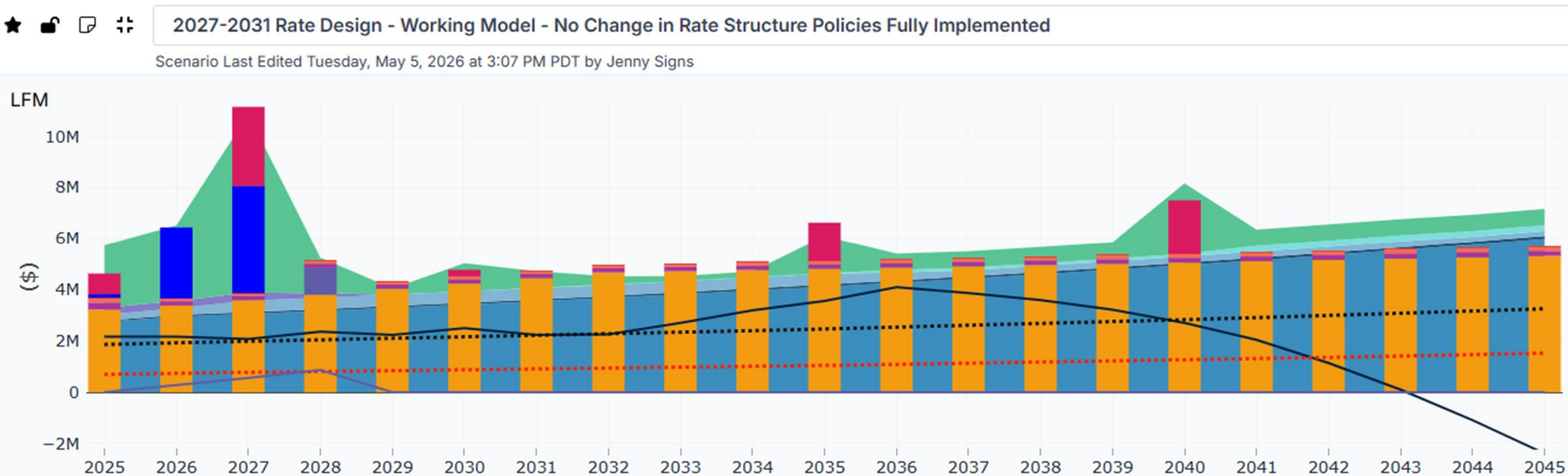
Maintain Current Rate Structure

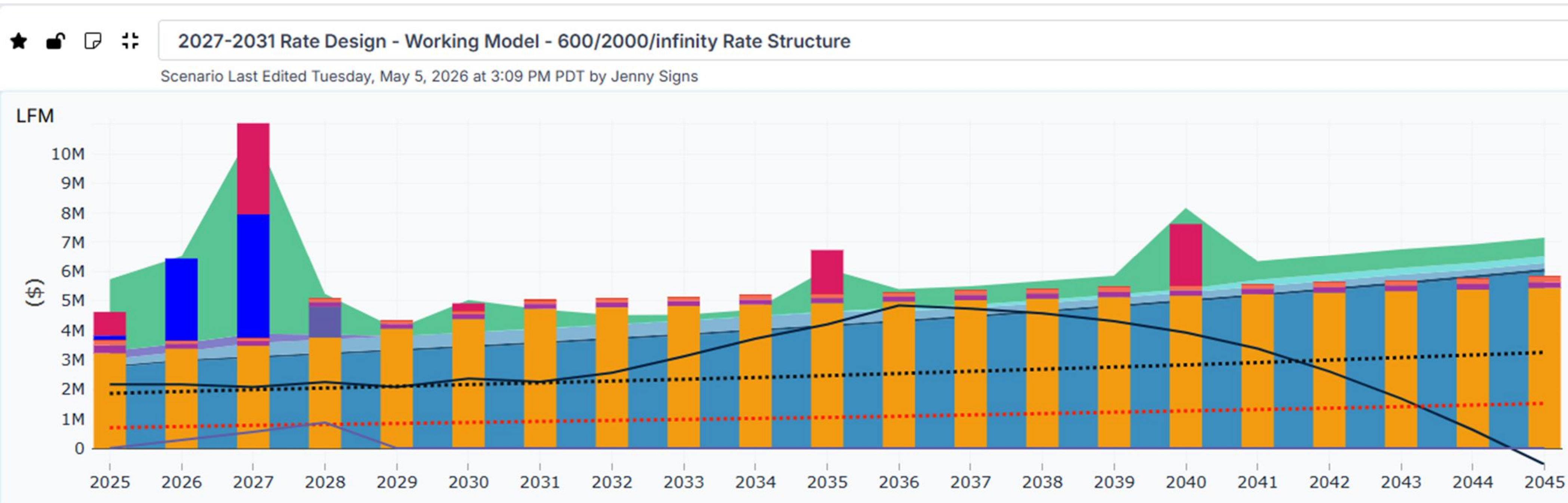
Creates the least amount of bill volatility for customers and maintains financial stability for the District.



