.12
DC Water Clean Rivers IAC	16.75	20.30	20.30
DC Water Customer Metering Fee	3.86	3.86	3.86
DC Water Infrastructure Fee	-	6.30	6.30
Subtotal: DC Water Rates & Charges	\$ 78.28	\$ 91.87	\$ 89.58
Increase / Decrease		\$ 13.59	\$ 11.30
District of Columbia PILOT	\$ 3.08	\$ 3.14	\$ 3.14
District of Columbia Right-of-Way Fee	1.14	1.14	1.14
District of Columbia Stormwater Fee	2.67	2.67	2.67
Subtotal District of Columbia Charges	\$ 6.89	\$ 6.95	\$ 6.95
Total Amount Appearing on DC Water Bill	\$ 85.17	\$ 98.82	\$ 96.53
Increase / Decrease Over Prior Year		\$ 13.65	\$ 11.36
Percent Increase in Total Bill		16.03%	13.34%
Less: CAP Discount (4 Ccf per month)	\$ (37.00)	\$ (39.28)	\$ (36.64)
Infrastructure Fee	\$ -	\$ (6.30)	\$ (6.30)
Total Amount with CAP Customer Discount	\$ 48.17	\$ 53.24	\$ 53.59
Increase / Decrease Over Prior Year		\$ 5.07	\$ 5.42
CAP Customer Discount as a Percent of Total Bill		-46.12%	-44.48%

* Assumes 6.69 Ccf consumption, 1 ERU and 5/8' meter

CAP Customer Consumption Analysis

	Current (FY 2015) 6.69 Ccf	FY 2016 Proposed 6.69 Ccf	FY 2016 Proposed 5 Ccf	FY 2016 Proposed 4 Ccf
DC Water and Sewer Retail Rates	\$ 57.67	\$ 59.12	\$ 43.39	\$ 34.08
DC Water Clean Rivers IAC	16.75	20.30	20.30	20.30
DC Water Customer Metering Fee	3.86	3.86	3.86	3.86
DC Water Infrastructure Fee	-	6.30	6.30	6.30
Subtotal: DC Water Rates & Charges	\$ 78.28	\$ 89.58	\$ 73.85	\$ 64.54
Increase / Decrease		\$ 11.30	\$ (4.43)	\$ (13.74)
District of Columbia PILOT	\$ 3.08	\$ 3.14	\$ 2.35	\$ 1.88
District of Columbia Right-of-Way Fee	1.14	1.14	0.85	0.68
District of Columbia Stormwater Fee	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges	\$ 6.89	\$ 6.95	\$ 5.87	\$ 5.23
Total Amount Appearing on DC Water Bill	\$ 85.17	\$ 96.53	\$ 79.72	\$ 69.77
Increase / Decrease Over Prior Year		\$ 11.36	\$ (5.45)	\$ (15.40)
Percent Increase in Total Bill		13.34%	-6.40%	-18.08%
Less: CAP Discount (4 Ccf per month)	\$ (37.00)	\$ (36.64)	\$ (36.64)	\$ (36.64)
Infrastructure Fee	\$ -	\$ (6.30)	\$ (6.30)	\$ (6.30)
Total Amount with CAP Customer Discount	\$ 48.17	\$ 53.59	\$ 36.78	\$ 26.83
Increase / Decrease Over Prior Year		\$ 5.42	\$ (11.39)	\$ (21.34)
CAP Customer Discount as a Percent of Total Bill		-44.48%	-53.86%	-61.55%

* Assumes 1 ERU and 5/8' meter

Financial Plan Objectives

- The financial plan serves as the framework to support the Board's strategic plan, policies, priorities and guidance in several key financial areas
- It is one of management's key tools to monitor progress in meeting financial goals and to proactively address future financial and operational issues
- It also ensures meeting or exceeding indenture and Board's coverage requirements and providing sufficient liquidity to meet all obligations
- The ten-year financial plan projects revenue requirements, operating and maintenance expenses, capital expenditures, debt service charges, coverage ratios, and rate increases
- DC Water's financial plan objectives focus on:
 - minimizing rate increases while meeting all financial obligations;
 - satisfying all indenture requirements and Board policies; and
 - maintaining the DC Water's current credit ratings of AA+/Aa2/AA

Ten Year Capital Improvement Plan (CIP)

