



News from EMWD

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For Immediate Release

EMWD water, sewer rate changes set to start in January

Perris, CA (November 19, 2008)—As part of its review of water and sewer rates, the Eastern Municipal Water District board of directors today set Jan. 7, 2009 for a public hearing to consider rate increases. Proposed increases are due to increased costs of imported water purchased from the Metropolitan Water District of Southern California, energy, labor, services, and supplies.

The maximum rate increases under consideration would raise water and sewer rates between \$5.00-\$6.00 a month for a typical customer, or about 10 percent. After hearing and considering all written comments at the public hearing the board may adopt up to the maximum increases which would be effective January 7.

In a separate matter, they will also consider approving a water budget-based pricing system that rewards water-use efficiency and provides for revenue stability. Currently, all water used is priced at the same commodity rate.

Regardless of the water rate increase, generalized water budgets (also referred to as tiered rates) could be implemented effective March 1, 2009. The indoor portion of these budgets assumes households with three people, each using 60 gallons per day, or seven billing units per month. This would remain constant throughout the year. An outdoor portion would vary monthly, based on weather.

A second phase could revise these generalized water budgets to customized ones in 2010.

“No one is immune from these challenging times,” David J. Slawson, board president, said. “From our end, we’ve trimmed more than \$150 million in capital expenses over the next five years. We’re also expecting to benefit from about \$10 million in state and federal funding for some of our construction projects. But to cut or defer more than what we have so far would not be responsible to our customers who depend on a well-functioning, dependable water and sewer infrastructure.

“That means we’re walking a fine line,” he said. “On the one hand, we must be able to operate adequate systems for health and safety now and in the future. At the same time, we are helping our customers save money through rebates and conservation programs so they can become as efficient as possible and eliminate water waste.”

On the homeowner’s level, the increased cost of imported water will amount to about \$3.00 a month. Another \$1.25 a month is the approximate increased cost for desalination, water treatment and replacement water for the reduced use of groundwater due to continuing drought conditions.

What this means to a typical household based on a 30-day billing cycle and 18 billing units (13,464 gallons) is the following:

EMWD Water Rates				
Areas served		Daily service charge (1)	\$/billing unit (2)	Average for 18 BU
Perris Valley, Moreno Valley, Good Hope, Mead Valley, Juniper Flats, Lakeview, Nuevo, Homeland, Romoland, Menifee, Sun City, Hemet, San Jacinto, Valle Vista, Diamond Valley, Winchester & Canyon Lake	Current	\$0.330	\$1.911	\$44.30
	Proposed	\$0.346	\$2.131	\$48.73
Southwest Hemet & former Fruitvale area	Current	\$0.330	\$1.183	\$31.21
	Proposed	\$0.346	\$1.230	\$32.53

Murrieta Hot Springs & French Valley	Current Proposed	\$0.330 \$0.346	\$1.946 \$2.180	\$44.93 \$49.61
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- (1) *Daily Service Charge is a fixed cost to cover non-volume-related expenses*
(2) *Billing unit = 748 gallons = 100 cubic feet, and is the same charge per billing unit regardless of volume used.*

Sewer rates overall are expected to rise slightly more than \$1.40 per month based on the cost of service at four regional reclamation facilities to collect, treat and use or dispose of about 45 million gallons per day of wastewater. A portion of the rates also supports the costs of replacing and maintaining these facilities and hundreds of miles of pipelines.

EMWD Sewer Rates				
Area	Current daily rate	Daily rate beginning 1/7/09	Current monthly rate	Monthly rate beginning 1/7/09
Hemet/San Jacinto	\$0.614	\$0.664	\$18.68	\$20.20
Moreno Valley	\$0.635	\$0.684	\$19.31	\$20.81
Sun City/ Menifee	\$0.648	\$0.690	\$19.71	\$20.99
Temecula/Murrieta/French Valley	\$0.776	\$0.799	\$23.59	\$24.30
Perris Valley	\$0.822	\$0.928	\$25.00	\$28.23
Romoland/Homeland	\$0.822	\$0.928	25.00	\$28.23
Canyon Lake	\$1.685	\$1.758	\$51.25	\$53.45
District Average	\$0.688	\$0.734	\$20.93	\$22.33

Monthly sewer rate based on daily rate x 365/12.

The intent of water budget-based or tiered rates, if implemented in March 2009 and reflected on bills beginning in April, is to reward water use efficiency. Water allocations will be based on dwelling type, number of residents, landscape square footage and actual daily weather and evapotranspiration data. Customers who remain within the bottom two tiers would stay within their allocation.

Tiered water rates		
Tiers	All areas except for parts of San Jacinto Valley that only receives well water	Well water customers only (Fruitvale area in San Jacinto Valley)
Tier 1: Indoor	\$1.356/billing unit	\$0.876/billing unit
Tier 2: Outdoor	\$2.482	\$1.604
Tier 3: Excessive	\$4.448	\$2.875
Tier 4: Wasteful	\$8.137	\$5.258

As projected, indoor water budgets will apply to the first seven billing units per month beginning in March 2009. The number of units for the outdoor tier will vary throughout the year to accommodate landscaping needs. Low to moderate water users may see a decrease in their monthly water bills if they remain in the first two tiers.

For those customers who need to adjust the household number or the landscape area or for special circumstances, such as home daycare, variance forms will be made available. All EMWD customers will receive correspondence about both the potential rate hikes and planned change in the commodity charge methodology.

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EMWD is the freshwater, wastewater service and recycled water provider to a 555-square mile area from Moreno Valley southward along the I-215 corridor to Temecula and eastward to Hemet and San Jacinto. Approximately 675,000 people live and work in this area. In addition to its own water customers, EMWD supplements water to eight local water agencies and municipalities that have their own water departments. EMWD operates four water reclamation facilities and treats some 45 million gallons of wastewater daily. More information can be found at EMWD's web site www.emwd.org.