



Services of the San Francisco Public Utilities Commission

2023 Water & Wastewater Rate Study Rate Fairness Board

March 17, 2023

Meeting objective: Review the final rates package that will go to the Commission for adoption on May 9 (218 Rate Hearing).

Topics for Discussion:

- Wastewater Rate Recommendation
- Water Rate Recommendation

Rate Study Schedule

Timing	Item/Topic
March 8	Begin Stakeholder Outreach
March 15	Draft Report from Consultant
March 17 (Today)	<i>Rate Fairness Board Meeting</i> <ul style="list-style-type: none"> • Final Schedule of Rates
March 24	Prop 218 notices Mailed to Rate Payers
April 3	Administrative Draft Report to AGM
April	RFB Meeting: To Prepare for Prop 218 Rate Hearing
May 9	Commission Rate Adoption (218 Rate Hearing)

Summary of Key Changes

Increases to Water and Sewer Rates

- 3 Years of Increases
 - 5% for Water
 - 9% for Sewer
- Bill impact depends on customer's use of the system
 - 6-9% annually for most customers

Adjustment to the Sewer Rate Structure

- Split the Sewer Bill into Two Components
 - Wastewater
 - Stormwater



WASTEWATER RATE RECOMMENDATION



Wastewater Rate Design: Stormwater Charge Phasing

Consultant Recommendation

- Implement Stormwater Charge entirely in FYE 2024

Staff Recommendation: Phase in Stormwater Charge over 7 Years

- Large bill impacts + best practice outreach suggest phasing in change over time
- Phase-in period is balancing tradeoffs
 - Legal considerations
 - Rate shock/customer impact
 - Opportunity for adjusting to budget impacts
 - Opportunity to take advantage of grants program and implement GI projects
 - Communications challenges

Stormwater Charge Rate Structure

Standard Charge

- Non-residential, mixed use, vacant, and large residential parcels

Area	Rate
Impermeable Charge	\$/1,000 sq ft per month
Permeable Charge	\$/1,000 sq ft per month

Simplified Residential Charge

- Residential properties with 6 or fewer dwelling units, under 6,000 sq ft total parcel area
- Most parcels in city

Tier	Parcel Size Range (sq ft)	Rate
1	1 – 1,700	\$/month
2	1,701 – 3,300	\$/month
3	3,301 – 6,000	\$/month



Wastewater Rates - FYE 2024 – FYE 2026

Class/Charge	Current	FYE 2024	FYE 2025	FYE 2026
Service Charge	\$ 5.21	\$ 4.85	\$ 5.28	\$ 5.76
Commodity				
Residential	\$15.97	\$16.91	\$17.80	\$18.72
Non-residential Flow	\$ 9.46	\$ 9.74	\$10.09	\$10.43
Non-residential COD	\$ 0.65	\$ 0.86	\$ 0.93	\$ 0.99
Non-residential TSS	\$ 1.65	\$ 1.68	\$ 1.81	\$ 1.94
Non-residential O/G	\$ 1.66	\$ 1.05	\$ 1.14	\$ 1.24
Stormwater				
Residential				
Tier 1 (0-1,700 sqft)		\$ 2.31	\$ 5.04	\$ 8.24
Tier 2 (1,701 – 3,300 sqft)		\$ 3.60	\$ 7.84	\$12.82
Tier 3 (3,301 – 6,000 sqft)		\$ 5.41	\$11.79	\$19.27
Non-Residential				
Permeable (\$/1000 sqft)		\$ 0.19	\$ 0.41	\$ 0.67
Impermeable (\$/1000 sqft)		\$ 1.89	\$ 4.11	\$6.72



WATER RATE RECOMMENDATION

Consultant Recommendation

- Increase the single-family residential tier allotment from 4 CCF to 5 CCF
- Increase the multi-family residential tier allotment from 3 CCF per dwelling unit to 4 CCF per dwelling unit

Staff Recommendation: Maintain Existing Structure

- Follow up analysis has shown that this does clearly benefit low-income customers
- Minimal impact to customers
- Administrative cost to make changes

Consultant Recommendation

- Split Irrigation customers out from the Non-Residential customer class

Staff Recommendation: Re-evaluate this in the 2026 Rate Study

- Significant administrative cost to implement
- Potential for rate shock to same customers that are impacted by Stormwater Charge



