

#### Water Service Rate Adjustment For Customers of Torrance Municipal Water (TMW)

In February 2011, the City Council approved a plan at a Public Hearing to adjust water rates over the five year period of 2011 through 2015 for customers served by the municipal system. In addition, a conservation tiered rate structure was adopted to encourage ongoing conservation and meet State of California mandated reduction targets. The adjustments are necessary to provide for water system infrastructure replacement, meet current and future regulatory requirements, offset higher water costs and fund the development of additional local water resources. The new local water resources will diversity TMW's water supply sources, enhance the community's supply reliability and significantly lower water costs to help stabilize water rates in the future.

The rate adjustment consists of two components: an internal adjustment and a pass-through adjustment to offset higher water costs. In accordance with the five year adopted rate plan, the overall increase will be approximately 4.4% effective in January 2013. The increase consists of a 3 % internal adjustment based on the annual change in the Los Angeles region consumer price index (CPI), and a 1.4% pass-through adjustment to compensate for higher water costs, primarily for purchased imported water supplies from the Metropolitan Water District of Southern California. Even with this adjustment, Torrance Municipal Water rates are expected to remain among the lowest in the area.

#### STARTING WITH THE BILLING FOR:

FEBRUARY 2013 FOR CUSTOMERS BILLED MONTHLY MARCH 2013 FOR CUSTOMERS BILLED BI-MONTHLY

- An overall rate adjustment of approximately 4.4%
- An increase in the fixed monthly meter service (readiness to serve) charge. For customers with a 3/4" meter the increase will be \$0.17 per month.
- An increase in the average single family residence monthly bill by \$ 2.12 from \$ 48.23 to \$ 50.35
- An increase in Private Fire Protection Service charges by 3%
- An adjustment in the Pumping Service Charge of 3 %

Torrance Municipal Water Rates and Service Charges Effective January 2013 for Standard Rate Customers

I. Meter Service Charge (Readiness to Serve - RTS)
\$ per Month or Bi Monthly

Meter Size	Monthly Meter Service Charge	Bi-Monthly Meter Service Charge
3/4"	\$5.76	\$11.52
1"	\$7.79	\$15.58
1 ½"	\$12.87	\$25.74
2"	\$18.97	\$37.94
3"	\$38.29	\$76.58
4"	\$66.73	\$133.46
6"	\$144.97	\$289.94
8"	\$246.59	\$493.18
10"	\$388.85	\$777.70
12"	\$510.79	\$1,021.58
14"	\$764.82	\$1,529.64

# II. Quantity Rates (Commodity) for Standard Rate Customers \$ per billing unit (100 cubic feet or ccf =748 gallons)

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Single Family Residential Rate	Monthly Rate Block Usage	Bi Monthly Rate Block Usage	Quantity(Commodity) Tiered Rate Charge
residential reale	ccf	ccf	\$ per ccf
Tier 1	First 8 ccf	First 16 ccf	\$2.907 ccf
Tier 2	9-14 ccf	17-28 ccf	\$3.555ccf
Tier 3	15-24 ccf	29-48 ccf	\$4.345 ccf
Tier 4	25 ccf and above	49 ccf and above	\$5.311 ccf
All Other Standard Customers			
Tier 1	First 10 ccf	First 20 ccf	\$2.907 ccf
Tier 2	11 ccf and above	21 ccf and above	\$3.610 ccf
Low Income Senior and Disabled			
Tier 1	First 8 ccf	First 16 ccf	\$2.513 ccf
Tier 2	9-14 ccf	17-28 ccf	\$3.160 ccf
Tier 3	15-24 ccf	29-48 ccf	\$3.950 ccf
Tier 4	25 ccf and above	49 ccf and above	\$4.915 ccf
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# III. Private Fire Protection (Fireline) Service Charge \$ per Month or \$ Bi Monthly

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Monthly Service Charge \$	Bi-Monthly Service Charge \$
\$5.55	\$11.10
\$10.98	\$21.96
\$20.33	\$40.66
\$53.92	\$107.84
\$111.83	\$223.66
\$198.95	\$397.90
\$320.78	\$641.56
	\$5.55 \$10.98 \$20.33 \$53.92 \$111.83 \$198.95

# IV. <u>Pumping Service Charge</u> (Applies to Customers in High Pressure Zone)

#### \$ per Month or \$ Bi Monthly

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Meter Size	Monthly Service Charge \$	Bi-Monthly Service Charge \$			
3/4"	\$3.28	\$6.56			
1"	\$8.12	\$16.24			
1 ½"	\$16.25	\$32.50			
2"	\$26.00	\$52.00			
3"	\$52.01	\$104.02			
4"	\$81.25	\$162.50			
6"	\$162.51	\$325.02			
8"	\$260.02	\$520.04			
10"	\$373.05	\$746.10			
12"	\$698.79	\$1,397.58			

# V. Fire Flow Service Charge - \$ 159.34 per test

## Use Water Wisely - Its Essential

Although the water situation has improved from the drought conditions experienced during 2007-2010, California faces an uncertain water picture this year and in the future. Regardless of the occurrence of periodic droughts, California has a long term water shortage situation, due to a projected imbalance between supply sources and demands. To meet this challenge, the California Legislature enacted the Water Conservation Act of 2009 (SBx7-7, also known as the 2020 Plan) to preserve statewide water resources. The Act calls for a 20% overall reduction in overall urban water use in by the year 2020 to ensure continued reliability of urban water supplies. Thanks to the efforts of our customers, Torrance has made considerable progress toward reaching this conservation target. However, it is necessary that we all continue to conserve.

# FOR ADDITIONAL INFORMATION

Regarding How to Conserve and Save on your Water Bill www.TorranceCA.Gov/PublicWorks www.bewaterwise.com Qualifying Rebates – bewaterwise.com under heading titled "Rebates" Public Works Department 310-781-6900

### **Conserve and Save**

Reducing your use of water stretches our water supply and saves you \$\$\$