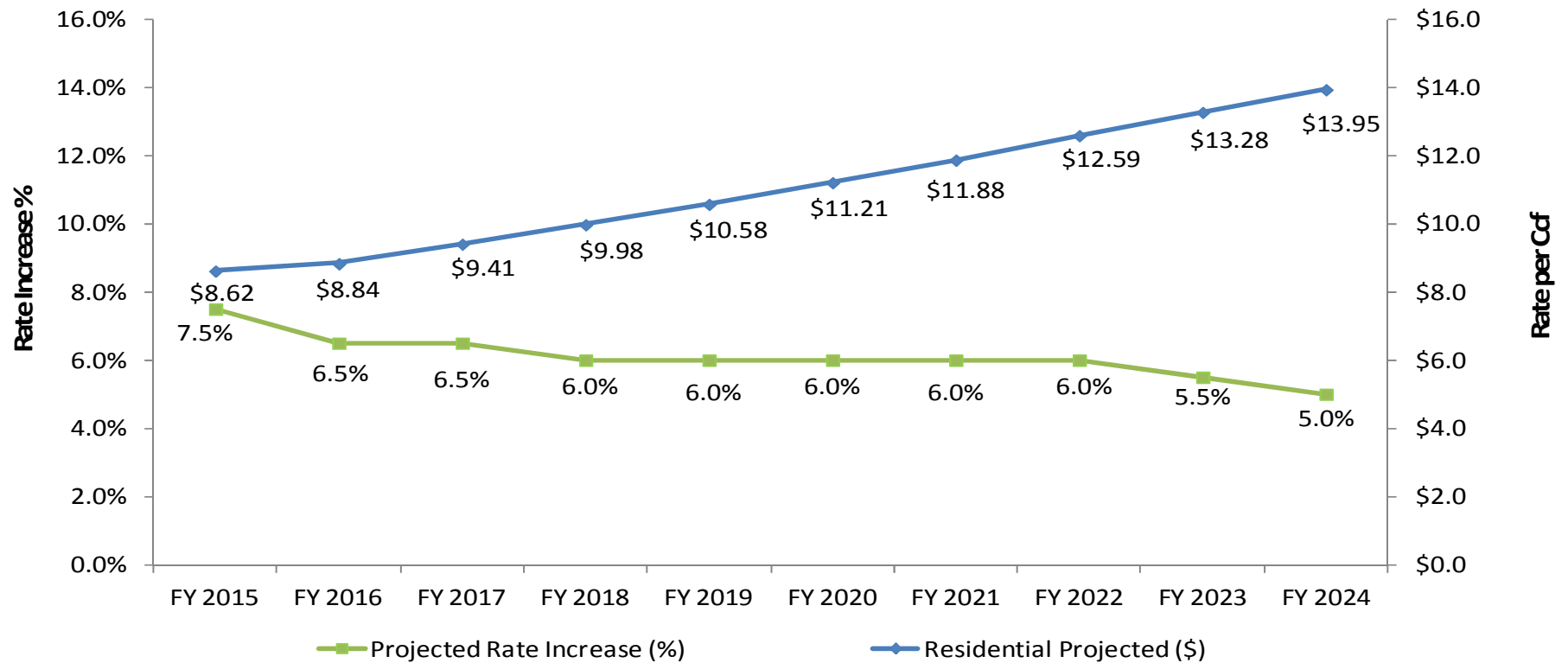
- Proposed FY2015 – FY2024 CIP disbursement budget of \$3.8 billion
- Peak capital spending projected in FY2015, with annual declines through FY2020