Rate Projection FYE 2024 – FYE 2026

Fixed Monthly Service Charge (by Meter Size)	Current	Proposed FYE 2024	Proposed FYE 2025	Proposed FYE 2026
5/8 inch	\$15.17	\$16.64	\$17.48	\$18.36
3/4 inch	\$19.43	\$21.13	\$22.19	\$23.30
1-inch	\$27.95	\$30.11	\$31.62	\$33.21
1-1/2 inch	\$49.25	\$52.56	\$55.19	\$57.95
2-inch	\$74.81	\$79.51	\$83.49	\$87.67
3-inch	\$142.97	\$151.35	\$158.92	\$166.87
4-inch	\$219.65	\$232.18	\$243.79	\$255.98
6-inch	\$432.65	\$456.70	\$479.54	\$503.52
8-inch	\$688.25	\$726.13	\$762.44	\$800.57
10-inch	\$1,071.65	\$1,130.26	\$1,186.78	\$1,246.12
12-inch	\$1,838.45	\$1,938.54	\$2,035.47	\$2,137.25
16-inch	\$3,201.65	\$3,375.47	\$3,544.25	\$3,721.47



Rate Projection FYE 2024 – FYE 2026

Fire Service Fixed Monthly Service Charge (by Connection Size)	Current	Proposed FYE 2024	Proposed FYE 2025	Proposed FYE 2026
1-inch	\$9.55	\$8.43	\$8.86	\$9.31
1-1/2 inch	\$12.45	\$8.91	\$9.36	\$9.83
2-inch	\$15.93	\$9.73	\$10.22	\$10.74
3-inch	\$25.21	\$12.70	\$13.34	\$14.01
4-inch	\$35.65	\$17.82	\$18.72	\$19.66
6-inch	\$64.56	\$36.19	\$38.00	\$39.90
8-inch	\$99.45	\$67.88	\$71.28	\$74.85
10-inch	\$151.65	\$115.55	\$121.33	\$127.40
12-inch	\$256.05	\$181.62	\$190.71	\$200.25



Rate Projection FYE 2024 – FYE 2026

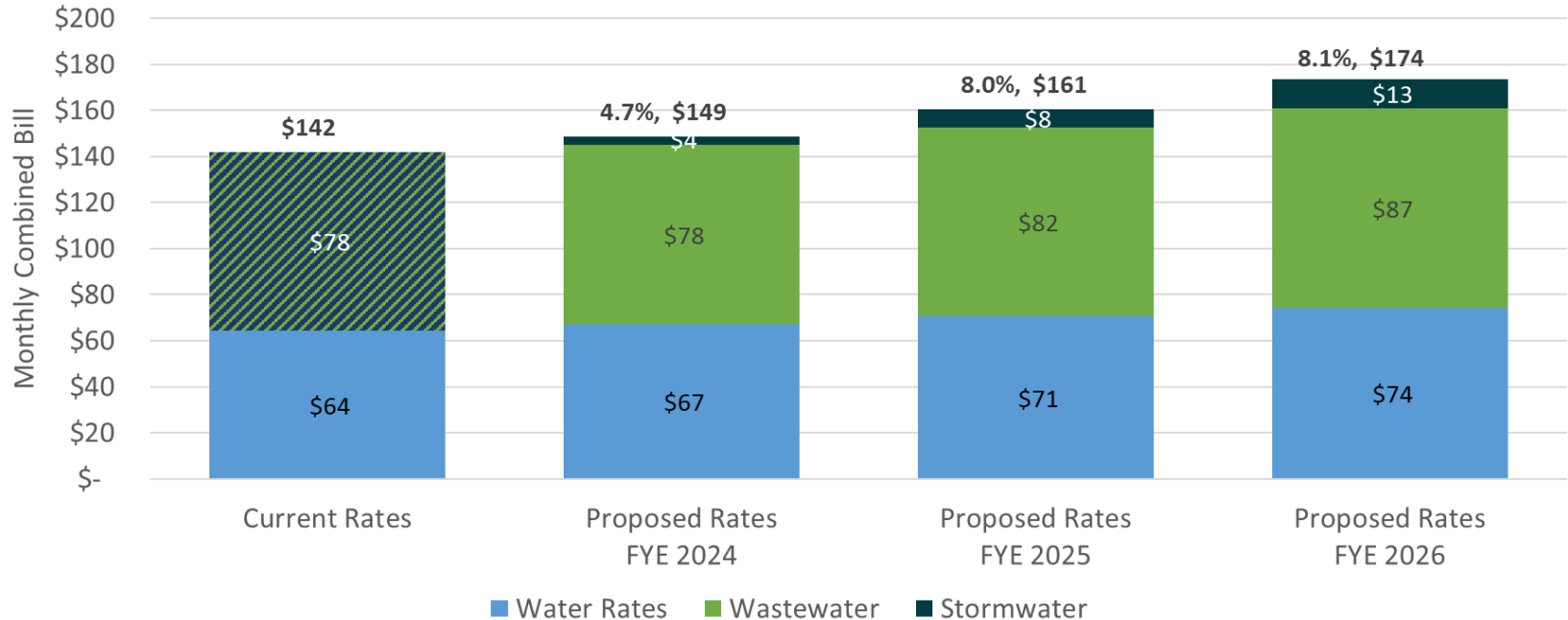
Volumetric Rate (per CCF)	Current	Proposed FYE 2024	Proposed FYE 2025	Proposed FYE 2026
Single-Family Residential (<i>Schedules W-1A & W-21</i>)				
First 4 Units per Month	\$9.60	\$10.33	\$10.85	\$11.40
All Additional Units	\$10.71	\$11.47	\$12.05	\$12.66
Multiple-Family Residential (<i>Schedule W-1B</i>)				
First 3 Units per Dwelling Unit per Month	\$9.60	\$10.19	\$10.70	\$11.24
All Additional Units	\$10.76	\$10.94	\$11.49	\$12.07
Non-Residential (<i>Schedules W-1C, W-2, W-3A, W-4, W-5, W-31, & W-33</i>)				
Commercial/Industrial/Municipal	\$10.55	\$11.12	\$11.68	\$12.27
Irrigation	\$10.55	\$11.12	\$11.68	\$12.27
Docks & Shipping	\$10.55	\$11.12	\$11.68	\$12.27
Builders & Contractors	\$10.55	\$11.12	\$11.68	\$12.27
Fire Service	\$10.55	\$11.12	\$11.68	\$12.27
Untreated Water Service (<i>Schedule W-24</i>)				
For All Units of Water	\$0.95	\$1.80	\$1.89	\$1.99



