

# At A Glance

## City of Charlottesville

# Utility Rate Report



The following information provides a brief summary of the rate and fee recommendations for water, wastewater, stormwater and natural gas for FY2025, and new rates will go into effect July 1<sup>st</sup>, 2024. For a more thorough explanation and details of the recommendations, please refer to the FY2025 Utility Rate Report.

The table below illustrates the monthly impact on an average City residential customer using 400 cubic feet (cf) of water and wastewater, owning a property with approximately 2,440 square feet of impervious surface, and using 4,600 cubic feet (cf) of gas. This information is based on utility rates and charges adopted July 1<sup>st</sup>, 2023, and proposed rates and charges.

	Current Based on rates adopted 7/1/23	Proposed Effective 7/1/24	Change	Percent
Water <sup>1</sup>	\$36.57	\$38.25	\$1.68	4.59%
Wastewater <sup>1</sup>	\$41.84	\$44.52	\$2.68	6.41%
Gas <sup>1</sup>	\$50.45	\$54.03	\$3.58	7.10%
Stormwater <sup>2</sup>	\$5.86	\$5.86	\$0	0%
<b>Total</b>	<b>\$134.72</b>	<b>\$142.66</b>	<b>\$7.94</b>	<b>5.89%</b>

(1) Rates include monthly service charges

(2) The budget impact shown reflects a residential monthly average fee and provides consistency with other utilities. Stormwater fees are rounded to the next whole billing unit and are billed to property owners biannually.

## Water Rates

### Where your Water Dollar goes ...



### Usage Rate

Water rates are proposed to increase by \$1.70 per 1,000 cf based on the amount of water used (2.3% increase).



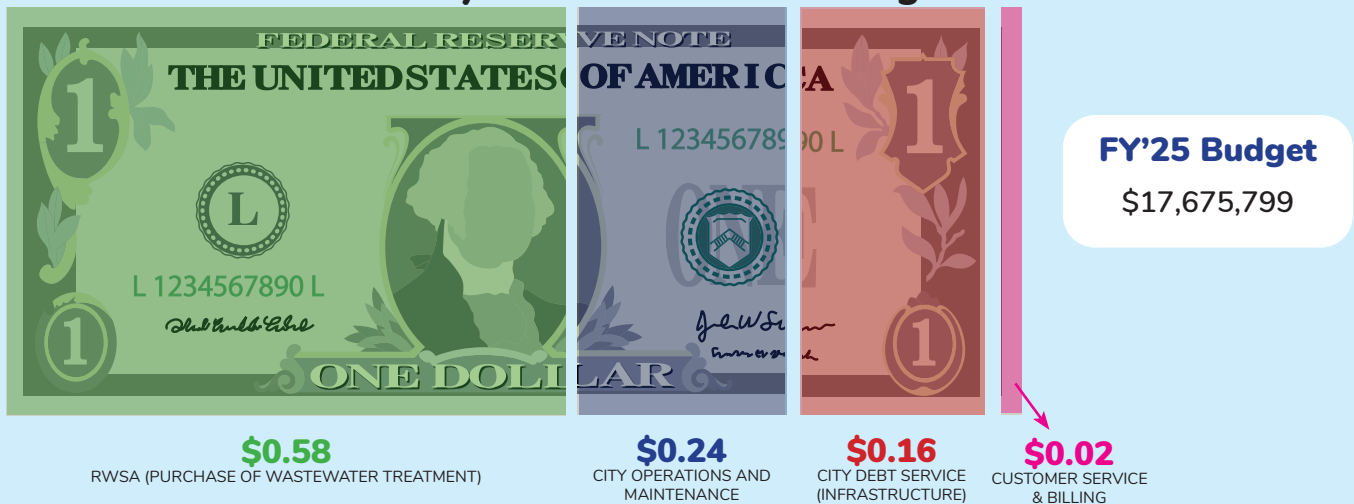
## Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on water customers at different amounts of usage.

	Water Use (cf per month)	Current Composite Water (per 1,000 cf)	Current Water Usage (charge per month)	Proposed Composite Water (per 1,000 cf)	Proposed Water Usage (charge per month)	\$ Change	% Change
Minimal User (10 <sup>th</sup> Percentile)	140	\$75.17	\$10.52	\$76.87	\$10.76	\$0.24	2.28%
Small User (25 <sup>th</sup> Percentile)	250	\$75.17	\$18.79	\$76.87	\$19.22	\$0.43	2.29%
Median User (50 <sup>th</sup> Percentile)	400	\$75.17	\$30.07	\$76.87	\$30.75	\$0.68	2.26%
Large User (75 <sup>th</sup> Percentile)	610	\$75.17	\$45.85	\$76.87	\$46.89	\$1.04	2.27%
High Volume User (90 <sup>th</sup> Percentile)	880	\$75.17	\$66.15	\$76.87	\$67.65	\$1.50	2.27%

## Wastewater Rates

### Where your Wastewater Dollar goes ...



## Usage Rate

Wastewater usage rates are proposed to increase by \$4.21 per 1,000 cf based on the amount of water used (4.8% increase).



## Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on wastewater customers at different amounts of usage.

	Water Use (cf per month)	Current Wastewater (\$ per 1,000 cf)	Current Wastewater Usage (charge per month)	Proposed Wastewater Rate (\$ per 1,000 cf)	Proposed Wastewater Usage	\$ Change	% Change
Minimal User (10 <sup>th</sup> Percentile)	140	\$88.34	\$12.37	\$92.55	\$12.96	\$0.59	4.77%
Small User (25 <sup>th</sup> Percentile)	250	\$88.34	\$22.09	\$92.55	\$23.14	\$1.05	4.75%
Median User (50 <sup>th</sup> Percentile)	400	\$88.34	\$35.34	\$92.55	\$37.02	\$1.68	4.75%
Large User (75 <sup>th</sup> Percentile)	610	\$88.34	\$53.89	\$92.55	\$56.46	\$2.57	4.77%
High Volume User (90 <sup>th</sup> Percentile)	880	\$88.34	\$77.74	\$92.55	\$81.44	\$3.70	4.76%

# Water & Wastewater

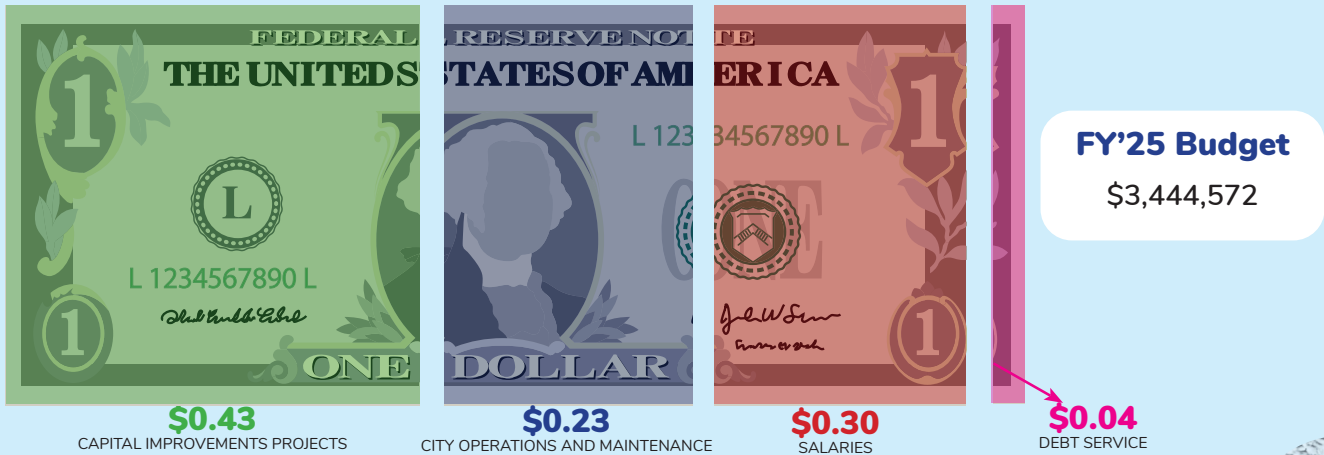
## Monthly Service Charge

The monthly service charges for water and wastewater are proposed to change. The monthly service charges will increase to \$7.50 for water and \$7.50 for wastewater for a 5/8" meter. Approximately 95% of customers have a 5/8 meter. The proposed combined monthly service charges for water and sewer are as follows:

Water Meter Size (in inches)	Current	Proposed	\$ Change
5/8	\$ 13.00	\$ 15.00	\$2.00
1	\$ 32.50	\$ 37.50	\$5.00
1 1/2	\$ 65.00	\$ 75.00	\$10.00
2	\$ 104.00	\$ 120.00	\$16.00
3	\$208.00	\$240.00	\$32.00
4	\$ 325.00	\$ 375.00	\$50.00
6	\$ 650.00	\$ 750.00	\$100.00
14	\$ 4,257.50	\$ 4,912.50	\$655.00

# Stormwater Rates

## Where your Stormwater Dollar goes ...



Stormwater rates are proposed to remain constant for the coming year at \$1.20 per 500 square feet of impervious surface (or part thereof) per month.

Stormwater fees are billed concurrently with real estate tax assessments and are due in June and December.

### Modernize and maintain infrastructure integrity while pursuing environmental stewardship.

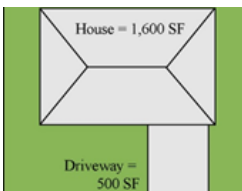
As part of the larger Water Resources Protection Program (WRPP), the City has adopted a stormwater utility fee to provide a dedicated and stable source of funding for stormwater management activities. Funds received are used to help the City comply with federal and state stormwater regulations, rehabilitate the City's aging stormwater infrastructure, address drainage and flooding problems, and pursue environmental stewardship.

