

At A Glance

City of Charlottesville

Utility Rate Report



The following information provides a brief summary of the rate and fee recommendations for water, wastewater, stormwater and natural gas for FY2024, and new rates will go into effect July 1st, 2023. For a more thorough explanation and details of the recommendations, please refer to the FY2024 Utility Rate Report.

The table below illustrates the monthly impact on an average City residential customer using 400 cubic feet (cf) of water and wastewater, owning a property with approximately 2,440 square feet of impervious surface, and using 4,600 cubic feet (cf) of gas. This information is based on utility rates and charges adopted July 1st, 2022, and proposed rates and charges.

	Current Based on rates adopted 7/1/22	Proposed Effective 7/1/23	Change	Percent
Water ¹	\$33.40	\$36.57	\$3.17	9.49%
Wastewater ¹	\$39.02	\$41.84	\$2.82	7.23%
Gas ¹	\$48.27	\$51.70	\$3.43	7.11%
Stormwater ²	\$5.86	\$5.86	\$0	0%
Total	\$126.55	\$135.97	\$9.42	7.44%

(1) Rates include monthly service charges

(2) The budget impact shown reflects a residential monthly average fee and provides consistency with other utilities. Stormwater fees are rounded to the next whole billing unit and are billed to property owners biannually.

Water Rates

Where your Water Dollar goes ...



\$0.50

RWSA (PURCHASE OF DRINKING WATER)



\$0.28

CITY OPERATIONS AND MAINTENANCE



\$0.20

CITY DEBT SERVICE
(INFRASTRUCTURE)



\$0.02

CUSTOMER SERVICE
& BILLING

FY'24 Budget

\$16,987,217

Usage Rate

Water rates are proposed to increase by \$5.42 per 1,000 cf based on the amount of water used (7.8% increase).



Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on water customers at different amounts of usage.

	Water Use (cf per month)	Current Composite Water (per 1,000 cf)	Current Water Usage (charge per month)	Proposed Composite Water (per 1,000 cf)	Proposed Water Usage (charge per month)	\$ Change	% Change
Minimal User (10 th Percentile)	140	\$69.75	\$9.76	\$75.17	\$10.52	\$0.76	7.79%
Small User (25 th Percentile)	250	\$69.75	\$17.44	\$75.17	\$18.79	\$1.35	7.74%
Median User (50 th Percentile)	400	\$69.75	\$27.90	\$75.17	\$30.07	\$2.17	7.78%
Large User (75 th Percentile)	610	\$69.75	\$42.55	\$75.17	\$45.85	\$3.30	7.76%
High Volume User (90 th Percentile)	880	\$69.75	\$61.38	\$75.17	\$66.15	\$4.77	7.77%

Wastewater Rates

Where your Wastewater Dollar goes ...



\$0.56

RWSA (PURCHASE OF WASTEWATER TREATMENT)



\$0.25

CITY OPERATIONS AND
MAINTENANCE



\$0.17

CITY DEBT SERVICE
(INFRASTRUCTURE)



\$0.02

CUSTOMER SERVICE
& BILLING

FY'24 Budget

\$16,718,897

Usage Rate

Wastewater usage rates are proposed to increase by \$4.54 per 1,000 cf based on the amount of water used (5.4% increase).



Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on wastewater customers at different amounts of usage.

	Water Use (cf per month)	Current Wastewater (\$ per 1,000 cf)	Current Wastewater Usage (charge per month)	Proposed Wastewater Rate (\$ per 1,000 cf)	Proposed Wastewater Usage	\$ Change	% Change
Minimal User (10 th Percentile)	140	\$83.80	\$11.73	\$88.34	\$12.37	\$0.64	5.46%
Small User (25 th Percentile)	250	\$83.80	\$20.95	\$88.34	\$22.09	\$1.14	5.44%
Median User (50 th Percentile)	400	\$83.80	\$33.52	\$88.34	\$35.34	\$1.82	5.43%
Large User (75 th Percentile)	610	\$83.80	\$51.12	\$88.34	\$53.89	\$2.77	5.42%
High Volume User (90 th Percentile)	880	\$83.80	\$73.74	\$88.34	\$77.74	\$4.00	5.42%