COMBINED BILL IMPACTS

Customer Bill Impacts

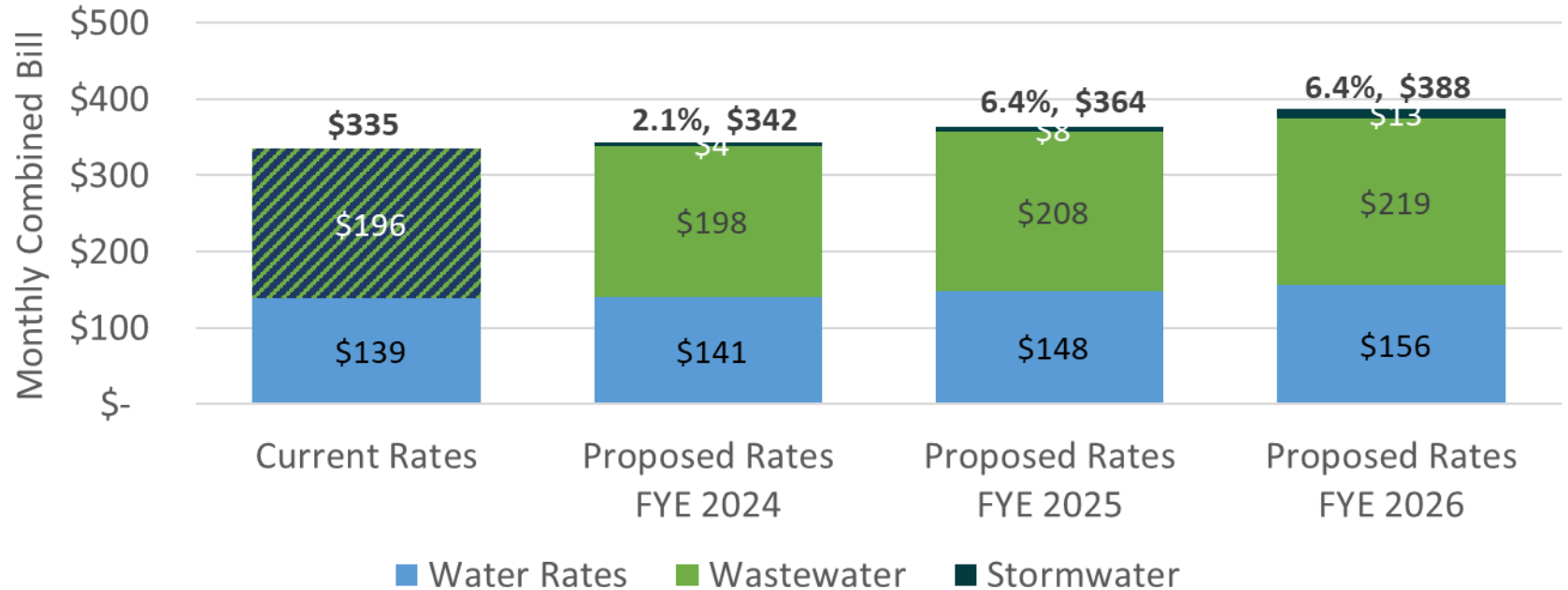
Average Single Family



Assumes 4.8 CCF of water use per month

Customer Bill Impacts

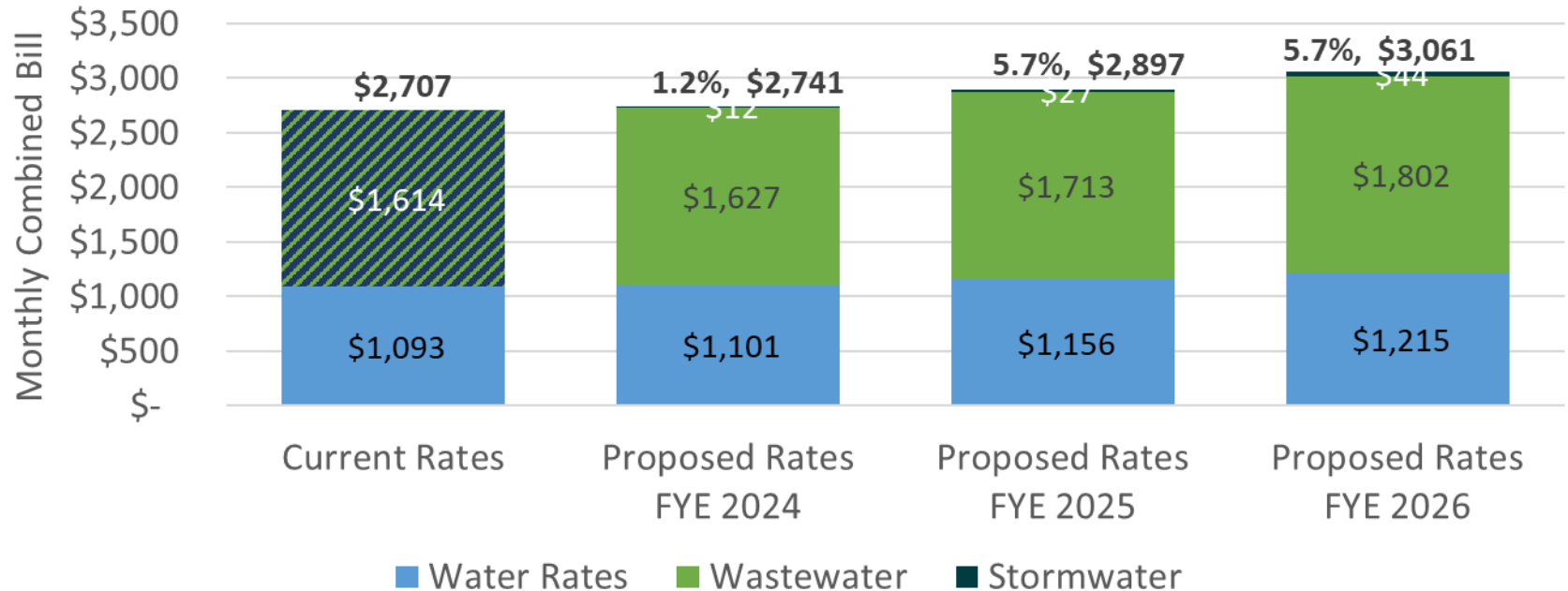
