

Tiers	# of Users in Tier	% of Total Users	Annual Use Per Tier in hcf	% of Total Use	Updated Rates per hcf	% Variance from Base Rate	Volume Revenues by Tier	%
1	378	30%	9,910	8%	\$ 4.88	0%	\$ 48,361	8%
2	284	23%	20,365	16%	\$ 4.88	0%	\$ 99,381	16%
3 Base	445	36%	58,264	46%	\$ 4.88	0%	\$ 284,328	46%
4	103	8%	24,011	19%	\$ 4.88	0%	\$ 117,174	19%
5	31	2%	15,341	12%	\$ 4.88	0%	\$ 74,864	12%
	<b>1,241</b>	<b>100%</b>	<b>127,891</b>	<b>100%</b>			<b>\$ 624,108</b>	<b>100%</b>

Target - Base Rate times Annual hcf  
**624,378 (270) 0.0%**

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Percent Change from Current Rates		
Current	Example	%
Tiers	Tiers	Rates
1	1	\$ 4.88 41.0%
2	2	\$ 4.88 17.6%
3	3	\$ 4.88 5.9%
3	4	\$ 4.88 5.9%
4	5	\$ 4.88 -20.3%

Notes:

- Recovers 100% of cost
- Same cost per hcf for all users
- No additional revenue to support CARE program marketing

Tiers	# of Users in Tier	% of Total Users	Annual Use Per Tier in hcf	% of Total Use	Updated Rates per hcf	Variance from Base Rate	Volume Revenues by Tier	%
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1	378	30%	9,910	8%	\$ 5.05	0%	\$ 50,046	8%
2	284	23%	20,365	16%	\$ 5.05	0%	\$ 102,843	16%
3 Base	445	36%	58,264	46%	\$ 5.05	0%	\$ 294,233	46%
4	103	8%	24,011	19%	\$ 5.05	0%	\$ 121,256	19%
5	31	2%	15,341	12%	\$ 5.05	0%	\$ 77,472	12%
	<b>1,241</b>	<b>100%</b>	<b>127,891</b>	<b>100%</b>			<b>\$ 645,850</b>	<b>100%</b>

Target - Base Rate times Annual hcf	624,378
	21,472
	3.4%

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Current		Example		Percent Change from Current Rates	
Tiers	Rates	Tiers	Rates		%
1	\$3.46	1	\$ 5.05		46.0%
2	\$4.15	2	\$ 5.05		21.7%
3	\$4.61	3	\$ 5.05		9.5%
3	\$4.61	4	\$ 5.05		9.5%
4	\$6.12	5	\$ 5.05		-17.5%

**Notes:**

No conservation tiers in place  
 Equal cost to all users  
 Cost increased to \$5.05 per hcf to provide funding for aggressive marketing of CARE program

Tiers	# of Users in Tier	% of Total Users	Annual Use Per Tier in hcf	% of Total Use	Updated Rates per hcf	% Variance from Base Rate	Volume Revenues by Tier	%
1	378	30%	9,910	8%	\$ 3.90	-20%	\$ 38,689	6%
2	284	23%	20,365	16%	\$ 4.39	-10%	\$ 84,454	14%
3 Base	445	36%	58,264	46%	\$ 4.88	0%	\$ 260,875	42%
4	103	8%	24,011	19%	\$ 7.27	49%	\$ 124,827	20%
5	31	2%	15,341	12%	\$ 10.49	115%	\$ 115,429	18%
	<b>1,241</b>	<b>100%</b>	<b>127,891</b>	<b>100%</b>			<b>\$ 624,273</b>	<b>100%</b>

Target - Base Rate times Annual hcf  
**624,378**  
**(105)**  
**0.0%**

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Percent Change from Current Rates		Example		%	
Current	Rates	Tiers	Rates		
Tiers		1	\$ 3.90	12.8%	
1	\$3.46	2	\$ 4.39	5.8%	
2	\$4.15	3	\$ 4.88	5.9%	
3	\$4.61	4	\$ 7.27	57.7%	
3	\$4.61	5	\$ 10.49	71.4%	
4	\$6.12				

Notes:

- Conservation tiers in place
- Significant increases for top tiers
- Recovers 100% of revenue
- State Revolving Loan Fund req's met
- CA Urban Water Conservation Council best management practices compliance met

