## 2016-2020 Water & Power Rate Changes

# **ABOUT OUR NEW WATER TIERS**

LADWP's water rates use tiered prices that are charged based on a customer's water consumption and increase progressively with each tier, or level of water allotment. The new water rate structure expands the number of rate tiers from two to four for single-family residential customers. The expanded tiers reflect the increasing cost of supplying more water to customers who use higher amounts of water. The tiered rates allow LADWP to recover the costs of providing water to high users while also having the effect of encouraging customers to conserve.

### **How the New Water Tiers Work**

Like many water utilities, LADWP bills for water use in units of HCF (hundred cubic feet), so each HCF of water you use represents one hundred cubic feet of water. The new Tier 1 allotment is the first 8 HCF per month, or 16 HCF every two months, that a customer uses, and is charged at the lowest rate for all customers. This first 8 HCF of water represents the amount for the cost of basic indoor water use, such as drinking, washing, and cooking. The prices for Tiers 2 through 4 reflect the progressively higher cost of providing more water to customers for less essential uses, such as watering large landscapes and maintaining pools. As customers' water use climbs into the next highest tier, the rate they pay increases for the amount they use at each tier.

The following table shows the price of water per HCF, effective April 15, 2016 and July 1, 2016, and a general description of water use at each tier.

#### Tier Pricing and Description of Water Use

Cost/HCF Effective 2016	

Tier	April 15	July 1	Water Use Description	
Tier 1- Basic Use (8 HCF) Monthly	\$5.55	\$4.16	Basic indoor water use like cooking, showering, washing dishes and clothes, etc.	5
Tier 2 - Efficient Use	\$6.77	\$6.32	Indoor water use and irrigation for California drought tolerant landscapes.	5,3
Tier 3 - High Use	\$7.52	\$7.20	Above average water use including irrigation for a typical lawn.	
Tier 4 - Excessive Use	\$7.52	\$7.20	Usage is above and beyond those in the first three tiers.	

#### Water Allotments for Each Tier

Under the new rate structure, the allotment for Tier 1 is the same for all single-family residential customers at 8 HCF monthly, or 16 HCF bi-monthly. The water allotment for Tiers 2 through 4 vary according to the lot size of a customer's home, the temperature zone where they live (low, medium and high), and season (summer and winter). There is no longer an increase in allotment based on household size.

## **Determining Your Water Tier**

The easiest way to determine the water price tier for which you are being charged is to review your bill. It will show the amount of water (in HCF) used in each tier, starting with Tier 1. You may also use our online rates calculator to project your future water costs. The calculator shows the breakdown of water allocations in each tier, and is based on the most up-to-date rates and projections of future rates available. Try it out: www.MyLADWP.com/rates calculators.



Example: Using the online calculator, you can find the projected amount of your monthly or bi-monthly bill for a range of dates after entering the HCF of water you expect to use, your zip code, and lot size. The zip code determines whether you are living in the low, medium or high temperature zones.

The calculator will automatically determine the cost of water under each tier.

You can also determine how much water is allocated in each tier by checking the tables below. The first table shows the amount of water (per HCF) for the high season, June through September, and varies by five ranges of lot size and three temperature zones (low, medium and high). Note that all customers, regardless of lot size and temperature zone, are charged at the Tier 1 level for the first 8 HCF of water use each month.

#### Water Schedule-A Rate Summary Here is a snapshot Monthly Ri-Monthly from the online \*Estimated Bill \$72.08 \$144.15 Monthly Bi-Monthly calculator showing Usage Summary 8.0 HCF 16.0 HCF the estimated bill 3.2 HCF 6.5 HCF for a customer using Tier 3 0.8 HCF 1.5 HCF 24 HCF (the typical 0.0 HCF 0.0 HCF amount of water for Total Usage 12.0 HCF 24.0 HCF two months), living Avg. ¢/Gallon ¢ 0.803/Gallon in the "medium" Avg. \$/HCF \$ 6.01/HCF temperature zone, with a lot size under 7,500 square feet. Duration 60 Davs Zip Code 90034 Note the amount of Lot Size Less than 7,500 Sq. Ft. water used in each tier is displayed at Bi-Monthly Usage: 24.0 HCF the bottom.

#### High Season Water Tier Allocations (HCF)

	Tier 1-HCF	Tier 2 - HCF		Tier 3 - HCF		Tier 4 - HCF				
		Temperature Zones			Temperature Zones			Temperature Zones		
Lot Size	All	Low	Medium	High	Low	Medium	High	Low	Medium	High
Under 7,500	8	9-14	9-15	9-17	15-26	16-29	18-35	>26	>29	>35
7,500-10,999	8	9-17	9-18	9-20	18-35	19-38	21-44	>35	>38	>44
11,000-17,499	8	9-25	9-27	9-33	26-59	28-65	34-83	>59	>65	>83
17,500-43,559	8	9-29	9-32	9-39	30-71	33-80	40-101	>71	>80	>101
Over 43,560	8	9-29	9-32	9-39	30-71	33-80	40-101	>71	>80	>101

The next table shows the amount of water (per HCF) for the low season, October through May, and varies by lot size only. Again, all customers, regardless of lot size and temperature zone, are charged at the Tier 1 level for the first 8 HCF of water use.

#### Low Season Water Tier Allocations (HCF)

	Tier 1-HCF	Tier 2 - HCF	Tier 3 - HCF	Tier 4 - HCF
Lot Size				
Under 7,500	8	9-11	12-17	>17
7,500-10,999	8	9-12	13-20	>20
11,000-17,499	8	9-16	17-32	>32
17,500-43,559	8	9-18	19-38	>38
Over 43,560	8	9-18	19-38	>38

These tables are also posted online at www.MyLADWP.com under "Learn More" or www.ladwp.com/rates.











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