Service Area (\$000's)	FY 2015 Revised	FY 2016 Proposed	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Wastewater Treatment	\$ 206,260	\$ 149,375	\$ 121,268	\$ 110,405	\$ 62,461	\$ 64,267	\$ 52,006	\$ 50,750	\$ 37,094	\$ 29,285	\$ 883,171
Sanitary Sewer	40,258	42,175	51,076	42,956	39,711	44,960	25,896	33,524	45,712	39,116	405,384
Combined Sewer Overflow	271,101	238,703	159,531	129,091	165,594	176,571	136,958	115,203	139,437	91,442	1,623,631
Stormwater	2,559	1,178	1,726	1,848	760	772	691	1,115	970	1,270	12,889
Water	65,006	67,546	58,968	50,862	48,795	61,249	68,201	61,153	59,828	68,645	610,250
Capital Projects	585,183	498,977	392,570	335,162	317,321	347,818	283,752	261,745	283,041	229,758	3,535,326
Total AMR / Meter / CIS	7,900	14,389	14,707	11,345	6,672	1,000	500	500	500	500	58,013
Washington Aqueduct	10,000	10,864	10,850	10,936	11,060	11,045	11,226	11,212	11,081	10,842	109,116
Capital Equipment	22,191	24,810	24,018	15,683	14,282	9,058	9,058	8,058	7,433	7,017	141,608
Sub-Total	40,091	50,063	49,575	37,964	32,014	21,103	20,784	19,770	19,014	18,359	308,737
Total CIP	\$ 625,274	\$ 549,040	\$ 442,145	\$ 373,126	\$ 349,335	\$ 368,921	\$ 304,536	\$ 281,515	\$ 302,055	\$ 248,117	\$ 3,844,063

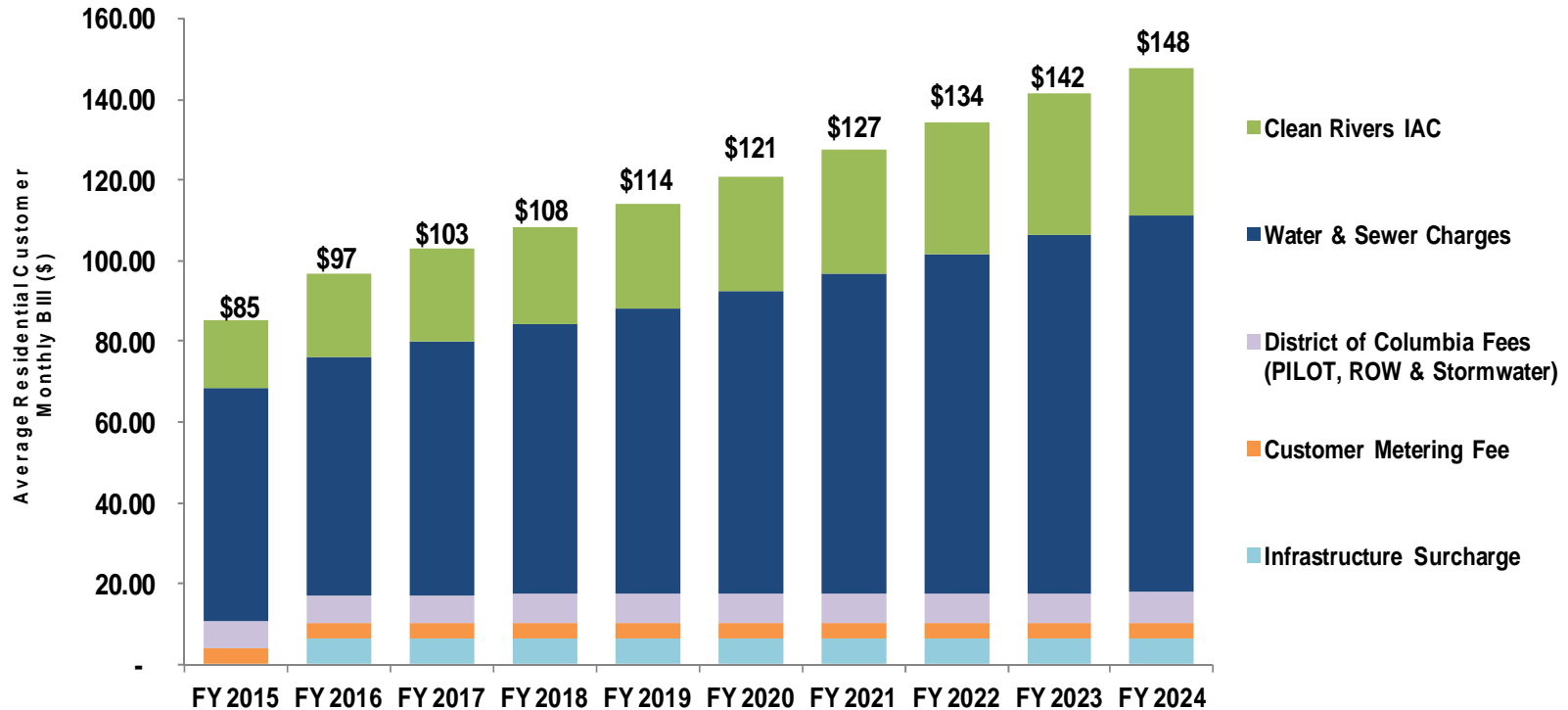
* Includes \$1,426 million for DC Clean Rivers