Water & Wastewater

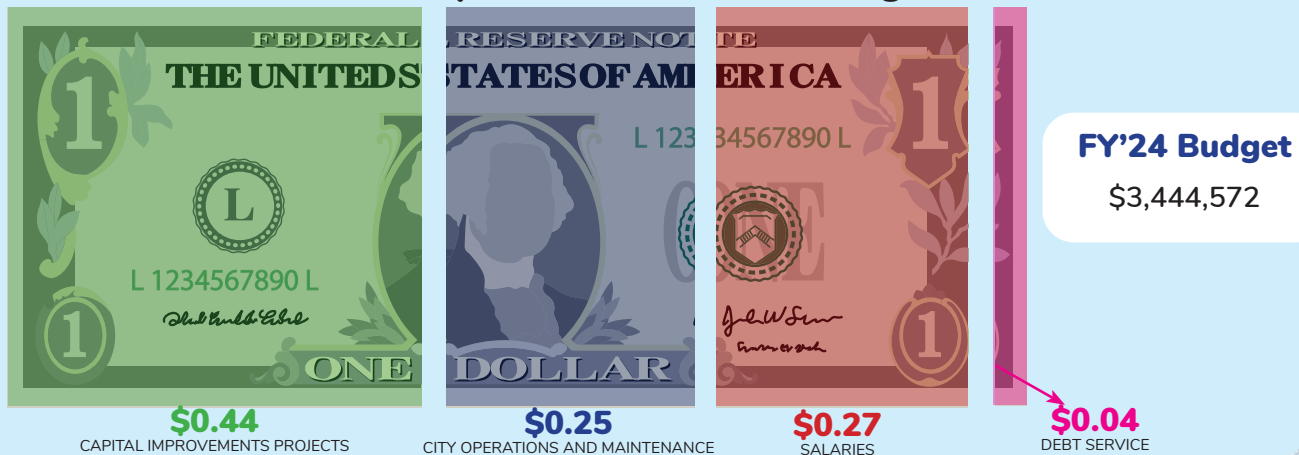
Monthly Service Charge

The monthly service charges for water and wastewater are proposed to change. The monthly service charges will increase to \$6.50 for water and \$6.50 for wastewater for a 5/8" meter. Approximately 95% of customers have a 5/8 meter. The proposed combined monthly service charges for water and sewer are as follows:

Water Meter Size (in inches)	Current	Proposed	\$ Change
5/8	\$ 11.00	\$ 13.00	\$2.00
1	\$ 27.50	\$ 32.50	\$5.00
1 1/2	\$ 55.00	\$ 65.00	\$10.00
2	\$ 88.00	\$ 105.00	\$17.00
3	\$176.00	\$208.00	\$32.00
4	\$ 275.00	\$ 325.00	\$50.00
6	\$ 550.00	\$ 650.00	\$100.00
14	\$ 3,602.50	\$ 4,257.50	\$655.00

Stormwater Rates

Where your Stormwater Dollar goes ...



Stormwater rates are proposed to remain constant for the coming year at \$1.20 per 500 square feet of impervious surface (or part thereof) per month.

Stormwater fees are billed concurrently with real estate tax assessments and are due in June and December.

Modernize and maintain infrastructure integrity while pursuing environmental stewardship.

As part of the larger Water Resources Protection Program (WRPP), the City has adopted a stormwater utility fee to provide a dedicated and stable source of funding for stormwater management activities. Funds received are used to help the City comply with federal and state stormwater regulations, rehabilitate the City's aging stormwater infrastructure, address drainage and flooding problems, and pursue environmental stewardship.

Impact on the Customer

The stormwater utility fee is charged to property owners based on the amount of impervious area on their property (areas covered by hard surfaces, such as: buildings, concrete, gravel, etc.).

