

# PORTLAND WATER BUREAU

**WE DELIVER THE BEST WATER IN THE WORLD**



## **PROPOSED WATER RATES FOR FISCAL YEAR 2014–15**

**May 22, 2014**



# Budget Overview for Fiscal Year 2014–15

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- **Total Budget = \$176.8 million**
  - **Operating Expenses = \$80.0 million**
    - Ongoing reduction of \$1.4 million
  - **Capital Improvement Plan = \$96.8 million**
    - Reduction of \$14.1 million
- **Revenue**
  - **Rates and Charges = \$149.3 million**
    - Retail = \$126.6 million
    - Wholesale = \$16.6 million
    - Other Fees and Charges = \$4.3 million
    - System Development Charges = \$1.8 million
- **Full-Time Equivalencies (FTE) = 564.1**
  - **Reduction of 11 positions**

# Primary Rate Drivers for FY 2014–15

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## ↓ Surplus Fund Balance

- Operating Budget Savings
- Increased Revenues from Other Fees & Charges

## ↑ Inflation

- Cost-of-Living Adjustments

## ↑ Lower Retail Demand

## ↓ Operating and Capital Budget Reductions

## ↑ Capital Improvement Plan

- Distribution system repairs, rehabilitation, and replacements—pipes, hydrants, pump stations, services
- Reservoir projects
- Interstate Facility rehabilitation

# Rate Summary for Fiscal Year 2014–15

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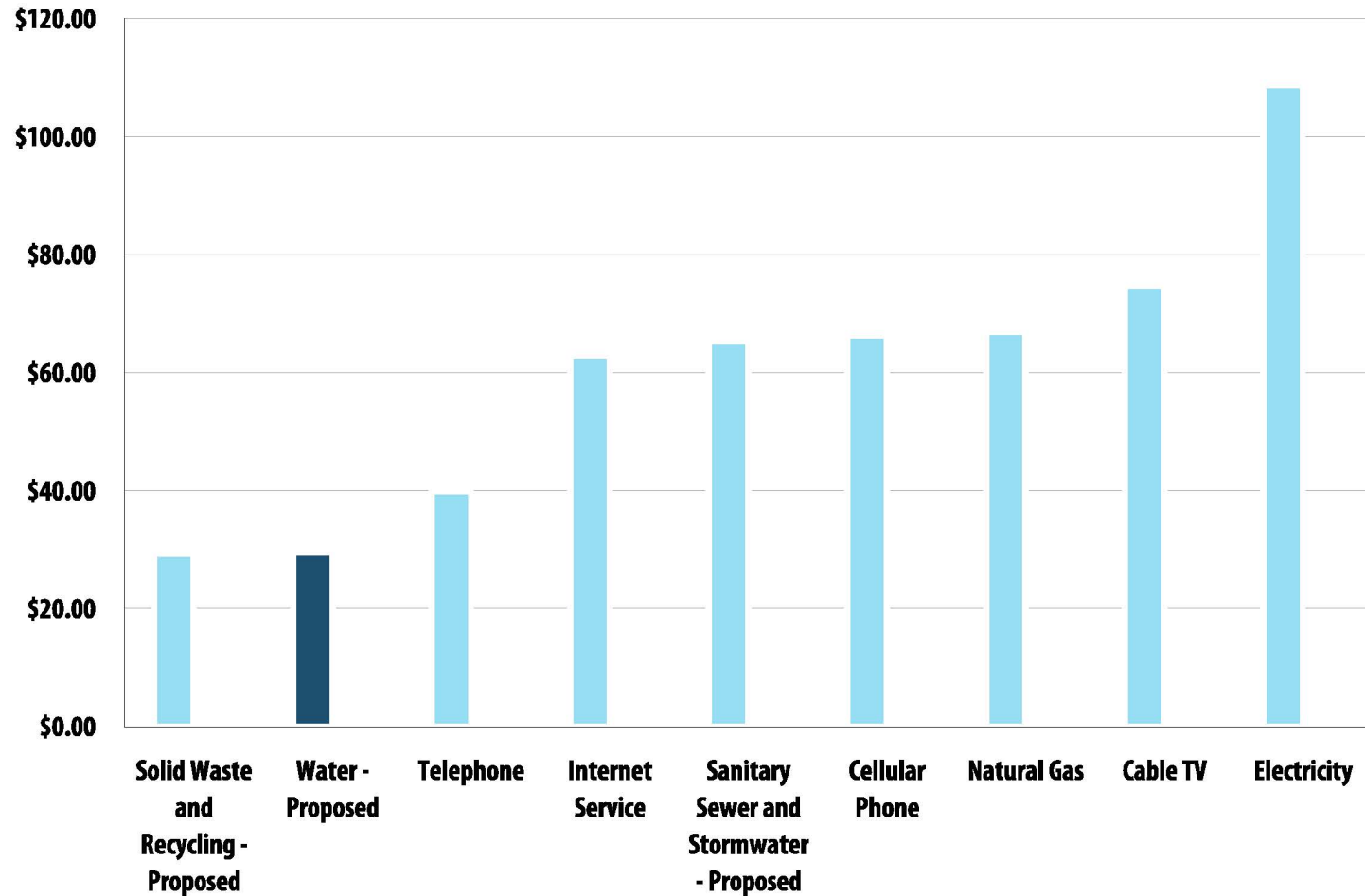
- **Retail rate increase –7.0% or \$1.93 per month for typical residential customer.**
- **System Development Charges–\$2 increase**
- **Fixed fees and charges–lower**
  - **Charges for services, mains, and other development fees**
    - **Lower billable overhead rate**
    - **Organizational efficiencies**