Projected Water & Sewer Rates

- Projected annual rate increases range from 5.0% to 7.5%
- Projected water and sewer rate increase from \$8.62 to \$13.95/Ccf



Projected Average Residential Customer Bills



- Projected average monthly residential customer bill ranges from \$85 in FY2015 to \$148 in FY2024

Recommendations

- Adopt proposed FY2016 rates, charges and fees
 - Customer class-based rate structure
 - Lifeline water rate structure for Residential customers
 - Infrastructure fee for 1% water line replacement program
- Adopt FY2015 – FY2024 Financial Plan
 - 10-year CIP disbursement budget
 - Projected water and sewer rates
 - Projected residential customer bills

DC Retail Water and Sewer Rates Committee

Action Items

1. FY 2016 Proposed Retail Rates, Charges and Fees
 - Customer Class-Based Volumetric Rates
 - Lifeline Water Rate for Residential Customers
 - DC Housing Authority Recoded into Multi-family Class
 - Infrastructure Fee to Fund Water Line Replacement Program
 - Amend CAP Program to Give 100 Percent Credit for Infrastructure Fee (\$6.30 per month)

2. FY 2016 Proposed Ten Year Financial Plan

ACTION ITEM 1

Action Item FY 2016 Rates, Charges & Fees (Effective October 1, 2015)

1. Management recommends the following Retail Rates, Charges, Fees and amendments for FY 2016:

Implement Restructuring of DC Water's Water Service Rates

Customer Class-Based Volumetric Rates – Rate differentiation based on the peaking demands of each customer class (residential, multi-family and non-residential)

Lifeline Rate – A lifeline rate for the first 4 Ccf of Single Family Residential (SFR) water use to reflect baseline usage by residential customers without peaking cost.

Customer Recoding for Water and Sewer Rates

To implement the revisions to the water service rates, DC Water shall update all customer codes to be consistent with the classifications defined in the regulations for residential, multi-family and non-residential customers.

Water Service Rates

- An increase in the rate for metered water services from \$3.88 per one hundred cubic feet ("Ccf"), (\$5.19 per 1,000 gallons) to:
 - Residential customers: Consumption of 0 – 4 Ccf: \$3.08 per Ccf (\$4.12 per 1,000 gallons) of water used.
 - Residential customers: Consumption greater than 4 Ccf: \$3.87 per Ccf (\$5.17 per 1,000 gallons) of water used.
 - Multi-Family customers: \$3.45 per Ccf (\$4.61 per 1,000 gallons) of water used.
 - Non-Residential customers: \$3.99 per Ccf (\$5.33 per 1,000 gallons) of water used.

Sewer Service Rates

- An increase in the rate for metered sewer services from \$4.74 per one hundred cubic feet (“Ccf”), (\$6.33 per 1,000 gallons) to:
 - Residential customers: \$5.44 per Ccf (\$7.27 per 1,000 gallons) of water used.
 - Multi-Family/DC Housing customers: \$5.44 per Ccf (\$7.27 per 1,000 gallons) of water used.
 - Non-Residential customers: \$5.44 per Ccf (\$7.27 per 1,000 gallons) of water used.

- An increase in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$201.0 to \$243.60 per Equivalent Residential Unit (ERU). The charge per ERU will be billed monthly at:
 - Residential customers: \$20.30 for each ERU
 - Multi-Family customers: \$20.30 for each ERU
 - Non-Residential customers: \$20.30 for each ERU

Implement Infrastructure Fee

Infrastructure Fee – Implement a fixed monthly fee designed to fund the 1 percent renewal replacement of aging water infrastructure for residential, multi-family and non-residential customers:

Meter Size (inches)	Meter Register Type	Monthly Infrastructure Fee
5/8"	Single Register	\$ 6.30
3/4"	Single Register	\$ 7.39
1"	Single Register	\$ 9.67
1"x1.25"	Single and Multiple Register	\$ 15.40
1.5"	Single Register	\$ 41.35
2"	Single and Multiple Register	\$ 83.75
3"	Single and Multiple Register	\$ 232.13
4"	Single and Multiple Register	\$ 561.02
6"	Single and Multiple Register	\$ 1,292.14
8"	Single Register	\$ 5,785.51
8"x2"	Multiple Register	\$ 1,899.60
8"x4"x1"	Multiple Register	\$ 2,438.35
10"	Single and Multiple Register	\$ 6,679.65
12"	Single and Multiple Register	\$ 6,679.65
16"	Single Register	\$ 6,679.65

The following terms will be defined in the proposed rulemaking:

Single Register – Meter that has only one device that displays the consumption volume.

Multiple Register – Meter that has two or more devices that can display the consumption volume at different flow rates (high or low) or different uses, including, but not limited to, Demand Flow and Fire Flow.

Amend Customer Assistance Program

Amend CAP Program - Extend CAP benefits to eligible customers that are charged the monthly infrastructure fee by crediting \$6.30 on their monthly bill as follows:

- Eligible households and tenants will receive a credit of \$6.30 off of the monthly billed infrastructure fee.

District of Columbia Pass Through Charge Right-of-Way Occupancy / PILOT Fee

- There is no increase in the Right-of-Way fee:
 - Residential customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used.
 - Multi-Family customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used.
 - Non-Residential customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used.
- An increase in the Payment-in-Lieu of Taxes fee from \$0.46 per one hundred cubic feet ("Ccf"), (\$0.62 per 1,000 gallons) to:
 - Residential customers: \$0.47 per Ccf (\$0.64 per 1,000 gallons) of water used.
 - Multi-Family customers: \$0.47 per Ccf (\$0.64 per 1,000 gallons) of water used.
 - Non-Residential customers: \$0.47 per Ccf (\$0.64 per 1,000 gallons) of water used.

ACTION ITEM 2

DC Retail Water and Sewer Rates Committee Proposed FY 2016 Action Item

Action Item 1: FY 2015 – FY 2024 Financial Plan

1. Attached is a summary of the 10-year Financial Plan, which is based on the following key assumptions for FY 2016:
 - Operating receipts totaling \$570.2 million, an increase of \$27.6 million over FY 2015 funded through;
 - Retail Revenue – increase of \$68.1 million
 - Wholesale Revenue – decrease of (\$12.0) million
 - Other Revenue – decrease of (\$28.5) million
 - Operating disbursements of \$522.6 million in FY 2016; and
 - A ten-year capital improvement plan (FY 2015 – FY 2024) of \$3.8 billion on a cash disbursement basis.

The FY 2015 – FY 2024 Financial Plan is projected to meet the Board's policy requirement of senior debt coverage of 140 percent and an operating reserve of 120 days of budgeted operations and maintenance costs with the objective of maintaining at least \$125.5 million in operating reserves.

District of Columbia Water & Sewer Authority
FY 2015 – 2024 Financial Plan
(In 000's)