Small Multi-Family Residential



Assumes 12.0 CCF of water use per month, 3 dwelling units, and a 3/4" meter

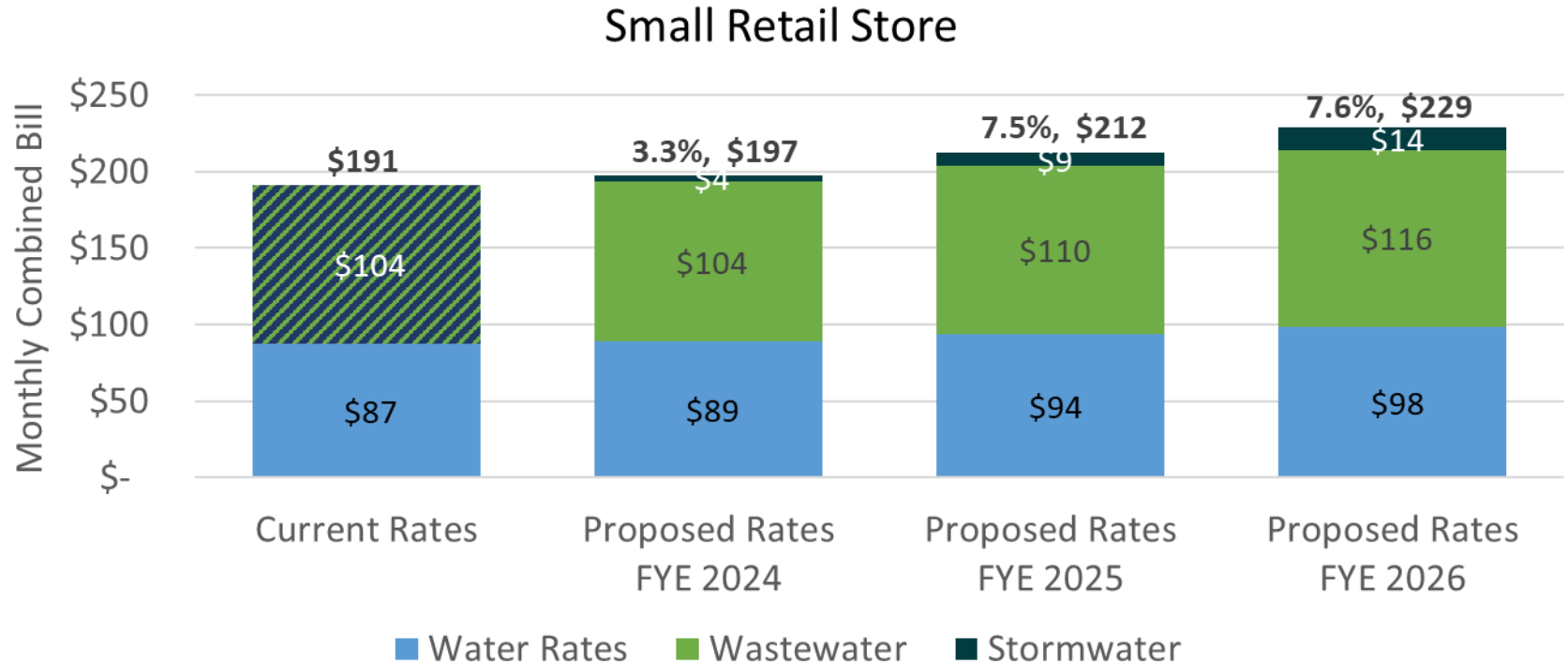
Customer Bill Impacts

Large Multi-Family Residential



