

# SEWER RATES AND CUSTOMER COSTS

| Rates                | FY21     | FY22         | FY23         | FY24         | FY25         | FY26         | FY27         | FY28        | FY29        | FY30        |
|----------------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|
| Base                 | \$44.00  | \$50.60      | \$58.19      | \$66.92      | \$76.96      | \$92.35      | \$106.20     | \$106.20    | \$106.20    | \$106.20    |
| Usage                | \$5.25   | \$6.04       | \$6.94       | \$7.98       | \$9.18       | \$11.02      | \$12.67      | \$12.67     | \$12.67     | \$12.67     |
| <b>Increase (%)</b>  |          | <b>13.0%</b> | <b>13.0%</b> | <b>13.0%</b> | <b>13.0%</b> | <b>16.7%</b> | <b>13.0%</b> | <b>0.0%</b> | <b>0.0%</b> | <b>0.0%</b> |
| Annual Cost          | \$386.00 | \$443.90     | \$510.49     | \$587.06     | \$675.12     | \$810.14     | \$931.66     | \$931.66    | \$931.66    | \$931.66    |
| <b>Increase (\$)</b> | \$57.90  | \$66.58      | \$76.57      | \$88.06      | \$135.02     | \$121.52     | \$0.00       | \$0.00      | \$0.00      |             |



- Costs based upon 125 gallons per day  
- which equals -
- 2.5 people using 50 gallons per person per day
- Or -
- 2 people using 65 gallons per person per day

## The cost of sewer service is rising.

Average annualized sewer costs of the rate structures reported in the survey was \$862, with the median at \$198, a low of \$29 and high of \$2,316. Three-quarters of survey respondents have increased their rates since our last survey (2014). At the same time, the cost of sewer service has increased 14% over 3 years.

One of the most commonly reported challenges facing sewer systems across Massachusetts is our aging infrastructure. A rate structure designed to provide sustainable revenue for operations and capital programs is critical to assure reliable and effective sewer systems.

Tighe & Bond offers municipalities and water companies assistance developing sustainable rates to support needed infrastructure improvements, explaining the need for rate increases, and how to prepare for funding initiatives. You can read and download helpful articles on this topic on our [WaterInsights™ Mag located at www.tighebond.com](http://WaterInsights.Mag located at www.tighebond.com).



In 2017 the average cost of water was \$595, based upon 250 gallons per day. Converting to 125 gallons per day, the 2017 average cost was \$431.