OPERATING	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<i>Retail*</i>	404,572	472,881	488,609	510,675	534,319	561,844	590,751	618,664	648,282	672,831
<i>Wholesale*</i>	81,365	69,342	71,422	73,565	75,772	78,045	80,386	82,798	85,282	87,840
<i>Other</i>	49,206	27,982	28,049	30,048	32,774	34,803	34,800	34,793	34,886	35,153
<i>RSF</i>	7,500	-	10,000	-	2,700	7,000	5,650	2,100	-	-
Operating Receipts (1)	\$ 542,643	\$ 570,205	\$ 598,080	\$ 614,288	\$ 645,564	\$ 681,692	\$ 711,587	\$ 738,355	\$ 768,450	\$ 795,825
Operating Expenses	(312,121)	(324,202)	(333,619)	(343,315)	(356,298)	(366,668)	(377,346)	(388,341)	(399,662)	(411,319)
Debt Service	(163,242)	(174,766)	(190,238)	(202,987)	\$ (218,480)	\$ (238,976)	\$ (254,298)	\$ (266,147)	\$ (277,374)	\$ (287,451)
Defeasance D.S./Cash Financed Capital Cons	\$ (20,058)	\$ (23,644)	\$ (24,430)	\$ (25,534)	\$ (26,716)	\$ (28,092)	\$ (29,538)	\$ (30,933)	\$ (32,414)	\$ (33,642)
Net Revenues After Debt Service	\$ 47,221	\$ 47,593	\$ 49,793	\$ 42,452	\$ 44,070	\$ 47,955	\$ 50,405	\$ 52,934	\$ 59,000	\$ 63,413
Operating Reserve-Beg Balance	162,742	145,100	145,100	145,100	145,100	145,100	145,100	145,100	145,100	145,100
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(23,153)	(17,179)	(19,710)	-	-	-	-	-	-	-
Customer Rebate	-	-	-	-	-	-	-	-	-	-
Transfers To RSF	-	(4,500)	-	(8,000)	-	-	-	-	(3,000)	(3,000)
Transfers To DC PILOT Fund	-	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(41,710)	(25,914)	(30,083)	(34,452)	(44,070)	(47,955)	(50,405)	(52,934)	(56,000)	(56,950)
Operating Reserve - Ending Balance	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 148,563
Rate Stabilization Fund Balance RSF (2)	\$ (14,950)	\$ (19,450)	\$ (9,450)	\$ (17,450)	\$ (14,750)	\$ (7,750)	\$ (2,100)	\$ -	\$ (3,000)	\$ (6,000)
Senior Debt Service Coverage	409%	470%	443%	418%	455%	467%	440%	460%	448%	523%
Combined Debt Service Coverage	140%	140%	140%	140%	142%	141%	140%	140%	140%	141%
Actual/Projected Water/Sewer Rate Increases	7.5%	6.5%	6.5%	6.0%	6.0%	6.0%	6.0%	6.0%	5.5%	5.0%
*Operating Receipts \$ Increase/Decrease										
Retail	29,806	68,309	15,728	22,066	23,643	27,525	28,907	27,914	29,618	24,549
Wholesale	10,602	(12,023)	2,080	2,143	2,207	2,273	2,341	2,412	2,484	2,558
*Operating Receipts % Increase/Decrease										
Retail	8.0%	16.9%	3.3%	4.5%	4.6%	5.2%	5.1%	4.7%	4.8%	3.8%
Wholesale	15.0%	-14.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund
(2) FY 2015 Rate Stabilization Fund utilization brought the total fund balance to \$14.95 million

District of Columbia Water & Sewer Authority
FY 2015 - FY 2024 Average Residential Customer Monthly Bill

	Units	Proposed									
		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
DC Water and Sewer Retail Rates (1)	Ccf	\$ 57.67	\$ 59.12	\$ 62.94	\$ 66.75	\$ 70.77	\$ 75.01	\$ 79.45	\$ 84.23	\$ 88.87	\$ 93.32
DC Water Clean Rivers IAC	ERU	16.75	20.30	23.01	24.39	25.95	28.18	30.52	32.46	34.99	36.69
DC Water Customer Metering Fee	5/8"	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86
DC Water Infrastructure Fee	5/8"	-	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 78.28	\$ 89.58	\$ 96.11	\$ 101.30	\$ 106.88	\$ 113.35	\$ 120.13	\$ 126.85	\$ 134.02	\$ 140.17
Increase / Decrease		\$ 8.92	\$ 11.30	\$ 6.53	\$ 5.19	\$ 5.58	\$ 6.47	\$ 6.78	\$ 6.72	\$ 7.17	\$ 6.15
District of Columbia PILOT (1)	Ccf	\$ 3.08	\$ 3.14	\$ 3.21	\$ 3.28	\$ 3.35	\$ 3.41	\$ 3.48	\$ 3.55	\$ 3.61	\$ 3.68
District of Columbia Right of Way Fee (1)	Ccf	1.14	1.14	1.14	1.20	1.20	1.20	1.20	1.20	1.20	1.27
District of Columbia Stormwater Fee (2)	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.89	\$ 6.95	\$ 7.02	\$ 7.15	\$ 7.22	\$ 7.28	\$ 7.35	\$ 7.42	\$ 7.48	\$ 7.62
Total Amount Appearing on DC Water Bill		\$ 85.17	\$ 96.53	\$ 103.13	\$ 108.45	\$ 114.10	\$ 120.63	\$ 127.48	\$ 134.27	\$ 141.50	\$ 147.79
Increase / Decrease Over Prior Year		\$ 8.45	\$ 11.36	\$ 6.60	\$ 5.32	\$ 5.65	\$ 6.53	\$ 6.85	\$ 6.79	\$ 7.23	\$ 6.29
Percent Increase in Total Bill		11.0%	13.3%	6.8%	5.2%	5.2%	5.7%	5.7%	5.3%	5.4%	4.5%