Assumes 101.0 CCF of water use per month, 25 dwelling units, and a 1.5" meter

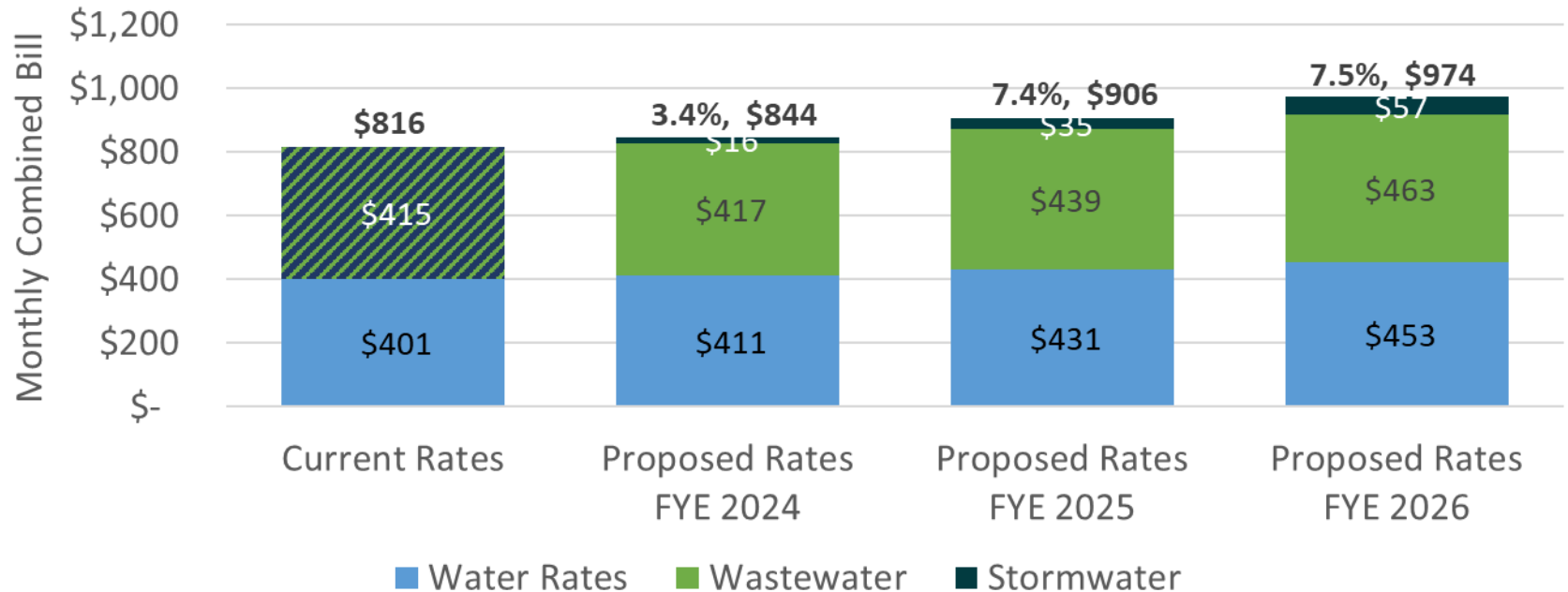
Customer Bill Impacts



Assumes 6.5 CCF of water use per month, a 5/8" meter charge, and a quarter of the stormwater charge for the building