### Impact on the Customer

The stormwater utility fee is charged to property owners based on the amount of impervious area on their property (areas covered by hard surfaces, such as: buildings, concrete, gravel, etc.).

An example fee calculation is provided below:

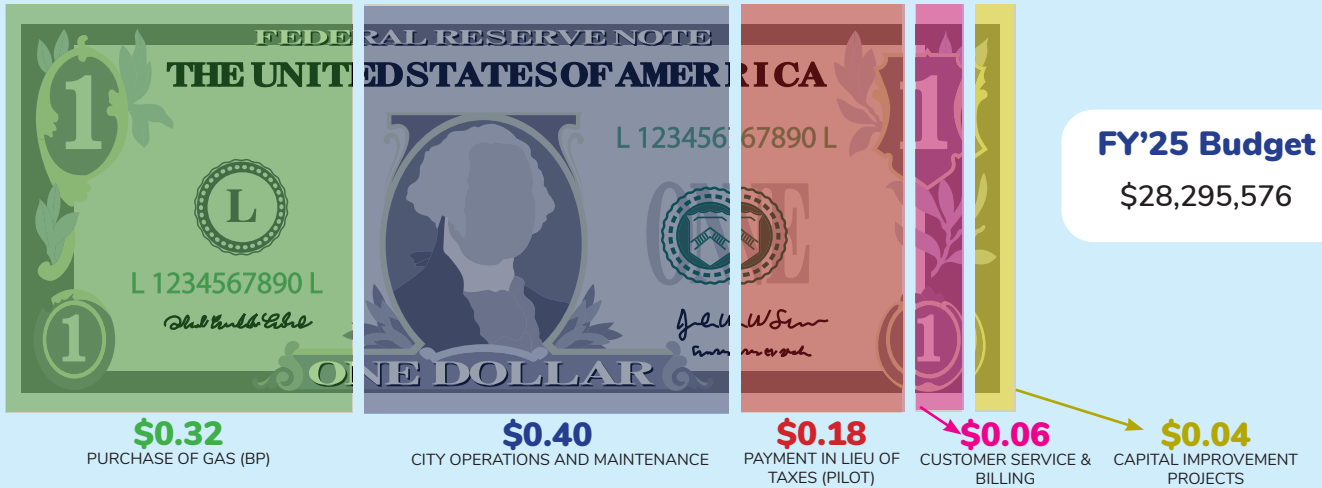
#### Example Fee Calculation



- Total impervious area (house and driveway): 2,100 SF
- Divide by 500 square feet:  $2,100 / 500 = 4.2$  billing units
- Round to the next whole number: 4.2 rounds to 5 billing units
- Multiply the number of billing units by the rate (\$1.20 per billing unit per month) to determine annual fee:  $5 \times \$1.20 \times 12 = \$72$  annual fee, billed \$36 due in June and December

# Gas Rates

## Where your Natural Gas Dollar goes ...



### Usage Rate

Gas rates are proposed to increase for all natural gas customers. For the average residential gas customer, gas rates are proposed to increase by 7.10%.



### Impact on the Customer

The impact on a customer's bill will depend on the volume of gas that the customer uses. The average single family household uses 4,600 cubic feet of natural gas per month. The table below shows the monthly impact on gas customers at different amounts of usage.

	Gas Used (cf per month)	Current Monthly Gas Bill with Most Recent PGA	Proposed Monthly Gas Bill with Most Recent PGA	\$ Change	% Change
Minimal User	4,000	\$45.38	\$48.52	3.14	6.92%
Average User	4,600	\$50.45	\$54.03	3.58	7.10%
Large User	20,000	\$173.19	\$186.98	13.79	7.96%
High Volume User	60,000	\$490.09	\$530.12	40.03	8.17%

The base rate is set on July 1st each year. This base rate is calculated using the cost of gas at that time. However, gas is purchased throughout the year and the cost per cubic foot of natural gas varies by month due to various factors (weather, economics, etc) which are hard to predict. The purchased gas adjustment (PGA) acts as a "true up" to account for the differences between the current market cost of gas and the base rate. This ensures that customers are not over or underpaying and that the City is not over or under collecting.

### New Gas Service Connection Fee

The City currently offers gas service installation up to 150 feet at no cost to residential customers if the City's investments in installation costs are offset by the revenue generated within a payback period of approximately 4 ½ years. Beginning January 1, 2025, Charlottesville Gas will no longer offer service line installations for qualifying appliances at no cost to the customer. Under this new ordinance, gas services with qualifying appliances, such as gas heat or gas water heating, will pay a \$340.00 connection fee for the new service, up to 150 feet of service line.

Charlottesville Gas will use the funds from this connection fee to finance our expanded energy efficiency program to promote energy savings and reduce greenhouse gas emissions.