

## **Two-tiered Water Conservation Rates go into effect July 1, 2010 for Fontana Water Company's Residential Customers**

Esta informacion consierne para la conservacion del uso de agua.  
Traduzcalo o hable con alguien que lo entienda bien.

California has suffered numerous droughts and limitations on its statewide water infrastructure in recent years and it is vital that a comprehensive effort be made to manage our existing water resources more efficiently. As part of this statewide water conservation effort, the California Public Utilities Commission directed Fontana Water Company to implement a two-tiered water conservation rate structure for its residential customers, effective July 1, 2010. The goal is to encourage water conservation by setting a price for water that increases as water consumption goes up and to give water users an opportunity to reduce their water bills by cutting their water use.

Conservation rates DO NOT INCREASE Fontana Water Company's overall revenue. While certain customers who use more water will pay more, those customers who use less will see lower bills. Customers may also experience higher bills in the summer when landscaping requires more frequent watering, but at other times of the year will likely have lower bills because cooler temperatures require less water.

Under the new rate structure, the first 16 units (a unit is one hundred cubic feet or 748 gallons) of water used each month will be billed at the lower Tier 1 rate. The Tier 2 rate will be 15% higher per-unit than the Tier 1 rate and will apply to all water usage over 16 units.

### **Questions and Answers Regarding The New Two-Tiered Water Conservation Rate Structure.**

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**Q:** Why is Fontana Water Company implementing a two-tiered water conservation rate structure?

**A:** To encourage water conservation, the California Public Utilities Commission directed Fontana Water Company and other large water utilities to implement a multi-tiered conservation rate structure.

**Q:** How will two-tiered conservation rates work?

**A:** Tier 1 will have a lower per-unit price and will apply to the first 16 units of water used per month. Tier 2 will have a per-unit price that is 15 percent higher than the Tier 1 rate and will apply to water use over 16 units.

**Q:** How will two-tiered conservation rates affect me?

**A:** Two-tiered conservation rates will provide a financial incentive to customers to use water more efficiently. Low usage customers and those who reduce their current water usage will see an overall annual reduction in their bills, since the price for the first 16 units will be reduced. High usage customers who do not decrease their usage will see an increase in their bills. The following table shows examples of how the new two-tiered conservation rates will affect residential customers, as of July 1, 2010.

## Sample Bill Calculation for Residential Customer with 5/8 - inch meter

### Old Bill Calculation – Single Tier Rate

\*\*\*\*Rates used in this sample may be different from your actual bill rates.\*\*\*\*

	Using 16 Units per Month	Using 26 Units Per Month
Service Charge	\$18.69	\$18.69
Quantity Rate Per Unit	\$2.1536 X 16 Units = \$34.46	\$2.1536 X 26 Units = \$55.99
Total Water Charges	= \$53.15	= \$74.68

### New Bill Calculation – 2 Tier Conservation Rate

\*\*\*\*Rates used in this sample calculation may be different from your actual bill rates.\*\*\*\*

	Using 16 Units per Month	Using 26 Units Per Month
Service Charge	\$16.77	\$16.77
Quantity Rate, Tier 1 up to 16 Units	\$2.1396 X 16 Units = \$34.23	\$2.1396 X 16 Units = \$34.23
Quantity Rate, Tier 2 over 16 Units	\$2.4604 X 0 Units = \$ 0	\$2.4604 X 10 Units = \$24.60
Total Water Charges	= \$51.00	= \$75.60

Q: Where can I find the NEW two-tiered conservation rates on my bill?

A: Below is a sample water bill that showing the location of pertinent items used for the two-tiered water conservation rate billing calculation.

**Meter Readings, Previous and Present.** These two readings will allow you to calculate your own bills. The difference between the present and previous meter readings equals the quantity of water delivered to you during the billing period, measured in hundred cubic feet or one unit (One unit equals 748 gallons).

**Service Charge** This is a monthly charge made to each customer connected to the water system. It is based on the size of your meter.

**Quantity Rates per 100 Cubic Feet — One Unit** These are the rates at which your water usage was billed. The first 16 units of water used each month will be billed at the lower Tier 1 rate. The higher Tier 2 rate will apply to all water usage over 16 units.

The image shows a sample water bill for John Doe at 15966 Arrow Route. The bill is for the period from 7/1/10 to 8/1/10. It shows a service charge of \$16.77 and quantity charges of \$34.23 for Tier 1 (16 units) and \$24.60 for Tier 2 (10 units), totaling \$75.60. A PUC surcharge of \$1.14 brings the total current billing to \$76.74. The bill also includes meter readings (696 previous, 722 present) and consumption of 26 units. Arrows from the explanatory text boxes point to the corresponding items on the bill.

For classification and conservation question call 909-823-5046  
**PLEASE HELP CONSERVE WATER**

Q: Where can I get more information on how to conserve water?

A: Visit us at [www.fontanawater.com](http://www.fontanawater.com) and click on “Conservation/Education” link to find more information about a water survey and other water-saving programs or contact Fontana Water Company at (909) 822-2201.