		Customer Allocation				Percent Increase & Bi-Monthly Base Charge				
	Projected Revenue in 2026 Dollars	Base %	Tier 1%	Tier 2%		2027	2028	2029	2030	2031
Current	$ 3,270,219	35%	62%	3%		6%	6%	6%	5%	5%
						$ 100.46	$ 106.48	$ 112.87	$ 118.52	$ 124.44
						Proposed 1% 2033 Beyond				

600Base/2000 Tier 1/Infinity Tier 2

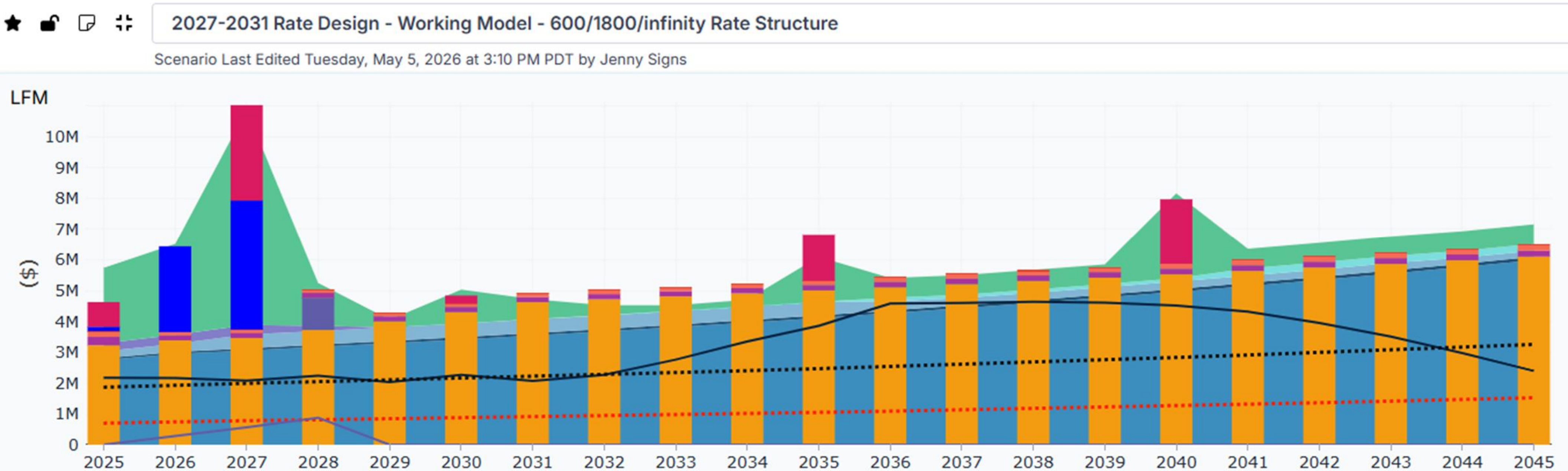
Will result in higher rate increases but bill volatility compares to current rate structure.



		Customer Allocation				Percent Increase & Bi-Monthly Base Charge				
	Projected Revenue in 2026 Dollars	Base %	Tier 1%	Tier 2%		2027	2028	2029	2030	2031
600 Base/2000/infinity	$ 3,305,898	35%	60%	5%		8%	8%	8%	8%	8%
						$ 102.35	$ 110.54	$ 119.38	$ 128.93	$ 139.25
						Proposed 1% 2032 Beyond				

600Base/1800 Tier 1/Infinity Tier 2

Will result in higher rate increases however fewer customers will have bill volatility compared to a 1500 cf tier but the District would have to use a small amount of contingency in 2031.