# How will proposed rates affect typical customers?

	Typical monthly use (ccf)	Current	Proposed	Change
<b>Typical residential customers</b>	5	\$27.61	\$29.54	\$1.93
<b>Qualifying low-income residential customers</b>	5	\$13.80	\$14.77	\$0.97
<b>Medium-sized commercial customers</b>	100	\$375.30	\$401.60	\$26.30

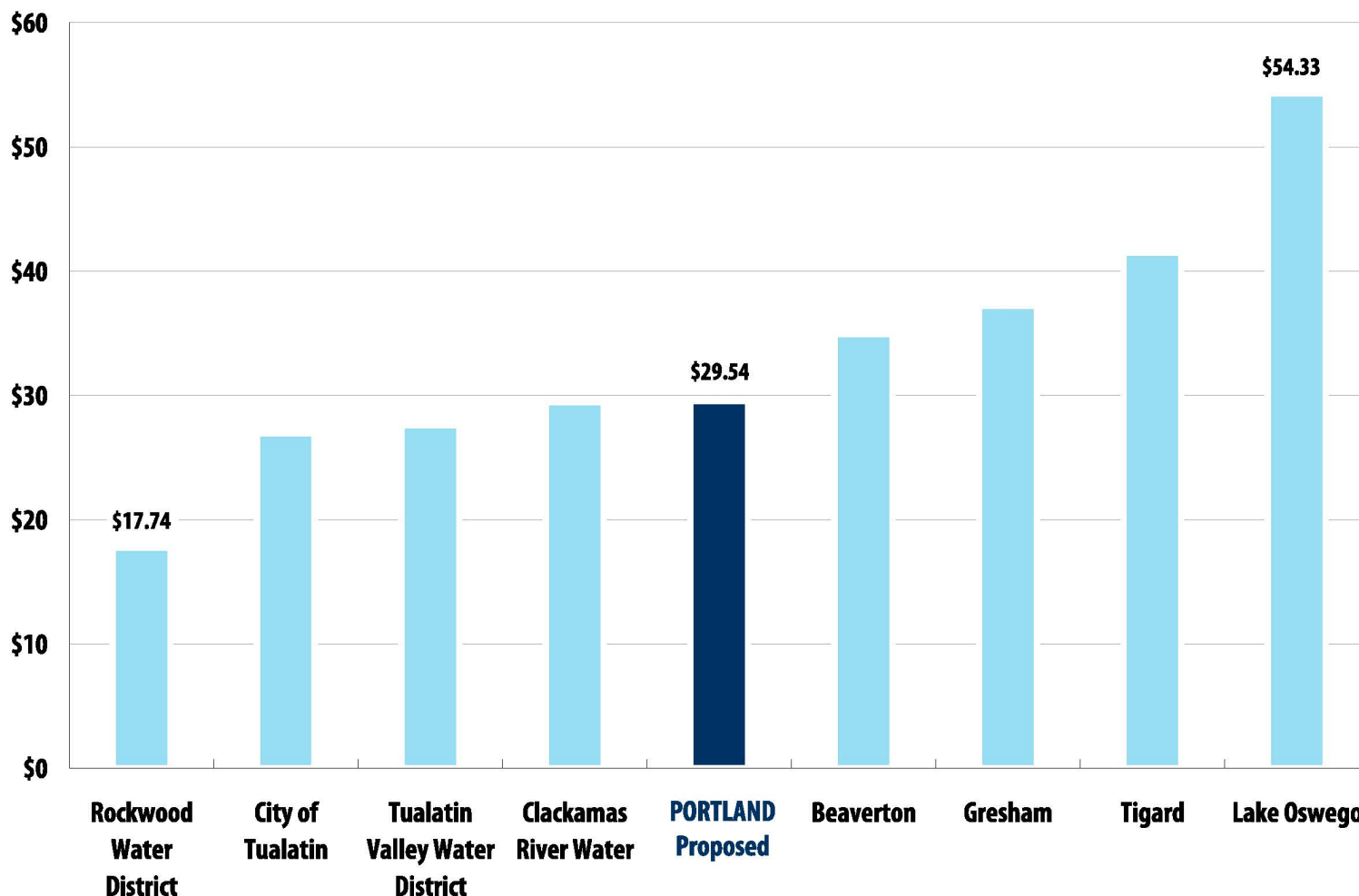


# Portland water bills represent only 5% of the typical monthly utility services for residential customers.



Solid Waste & Recycling —35 gallon cart, bi-weekly outside pick up | **Water** —Typical single family using 5 ccf per month | Telephone —With calling features such as caller ID, call waiting, and no long distance | Internet Service —Download speed at 12 Mbps including modem | Sanitary Sewer & Stormwater —Average single family | Cellular Phone —Family plan, 2 lines, 600 minutes (text messaging included, no data) | Natural Gas —Average Oregon residential customer using 56 therms per month | Cable TV —Digital Starter with equipment | Electricity —Average residential customer using 900kWh per month