Tiers	# of Users in Tier	% of Total Users	Annual Use Per Tier in hcf	% of Total Use	Updated Rates per hcf	% Variance from Base Rate	Volume Revenues by Tier	%
1	378	30%	9,910	8%	\$ 3.90	-20%	\$ 38,689	6%
2	284	23%	20,365	16%	\$ 4.39	-10%	\$ 84,454	13%
3 Base	445	36%	58,264	46%	\$ 4.88	0%	\$ 260,875	40%
4	103	8%	24,011	19%	\$ 8.54	75%	\$ 131,769	20%
5	31	2%	15,341	12%	\$ 11.96	145%	\$ 128,956	21%
	<b>1,241</b>	<b>100%</b>	<b>127,891</b>	<b>100%</b>			<b>\$ 644,743</b>	<b>100%</b>

Target - Base Rate  
times Annual hcf

624,378  
20,365  
3.3%

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Percent Change from Current Rates		
Current	Example	%
Tiers	Tiers	Rates
1	1	\$ 3.90
2	2	\$ 4.39
3	3	\$ 4.88
3	4	\$ 8.54
4	5	\$ 11.96
		12.8%
		5.8%
		5.9%
		85.2%
		95.4%

Notes:

Conservation tiers in place  
Significant increases for top tiers  
Recovers additional revenue  
to support care program mktng  
State Revolving Loan Fund req's met  
CA Urban Water Conservation  
Council best management  
practices compliance met

Table       
Peak Charge Variation Options

<b>Current Peak Usage by Meter Size</b>										
Meter Size	5/8" [1]	1"	1.5"	2"	3"	4"	6"	8"		
Peaking Break Point - Monthly hcf	35	88	175	280	525	875	1750			
Total Annual hcf by Meter Size - Non SFR, in hcf	36,041	21,805	19,813	45,774	13,070	7,526	30,410	-	174,239	
Estimated Annual hcf in excess of Peak Break Point in hcf	5,696	3,249	998	2,669	-	-	-	-	12,612	
% of Total hcf	15.8%	15.0%	5.0%	5.8%	0.0%	0.0%	0.0%	0.0%	7.2%	
Total Accounts by Meter Size - Non SFR	214	71	20	35	4	3	3	0	350	
Estimated Accounts that will Incur Peak Charge	16	5	1	1	0	0	0	0	23	
% of Total Accounts	7.5%	7.0%	5.0%	2.9%	0.0%	0.0%	0.0%	0.0%	6.6%	
<b>Current Rates at Current Break Points</b>										
Below Peak - 1.74	Base	\$	4.61	86,737	198,714	60,253	34,695	140,190	-	745,100
Above Peak 1.74+	Base	\$	4.61	4,601	12,304	-	-	-	-	58,141
	Peak	\$	1.07	\$ 5.68	1,068	2,856	-	-	-	13,485
Total				92,406	213,874	60,253	34,695	140,190	-	816,737
				139,890	84,621	86,737	198,714	60,253	34,695	140,190
				26,259	14,978	4,601	12,304	-	-	-
				6,095	3,476	1,068	2,856	-	-	-
				172,244	103,075	92,406	213,874	60,253	34,695	140,190
<b>Proposed Rates At Current Peak Break Points</b>										
Below Peak - 1.74	Base	\$	4.88	91,857	210,443	63,809	36,743	148,465	-	789,081
Above Peak 1.74+	Base	\$	4.88	4,872	13,030	-	-	-	-	61,573
	Peak	\$	1.70	\$ 6.58	1,697	4,538	-	-	-	21,443
Total				98,426	228,012	63,809	36,743	148,465	-	872,098
				148,148	89,616	91,857	210,443	63,809	36,743	148,465
				27,809	15,862	4,872	13,030	-	-	-
				9,685	5,524	1,697	4,538	-	-	-
				185,641	111,002	98,426	228,012	63,809	36,743	148,465
										6.8%

<b>Proposed Peak Usage by Meter Size</b>													
<b>At Current Break Points - Add Usage Tiers to allow for Discounts/Premiums Over/Under Base</b>													
<b>Monthly Break Points in hcf</b>													
Meter Base	20	51	101	161	302	503	1006	1609					
Peak Break	35	88	175	280	525	875	1750	2800					
Under/Over Break Points used in calculations below													
Below Base	5	13	25	40	75	126	251	402					
Base Range	30	75	150	240	450	749	1499	2398					
Peak Over	35	88	175	280	525	875	1750	2800					
Three Tier with 25% Volume at	1	0 to 25%	-15%	\$ 4.15	37,391	22,414	20,555	47,488	13,559	7,808	31,549	-	180,764
Discount Rate	2	Base 25% to 174%	0%	\$ 4.88	104,159	63,247	67,675	154,575	47,857	27,557	111,349	-	576,418
	3	174%+	87%	\$ 9.13	52,002	29,662	9,111	24,367	-	-	-	-	115,142
					175,956	105,478	96,729	223,474	63,809	36,743	148,465	-	872,324