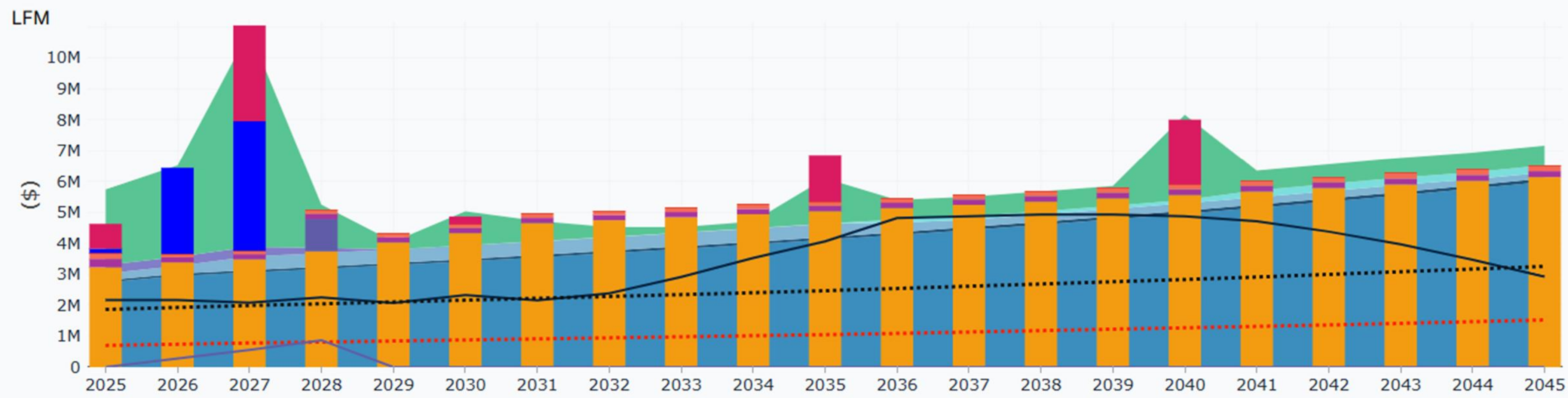
		Customer Allocation				Percent Increase & Bi-Monthly Base Charge				
	Projected Revenue in 2026 Dollars	Base %	Tier 1%	Tier 2%		2027	2028	2029	2030	2031
600 Base/1800/infinity	$ 3,461,987	35%	58%	7%		7.5%	7.5%	7.5%	7.5%	7.5%
						$ 101.88	$ 109.52	$ 117.73	$ 126.56	$ 136.05
						Proposed 2% 2032 Beyond				

600Base/1500 Tier 1/Infinity Tier 2

Will create bill volatility for customers, result in higher rate increases, and will have some instability for the District.

2027-2031 Rate Design - Working Model - 600/1500/infinity Rate Structure

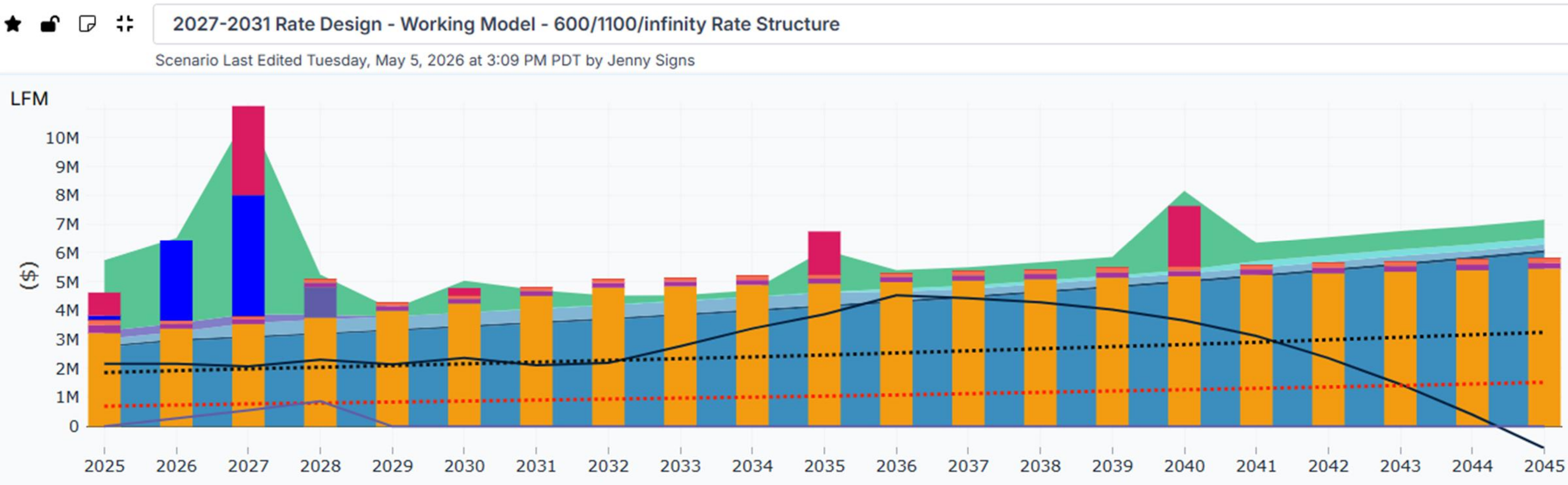
Scenario Last Edited Tuesday, May 5, 2026 at 3:09 PM PDT by Jenny Signs