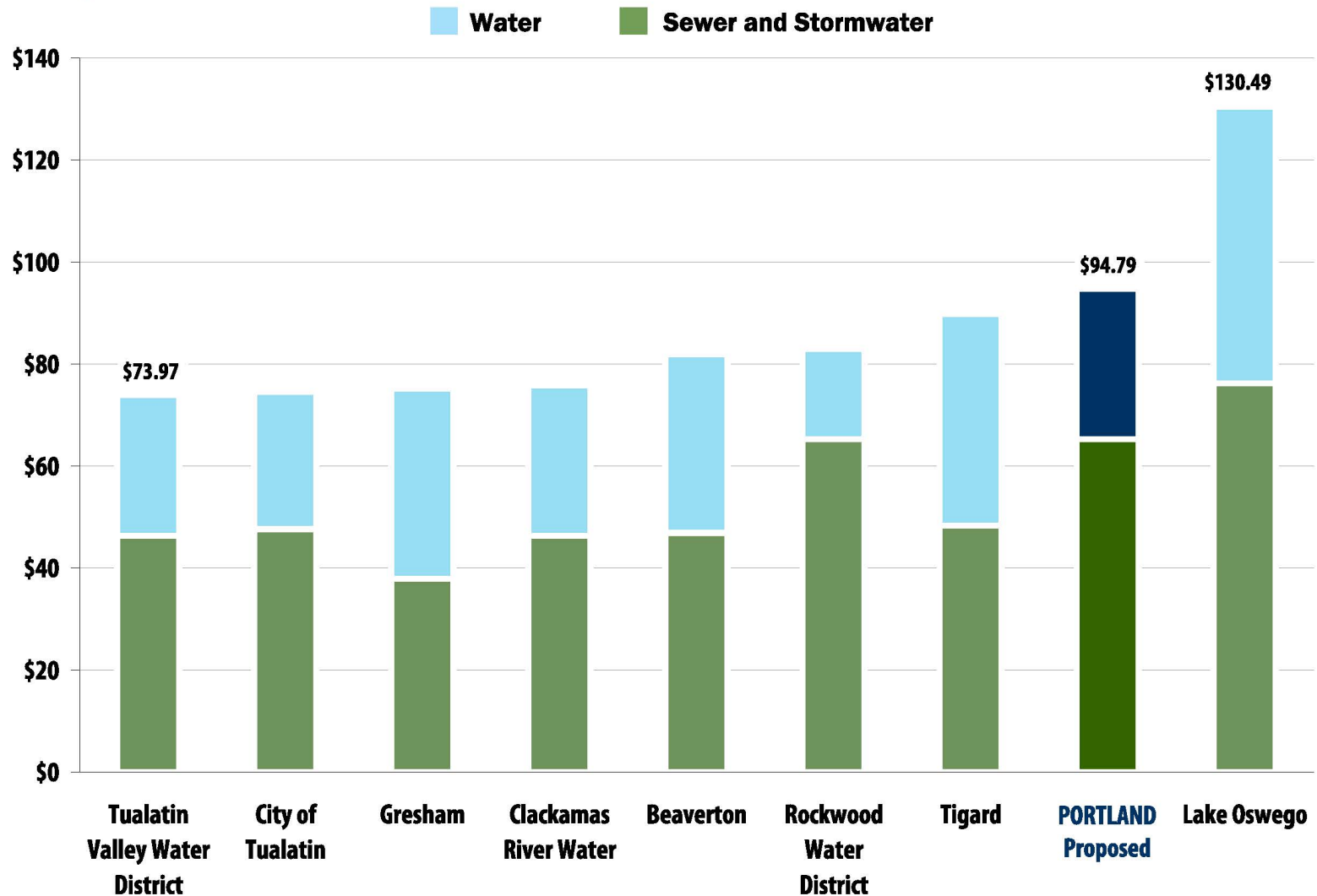
# How do Portland's proposed water rates compare?



Based on proposed rates to be effective July 1, 2014, if available; otherwise based on current rates.  
Water bills are calculated on individual jurisdiction's typical usage.

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# How do Portland's proposed water and sewer rates compare?



Sewer rates include stormwater charges. Based on proposed rates to be effective July 1, 2014, if available; otherwise based on current rates. Water and sewer bills are calculated on individual jurisdiction's typical usage.

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# How do Portland's System Development Charges compare?

