

WATER RATES AND CUSTOMER COST

Rates	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Base	\$36.00	\$36.72	\$38.19	\$41.24	\$45.37	\$49.91	\$57.39	\$66.00	\$69.30	\$70.69
Usage	\$5.75	\$5.87	\$6.10	\$6.59	\$7.25	\$7.97	\$9.17	\$10.54	\$11.07	\$11.29
Increase (%)		2.0%	3.8%	7.4%	9.1%	9.1%	13.0%	13.0%	4.8%	2.0%
Annual Cost	\$374.00	\$381.48	\$396.74	\$428.48	\$471.33	\$518.46	\$596.23	\$685.66	\$719.94	\$734.34
Increase (\$)		\$7.48	\$15.26	\$31.74	\$42.85	\$47.13	\$77.77	\$89.43	\$34.28	\$14.40



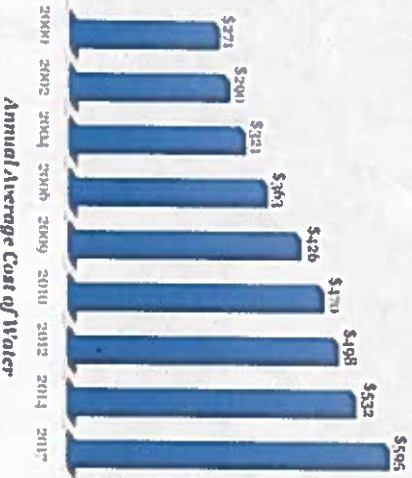
Costs based upon 125 gallons per day
 - which equals -
 2.5 people using 50 gallons per person per day
 - Or -
 2 people using 65 gallons per person per day

The cost of water is rising, yet often too slowly to cover aging infrastructure.

Average annualized water costs of the rate structures reported in the survey was \$595, with the median at \$568, a low of \$123 and a high of \$2,025. 65% of survey respondents have increased rates since our last survey (2014). The cost of water has increased 12% over 3 years.

One of the most commonly reported challenges facing water 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, safe drinking water and effective fire protection.

Tighe & Bond offers municipalities and water companies assistance developing sustainable rates to support needed infrastructure improvements, explaining the need for increasing rates, and preparing for funding initiatives. You can read and download recent articles on this topic on our "Water Insights" blog 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 \$300.