

### 3. FINAL PROPOSED RATES

Figure 1

Figure 2, and Figure 3 show the Department’s revised proposed rates for the five-year rate action for three major customer classes: Single-Dwelling Unit Residential, Multi-Dwelling Unit Residential and Commercial, Industrial, Governmental and Temporary Construction.

Figure 1: Revised Proposed Single-Dwelling Unit Residential Rates (Schedule A)

|             | Proposed |            |            |            |            |
|-------------|----------|------------|------------|------------|------------|
| Fiscal Year | 4/1/16   | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 |
| Tier 1      | \$5.55   | \$5.09     | \$4.96     | \$5.13     | \$5.48     |
| Tier 2      | \$6.77   | \$6.82     | \$6.72     | \$6.95     | \$7.26     |
| Tier 3      | \$7.52   | \$7.57     | \$7.62     | \$7.90     | \$8.58     |
| Tier 4      | \$7.52   | \$7.57     | \$7.80     | \$9.41     | \$10.58    |

Figure 2: Revised Proposed Multi-Dwelling Unit Residential Rates (Schedule B)

|             | Proposed |            |            |            |            |
|-------------|----------|------------|------------|------------|------------|
| Fiscal Year | 4/1/16   | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 |
| Tier 1      | \$5.55   | \$5.09     | \$4.96     | \$5.13     | \$5.48     |
| Tier 2      | \$9.27   | \$8.58     | \$8.13     | \$8.36     | \$8.67     |

Figure 3: Revised Proposed Commercial, Industrial and Governmental and Temporary Construction Rates (Schedule C)

|             | Proposed |            |            |            |            |
|-------------|----------|------------|------------|------------|------------|
| Fiscal Year | 4/1/16   | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 |
| Tier 1      | \$5.55   | \$5.09     | \$4.96     | \$5.13     | \$5.48     |
| Tier 2      | \$8.27   | \$8.32     | \$8.23     | \$8.46     | \$8.76     |

Recycled Water Service (Schedule D) will continue to be contract-based. Private Fire Service (Schedule E) service availability charges will continue to change based on the average historical

rate of inflation. The revised proposed Publicly-Sponsored Irrigation; Recreational; Agricultural, Horticultural, and Floricultural Uses; Community Gardens and Youth Sports Service Rates (Schedule F) will increase smoothly over the five-year rate period to align revenue with the cost of service, as shown in Figure 4.

**Figure 4: Revised Proposed Publicly-Sponsored Irrigation; Recreational; Agricultural, Horticultural, and Floricultural Uses; Community Gardens and Youth Sports Service Rates (Schedule F)**

|             | Revised Proposed Rates |            |            |            |                         |
|-------------|------------------------|------------|------------|------------|-------------------------|
| Fiscal Year | 4/1/16                 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 <sup>1</sup> |
| Tier 1      | \$2.11                 | \$2.83     | \$3.50     | \$4.36     | \$5.48                  |
| Tier 2      | \$6.78                 | \$8.26     | \$8.18     | \$8.43     | \$8.76                  |

<sup>1</sup> In year five, Schedule F rates will be the same as Schedule C rates.