



# Financing Water Plan 2020

---

How Do We Pay to Keep The Water  
Flowing.....



# Presently

---

- Last Water Rates Passed = 1994.
- Last Rate Increase = 1997.
- Last Year Power Costs Increased by \$200,000



---

Existing Rates Do Not  
Meet Water Plan 2020  
Needs

# Do We Really Have a Choice?



Unplanned Interruptions in Water Service

Water for Our Future



Public Health and Safety Issues



Operation & Maintenance



# DOW's Current Rates and Charges

- Service Charge (5/8"): \$6.00 per month
- Use Charge: \$1.78 per 1,000 gals. for all usage
- Agricultural Rates:
  - First 25,000 gals. @ \$1.78/1,000 gallons
  - Over 25,000 gals. @ \$0.60/1,000 gallons
  - Interruptible service



# New Water Rates to Meet Water Plan 2020 Needs

---

- Increasing Block Rate Structure to encourage water conservation
- Cost of Power Adjustment Clause
- Agricultural Rates Continue
- No Increases to the Facilities Reserve Charge



# Monthly Service Charge\*

<u>Meter Size</u>	<u>Current</u>	<u>Effective July 1, 2001</u>	<u>Effective July 1, 2003</u>
<b>5/8"</b>	<b>6.00</b>	<b>9.00</b>	<b>12.00</b>
3/4"	7.50	12.00	16.00
1"	9.00	18.00	25.00
1 1/2"	18.00	35.00	45.00
2"	30.00	55.00	75.00
3"	60.00	100.00	130.00
4"	90.00	115.00	220.00
6"	187.75	325.00	430.00
8"	300.00	520.00	680.00

\* Multiply by 2 to calculate amount on bill.



# Use Charge

---

Consumption charge per 1,000 gallons for each block.

July 1, 2001

July 1, 2003

First Block	\$2.10	2.76
Second Block	\$2.40	3.20
Third Block	\$3.40	4.50





# Bi-Monthly Block Thresholds

The First, Second, and Third Block Thresholds varies with the size of meter and are as follows:

<u>Meter Size</u>	<u>First Rate Block</u> (gallons used <u>bi-monthly</u> )	<u>Second Rate Block</u> (gallons used <u>bi-monthly</u> )	<u>Third Rate Block</u> (gallons used <u>bi-monthly</u> )
<b>5/8"</b>	<b>First 20,000</b>	<b>20,001-40,000</b>	<b>over 40,000</b>
3/4"	First 70,000	70,001-140,000	over 140,000
1"	First 200,000	200,001-400,000	over 400,000
1 1/2"	First 600,000	600,001-1,200,000	over 1,200,000
2"	First 1,200,000	1,200,001-2,400,000	over 2,400,000
3"	First 3,000,000	3,000,001-6,000,000	over 6,000,000
4"	First 6,000,000	6,000,001-12,000,000	over 12,000,000
6"	First 15,000,000	15,000,001-30,000,000	over 30,000,000
8"	First 30,000,000	30,000,001-60,000,000	over 60,000,000



# Agricultural Rates

- Gallons used bi-monthly per 1,000 gallons Charge

	Effective <u>July 1, 2001</u>	Effective <u>July 1, 2003</u>
■ First 25,000 gallons	\$2.10	\$2.76
■ Over 25,000 gallons	\$ .70	\$1.38



## 5/8" Meter Estimated Bi-Monthly Bill Effective July 2001 and 2003

Bi-Monthly Usage:	<u>20,000 gals</u>	<u>40,000 gals</u>	<u>100,000 gals</u>
Current	\$ 47.60	\$ 83.20	\$ 190.00
July 1, 2001	\$ 60.00	\$ 108.00	\$ 312.00
July 1, 2003	\$ 79.20	\$ 143.20	\$ 413.20

# 5/8" Meter Estimated Additional Cost Per Day

Bi-Monthly Usage:    20,000 gals    40,000 gals    100,000 gals

Current                    \$ 47.60                    \$ 83.20                    \$ 190.00

July 1, 2001                    **\$.21**                    **\$.41**                    **\$ 2.03**

July 1, 2003                    **\$.53**                    **\$1.00**                    **\$ 3.72**



## 5/8" Agricultural Meter Estimated Bi-Monthly Bill Effective July 2001 and 2003

Bi-Monthly Usage:	<u>25,000 gals</u>	<u>40,000gals</u>	<u>100,000 gals</u>
Current	\$ 56.50	\$ 65.50	\$ 101.50
July 1, 2001	\$ 70.50	\$ 81.00	\$ 123.00
July 1, 2003	\$ 93.00	\$ 113.70	\$ 196.50



# 5/8" Agricultural Meter Estimated Additional Cost Per Day

Bi-Monthly Usage:	<u>25,000 gals</u>	<u>40,000 gals</u>	<u>100,000 gals</u>
Current	\$ 56.50	\$ 65.50	\$ 101.50
July 1, 2001	<b>\$.21</b>	<b>\$.26</b>	<b>\$.36</b>
July 1, 2003	<b>\$.61</b>	<b>\$.80</b>	<b>\$ 1.58</b>



# How Does The Cost of Drinking Water Compare...

## Typical Kaua`i residential utility costs (per month)

■ Water service	\$ 30.00*
■ Wastewater service	\$ 38.00*
■ Electricity	\$140.52
■ Local Telephone service	\$ 21.00
■ Cable TV	\$ 30.26
■ Cellular Telephone Service	\$ 35.00
■ Internet Service	\$ 20.00

# Relative cost of water

\$ / GALLON



DOW  
(\$0.002 / gallon)



\$2.10 / 1,000 gallons

BOTTLED WATER  
(\$0.89 / gallon)



\$890 / 1,000 gallons

PREMIUM WATER  
(\$4.80 / gallon)



\$4,800.00 / 1,000 gallons





# Your DOW Water is Still the Island's Best Value !

■ DOW Water	\$0.002/gal
■ Bottled Water	\$0.89/gal
■ Gasoline	\$2.10/gal
■ Beer	\$4.00/gal
■ Soda	\$3.00/gal
■ Milk	\$5.00/gal



# How will Water Plan 2020 Benefit our community?

---

- Water for our future
- Solve capacity deficiencies
- Ensure water service reliability
- Long-term financial security
- Public safety and water quality
- Road Map for our future



# Water Rate Public Hearing

---

- Date: January 24, 2001
- Time: 9:00 a.m.
- Where: Department of Water  
Board Room  
4398 Pua Loke Street  
Lihue, Hawaii 96766



# How can I learn more about Water Plan 2020?

---

- Call for information:

Gregg Fujikawa or Kymm Solchaga at  
Department of Water, 245-5455

- Visit our web page at:

<http://www.kauaiwater.org>