

# **2018 Drainage and Wastewater Rate Adjustment**

**Presentation to CRUEDA Committee  
August 8, 2017**

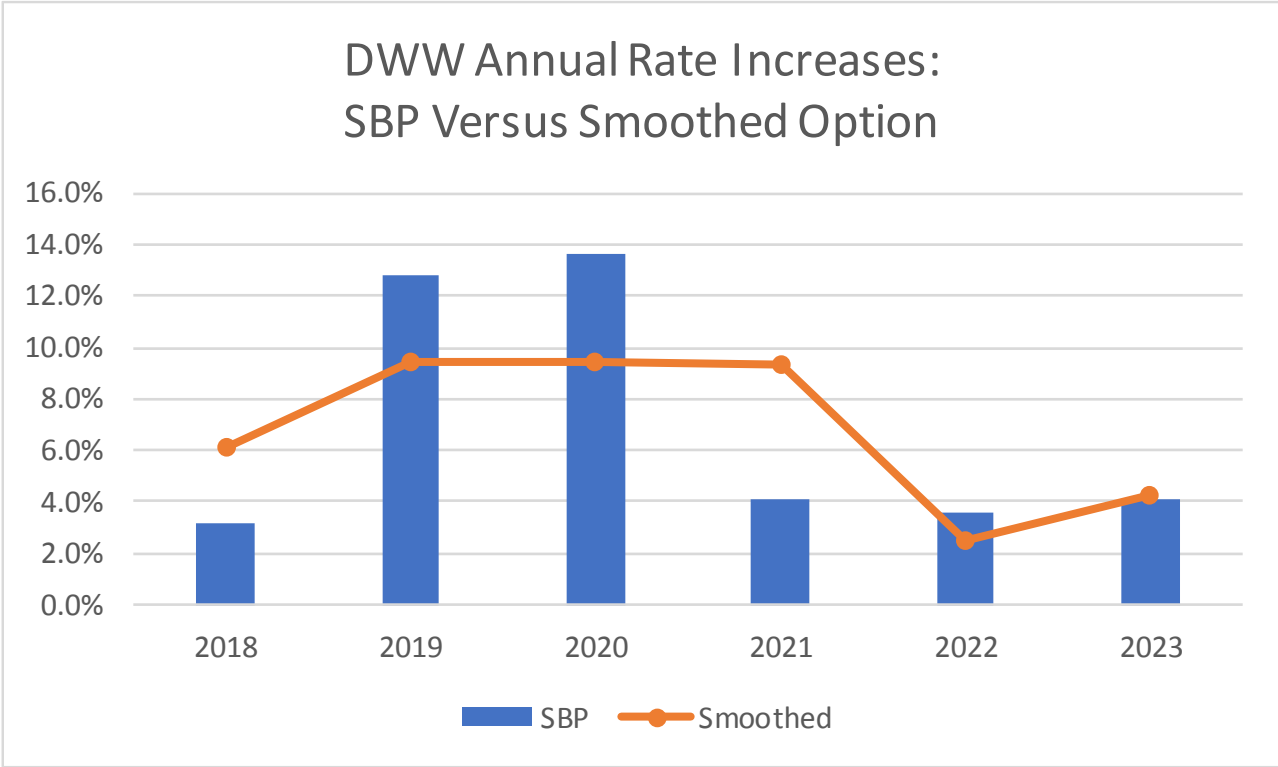
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# What is This Rate Adjustment?

Update drainage and wastewater (DWW) rates one year early to smooth the 2018-2023 rate path in the Strategic Business Plan Update, as recommended by the Customer Review Panel:

- Increase the 2018 DWW rates by 3%. This will lower the 2020 rate increase for all lines of business from 9.5% to 7.2%.
- This option does not change the timing of the next DWW rate study, which will come to Council next year to adopt 2019-2021 rates.

# Comparison of DWW Rate Paths: With and without smoothing



- With DWW rate smoothing, the 2019-2020 rate spike is partially mitigated.

# Impact on DWW Bills

## Proposed SBP Rate Path w/o Smoothing

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Wastewater	\$56.27	\$63.13	\$71.09	\$73.36	\$76.30	\$78.36
Drainage	\$38.89	\$44.43	\$51.51	\$54.66	\$56.17	\$60.14
<b>Total</b>	<b>\$95.16</b>	<b>\$107.56</b>	<b>\$122.60</b>	<b>\$128.03</b>	<b>\$132.47</b>	<b>\$138.50</b>

## Proposed SBP Rate Path w Smoothing

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Wastewater	\$57.88	\$63.26	\$69.08	\$75.37	\$75.44	\$78.46
Drainage	\$40.07	\$44.06	\$48.41	\$53.22	\$57.44	\$60.16
<b>Total</b>	<b>\$97.95</b>	<b>\$107.32</b>	<b>\$117.49</b>	<b>\$128.59</b>	<b>\$132.89</b>	<b>\$138.62</b>
<b>Change</b>	<b>\$2.79</b>	<b>\$(0.25)</b>	<b>\$(5.11)</b>	<b>\$0.56</b>	<b>\$0.42</b>	<b>\$0.12</b>