		Customer Allocation				Percent Increase & Bi-Monthly Base Charge				
	Projected Revenue in 2026 Dollars	Base %	Tier 1%	Tier 2%		2027	2028	2029	2030	2031
600 Base/1500/infinity	$ 3,482,445	35%	53%	12%		7.5%	7.5%	7.5%	7.5%	7.5%
						$ 101.88	$ 109.52	$ 117.73	$ 126.56	$ 136.05
						Proposed 2% 2032 Beyond				

600Base/1100 Tier 1/Infinity Tier 2

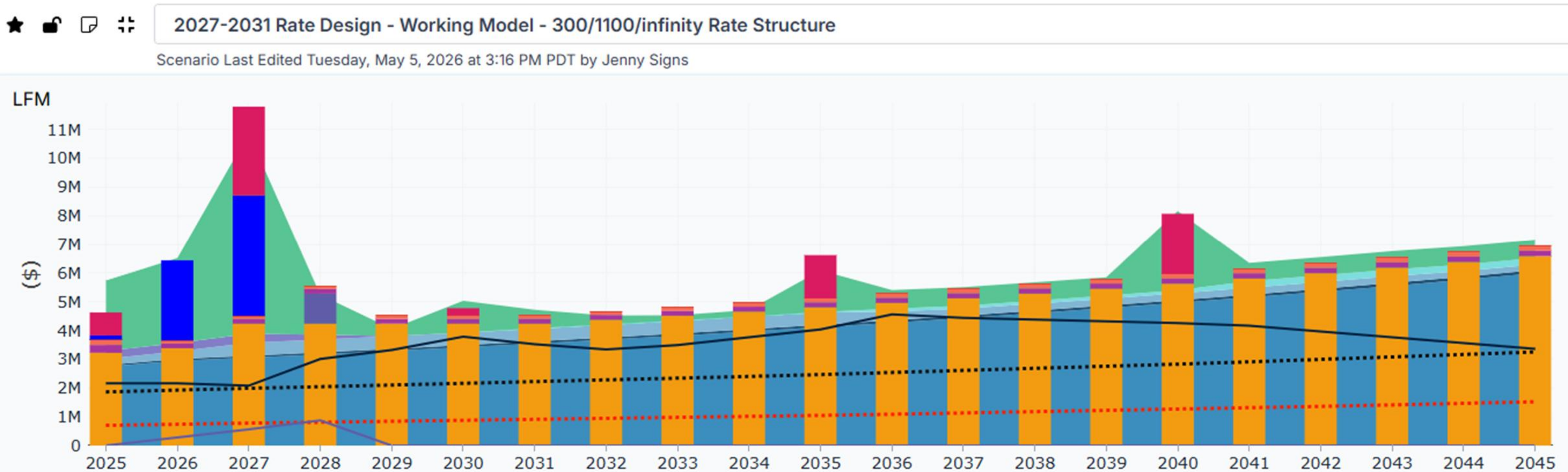
Will create bill volatility for customers; approximately 25% will pay significantly more than what they are used to.



		Customer Allocation				Percent Increase & Bi-Monthly Base Charge				
	Projected Revenue in 2026 Dollars	Base %	Tier 1%	Tier 2%		2027	2028	2029	2030	2031
600 Base/1100/infinity	$ 3,385,754	35%	38%	27%		6.25%	6.25%	6.25%	6.25%	6.25%
						$ 100.69	$ 106.99	$ 113.67	$ 120.78	$ 128.33
						Prosed 6.25% in 2032; 1% 2033 Beyond				

300Base/1100 Tier 1/Infinity Tier 2

While this scenario would result in no rate increases, most customers in the District would experience extreme bill volatility, open the District up to having to reevaluate rates mid-cycle due to consumption changes with the anticipation of rate increases to compensate and result in long-term higher rate increases to avoid a steep decline in cash that has to be compensated for sooner.



		Customer Allocation				Percent Increase & Bi-Monthly Base Charge				
	Projected Revenue in 2026 Dollars	Base %	Tier 1%	Tier 2%		2027	2028	2029	2030	2031
300 Base/1100/infinity	$ 4,037,312	14%	60%	27%		0%	0%	0%	0%	0%
						$ 94.77	$ 94.77	$ 94.77	$ 94.77	$ 94.77
						Proposed 3.2% 2032 Beyond				

Customer Bill Comparison

This comparison shows what the average customer would pay for the bi-monthly bill based on consumption at different tiered levels compared to our current structure. The majority of the District's customers use between 600 ccf and 1800 ccf on a bi-monthly basis. If we were to change from our current rate structure to a different one that changed the tiers, you can see the billing impacts to the customer on a bi-monthly basis using 1100 ccf, 1500ccf and 1800 ccf.