(1) Assumes average monthly consumption of 6.69 Ccf, or (5,004 gallons)

(2) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

***District of Columbia Water & Sewer Authority
FY 2016 Proposed Retail Rates, Charges and Fees***

	Units	FY 2015	Proposed FY 2016
DC Water Retail Rates Water (Residential Lifeline 0 - 4 Ccf)	Ccf	\$ 3.88	\$ 3.08
DC Water Retail Rates Water (Residential > 4 Ccf)	Ccf	\$ 3.88	\$ 3.87
DC Water Retail Rates Water (Multi-Family / DC Housing)	Ccf	\$ 3.88	\$ 3.45
DC Water Retail Rates Water (Non-Residential)	Ccf	\$ 3.88	\$ 3.99
DC Water Retail Rates Sewer	Ccf	\$ 4.74	\$ 5.44
DC Water Clean Rivers IAC	ERU	\$ 16.75	\$ 20.30
DC Water Customer Metering Fee	5/8"	\$ 3.86	\$ 3.86
DC Water Infrastructure Fee	5/8"	-	\$ 6.30
District of Columbia PILOT Fee	Ccf	\$ 0.46	\$ 0.47
District of Columbia Right of Way Fee	Ccf	\$ 0.17	\$ 0.17
District of Columbia Stormwater Fee	ERU	\$ 2.67	\$ 2.67

FY 2015 Proposed Committee Workplan			
Objective/Activities/Task	Date of Activity	Completed	Responsible Department
1. Develop Realistic Retail Rate Revenue Projections and Alternative Retail Revenue Sources			
<i>a. Propose and establish Retail Rates in FY 2016</i>			Rates and Revenue
i. RRC preliminary recommendation on FY 2016 rates	December 19, 2014	√	
ii. FY 2016 Budget workshop	January 8, 2015	√	
iii. RRC final recommendation on proposed FY 2016 rates	January 27, 2015	√	
iv. Board approval	February 5, 2015		
v. Publish Proposed Rates in DCMR	February 20, 2015		General Counsel
vi. Public Outreach	April 2015		External Affairs
vii. Public Hearing	May TBD, 2015		Board Secretary
viii. RRC final recommendation to approve FY 2016 rates	June 23, 2015		
ix. Board Approval on FY 2016 rates	July 2, 2015		
x. Publish Final Rates in DCMR	July 17, 2015		General Counsel
2. 2015 Cost of Service Study Water & Sewer			
<i>a. Final 2015 Cost of Service Study Water & Sewer</i>	January 27, 2015	√	Rates and Revenue
<i>b. Alternative Charges</i>	February 24, 2015		Rates and Revenue
3. 2015 Cost of Service Study Fire Protection Fee			
<i>a. Fire Protection Fee COS</i>	February 24, 2015		Rates and Revenue
4. Delinquent Accounts			
<i>a. Soldiers Home Negotiations</i>	Monthly, as needed		General Counsel

FY 2015 Proposed Committee Workplan			
Objective/ <i>Activities</i> /Task	Date of Activity	Completed	Responsible Department
5. Strategic Plan			
a. Develop Alternative Revenue Sources and Achieve Realistic Revenue Projections (DC Water Strategic Plan Framework) i. <i>Identify and evaluate potential revenue generating initiatives annually</i>	On-going updates to Committee		Rates and Revenue
6. DCGIS FY 2014 Flyover			
a. <i>Update Committee on FY 2014 Flyovers</i>	February 24, 2015		Customer Service



D.C. WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS
RETAIL WATER & SEWER RATES
COMMITTEE MEETING

TUESDAY, February 24, 2015; 9:30 a.m.
AGENDA

Call to Order	Committee Chairman
Monthly Updates	Chief Financial Officer
Committee Workplan	Chief Financial Officer
Other Business	Chief Financial Officer
Agenda for March 24, 2015 Committee Meeting	Committee Chairman
Adjournment	

*Detailed agenda can be found on DC Water's website at www.dewater.com/about/board_agendas.cfm