Customer Bill Impacts

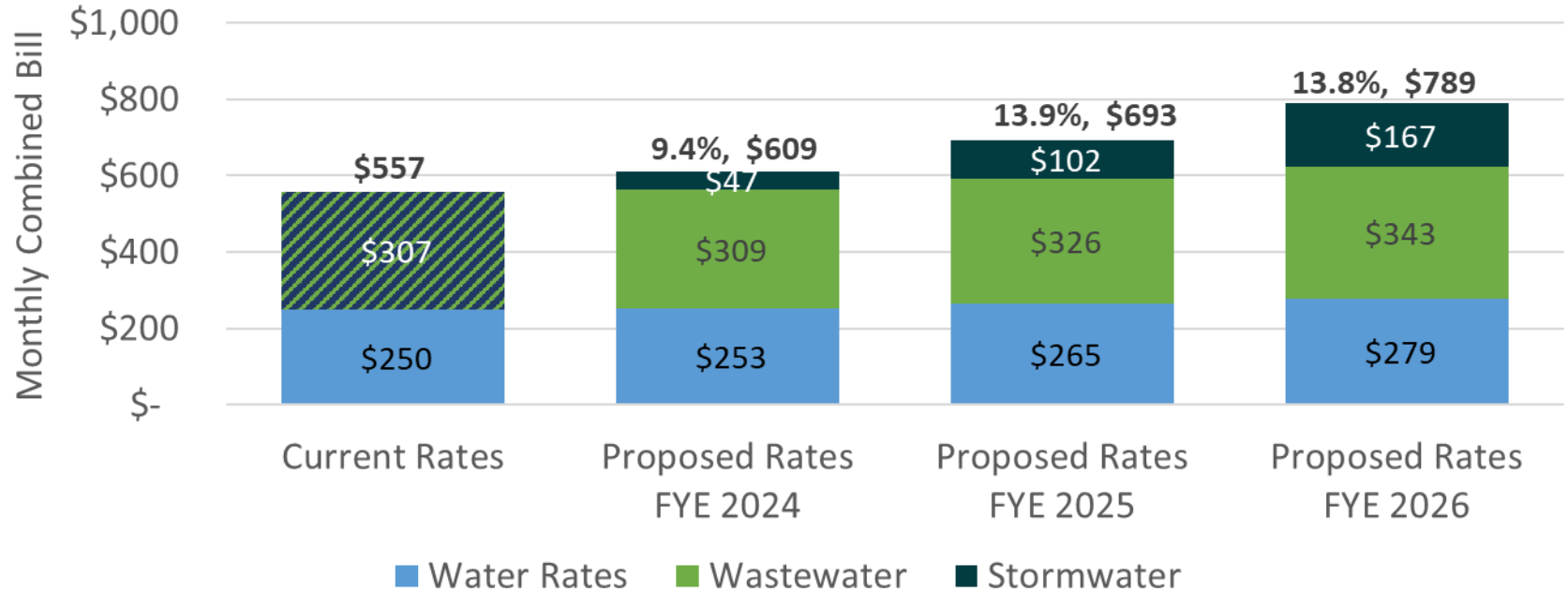
Neighborhood Commercial Building



Assumes 26.0 CCF of water use per month, a 1.0" meter, and 4 units

Customer Bill Impacts

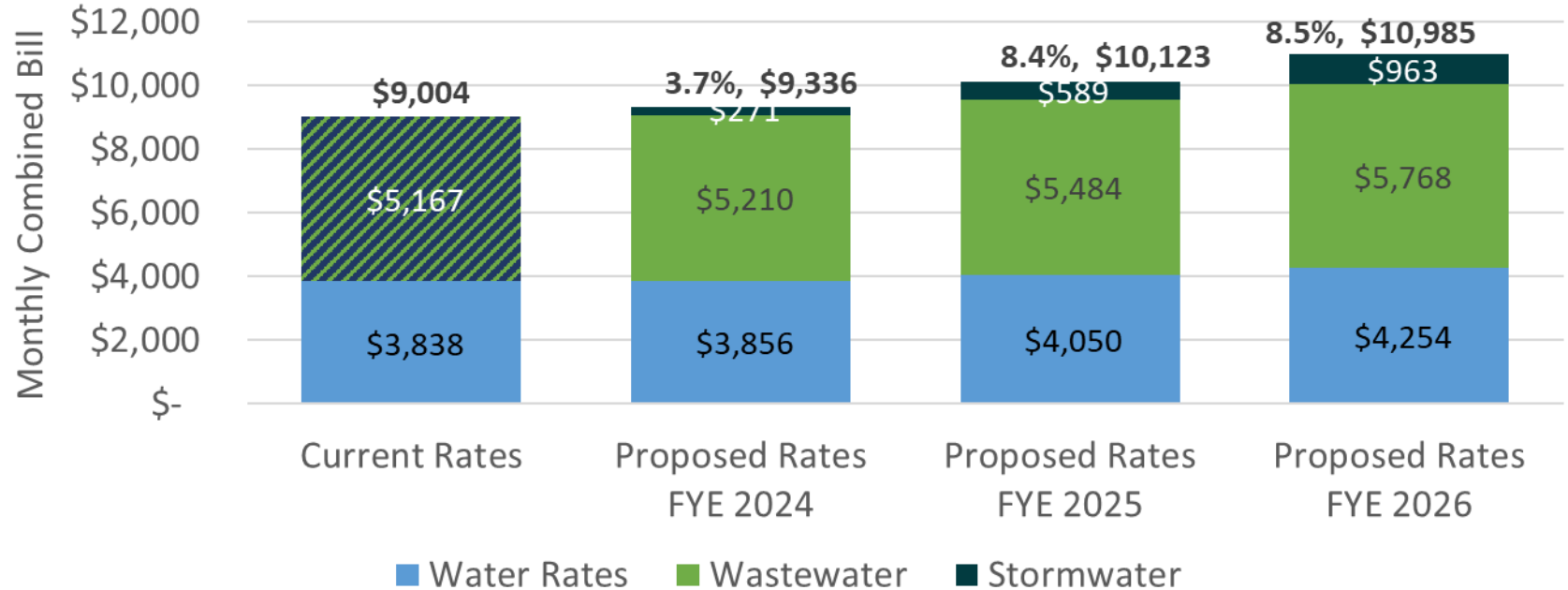
Large Retail



Assumes 20.0 CCF of water use per month and 1.0" meter

Customer Bill Impacts

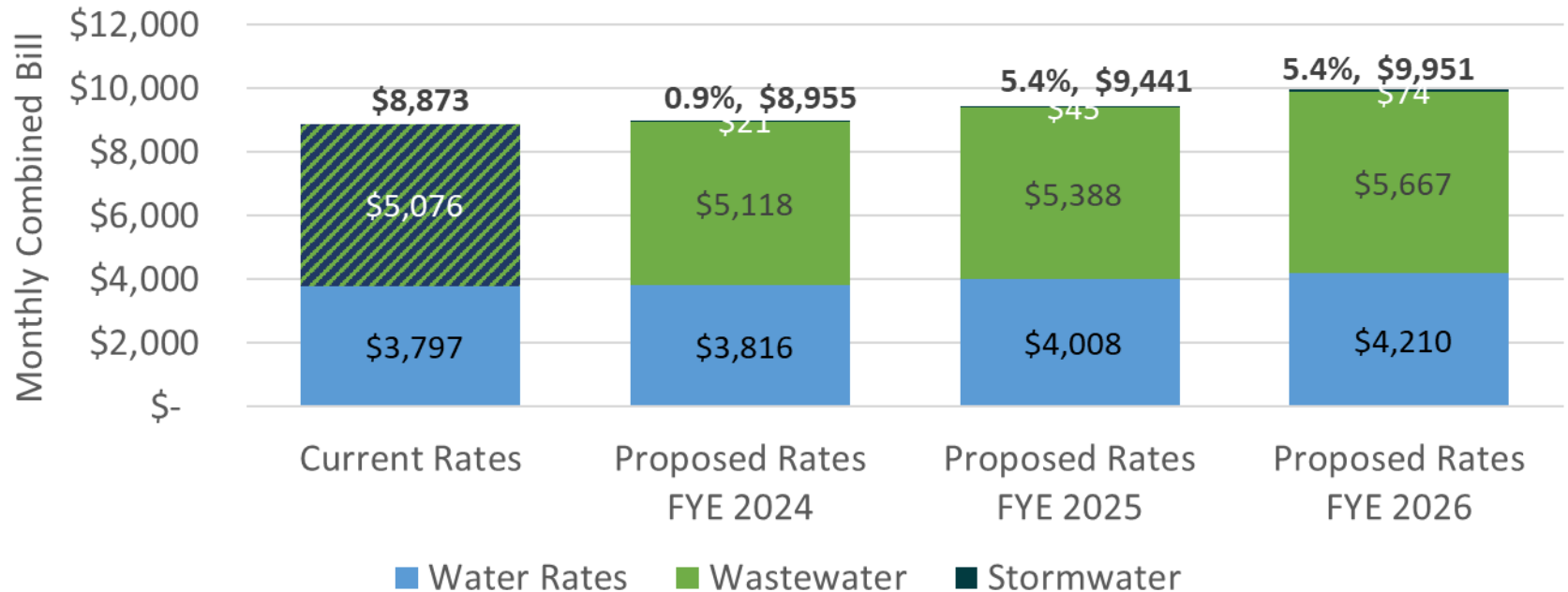
Large Grocery Store



Assumes 342.0 CCF of water use per month and 1.5" meter

Customer Bill Impacts

Downtown Office

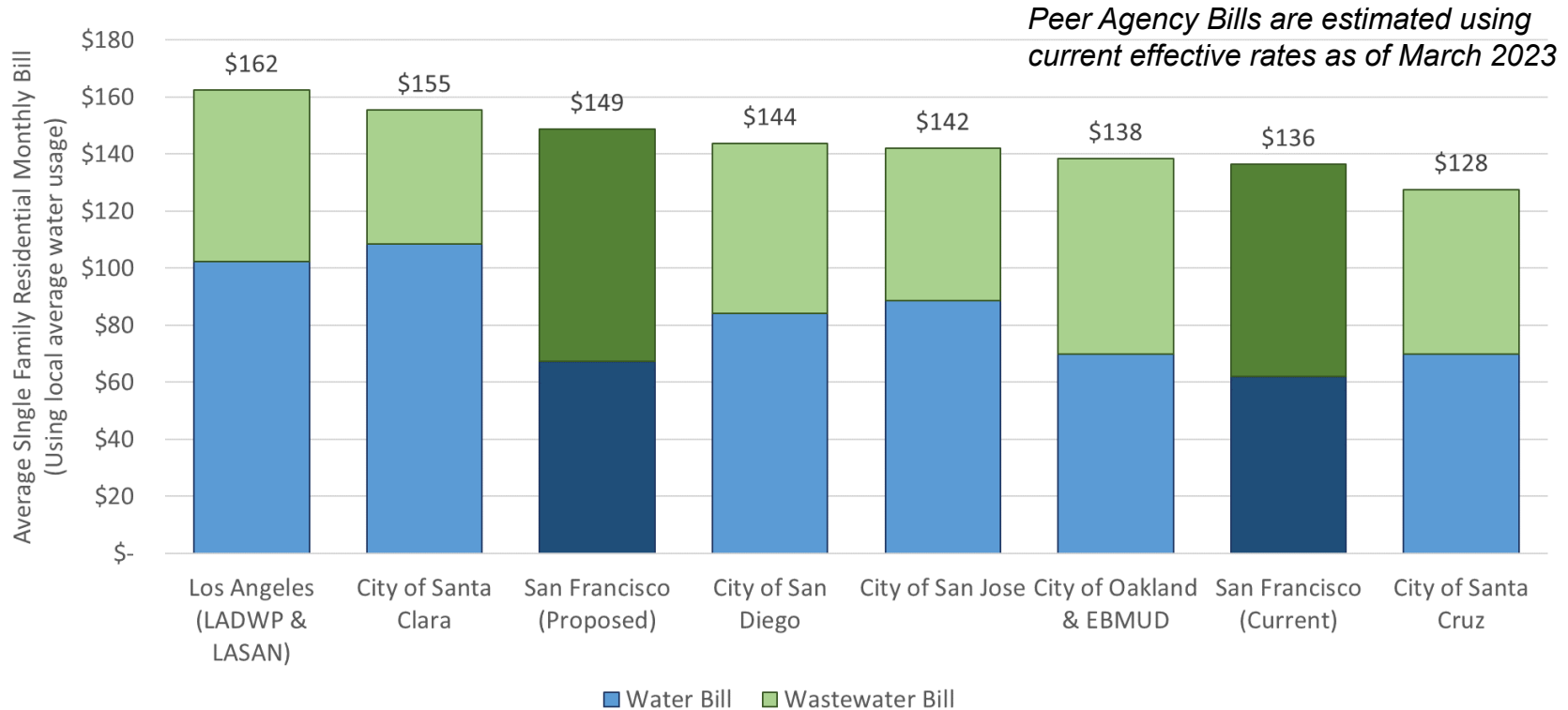


Assumes 336.0 CCF of water use per month and a 2.0" meter



RATE SURVEY

How do we stack up to our peers?



Each utility's average water usage is pulled from their online resources and published cost of service studies. Where usage was provided per person per day, typical household usage was calculated using the average household size for each city using data from the US Census Bureau and an average of 30.5 days in a month.



CUSTOMER RESOURCES



Online Bill Calculator

Water and Sewer Bill Calculator

This calculator is a guideline. For more information on current water and sewer rates, visit [Water and Sewer Rate Information](#). For more information on how to read your bill, visit [Reading Your Bill](#).

Customer Type*

 x ▾

Meter Size* ?

 x ▾

Monthly Water Usage Units (CCF)* ?

Monthly Water Usage in Gallons

3,740.00

Estimate My Monthly Bill





Customer Assistance Program

Residential customers with low incomes can save 25% off their water and sewer bills!

Check your eligibility and apply today at:

sfpuc.org/WaterSavings



Lower Your Utility Bill by 25%



San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission

Community
first Bill Relief Program



Programs, Rebates & Incentives

The SFPUC offers grants, credits, rebates, incentives and services to help homes and businesses install water efficient toilets, washers, rain barrels, commercial equipment, landscapes, and more.

**Learn more at: sfpuc.org/2023Rates
or call 415-554-3289**



NEXT STEPS

Rate Study Schedule

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