An example fee calculation is provided below:

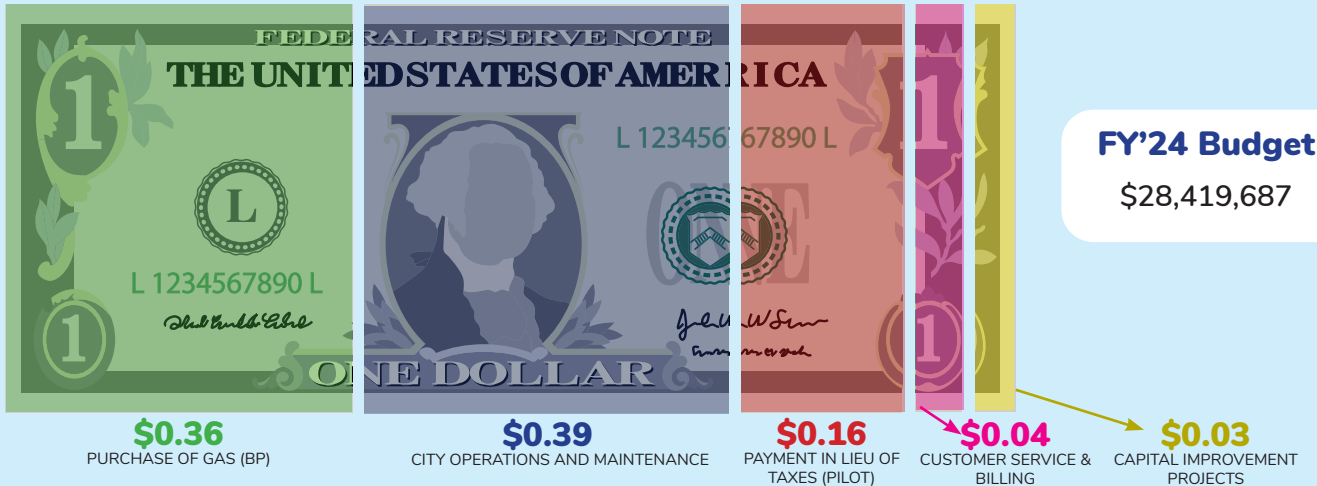
Example Fee Calculation



- Total impervious area (house and driveway): 2,100 SF
- Divide by 500 square feet: $2,100 / 500 = 4.2$ billing units
- Round to the next whole number: 4.2 rounds to 5 billing units
- Multiply the number of billing units by the rate (\$1.20 per billing unit per month) to determine annual fee: $5 \times \$1.20 \times 12 = \72 annual fee, billed \$36 due in June and December

Gas Rates

Where your Natural Gas Dollar goes ...



Usage Rate

Gas rates are proposed to increase for all natural gas customers. For the average residential gas customer, gas rates are proposed to increase by 7.11%.



Impact on the Customer

The impact on a customer's bill will depend on the volume of gas that the customer uses. The average single family household uses 4,600 cubic feet of natural gas per month. The table below shows the monthly impact on gas customers at different amounts of usage. The base rate is set on July 1st each year. This base rate is calculated using the cost of gas at that time.

	Gas Used (cf per month)	Current Monthly Gas Bill with Most Recent PGA	Proposed Monthly Gas Bill with Most Recent PGA	\$ Change	% Change
Minimal User	4,000	\$43.45	\$46.47	3.02	6.95%
Average User	4,600	\$48.27	\$51.70	3.43	7.11%
Large User	20,000	\$165.50	\$178.63	13.13	7.93%
High Volume User	60,000	\$468.35	\$506.39	38.04	8.12%

However, gas is purchased throughout the year and the cost per cubic foot of natural gas varies by month due to various factors (weather, economics, etc.) which are hard to predict, as shown below for the past 18 months. The purchased gas adjustment (PGA) acts as a "true up" to account for the differences between the current market cost of gas and the gas cost used to calculate the base rate. This ensures that customers are not over or underpaying and that the City is not over or under collecting.

Average Residential Customer Gas Bill with PGA

