

**2014 Water Rate Adjustment**

The Public Service Commission of Wisconsin (PSC) has approved a rate adjustment for the Milwaukee Water Works. Water rates, not taxes, pay to purify and pump the water and keep infrastructure (plants, pipes, pumps) in reliable working condition. A public water utility belongs to its customers. As a non-profit, we do not pay shareholders, but continuously reinvest in our utility. Since 1993, we've invested \$441 million back into the water works.

**How much is the rate adjustment?**

- A single family residential customer using 15 Ccf of water per quarter (*11,220 gallons*) will see an increase of \$6.86 per quarter, for a water bill of \$55.07 per quarter (*three months*), or \$18.35 per month.

	Water use per quarter	Previous charge per quarter	Rate Adjustment, charge per quarter	Quarterly Bill Total Effective Fall 2014
<b>Residential, Single Family</b>	15 Ccf <i>11,220 gallons</i>	\$ 48.21	\$ 6.86	\$ 55.07 or 61 cents/day
<b>Commercial, 1.5" meter</b>	500 Ccf <i>374,400 gal</i>	\$ 947.71	\$138.84	\$1,086.55
<b>Industrial, 6" meter</b>	20,000 Ccf <i>14,960,000 gal</i>	\$26,078.15	\$3,836.88	\$29,915.03

With the new rate, residential customers will pay about **\$220 a year** for water. Compare that **yearly cost** with the **monthly cost** of other services -- telephone, mobile phone, electricity, natural gas, cable TV.

**\$18.35 pays for one month of water for a family. \$18.00 also will buy:**

- **Six days** of mobile phone service @ \$85.00 per month
- **Five days** of cable or satellite TV @ \$110.00 per month
- **Five-and-a-half gallons** of regular gas @ \$3.22
- **One Milwaukee County Transit seven-day adult pass** (\$17.50)

**Milwaukee Water Rates are Among the Lowest in the Nation**

Milwaukee's water rates are the eighth lowest among 30 cities nationwide, according to the May [report](#) by Circle of Blue. Circle of Blue analyzed 24 Ccf of water use per quarter for a family of four. (Milwaukee's average single family water use is 15 Ccf per quarter.) Their results showed the cost of water ranged from \$52.02 to \$164.34 per quarter. Compare this to Milwaukee's cost of \$63.99 for 24 Ccf of water per quarter, and you can see we have nearly the lowest cost water in the United States.

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## **Milwaukee Water is an excellent value**

- Milwaukee water, pure and fresh, 24-hours-a day, is amazingly inexpensive. Two gallons cost one cent. One gallon costs \$0.005.
- If you drink eight glasses of water a day from bottled water, you spend \$2,190 a year. Drink eight glasses of Milwaukee tap water a day for **91 cents a year**.
- A seven-gallon flush of the toilet costs \$0.035, about four cents. Flush it five times for 17¢. A low-flow efficiency toilet using 1.6 gallons costs \$0.008 per flush, less than one cent.
- A 10-minute shower with a 4-gallon-per-minute showerhead costs 20¢.

## **What do rate adjustments pay for?**

We continue to make changes to operate as efficiently and low-cost as possible, but customers are using less water, so we see declining water revenue. The rate adjustment will provide revenue to maintain service and reliability.

- **High-quality, healthful drinking water**

*The Milwaukee Water Works is recognized nationally for consistently providing safe drinking water and for our rigorous water quality monitoring above and beyond regulatory requirements. The expense of testing for unregulated compounds provides added assurance and confidence in your water quality and service.*

- **High-quality service**

*We provide water service 24-hours-a-day to a 196-square-mile area, serving 16 communities in Milwaukee, Ozaukee, and Waukesha Counties. We employ highly educated and professionally trained employees and ensure reliable equipment around the clock. Customer Service Representatives responded to over 173,000 customer calls last year and served over 25,000 walk-in customers. We own and maintain over 161,000 water meters. Meter Services staff investigate high water use and replace meters, providing convenient appointment hours.*

*Infrastructure maintenance covers the Lake Michigan intake pipes, two water purification plants, 20,000 hydrants for fire suppression, and nearly 2,000 miles of water mains. Extreme weather creates challenges. The number of main breaks repaired last winter doubled five- and 10-year averages, with 91 in December, 214 in January, 244 in February, and 116 in March. The 244 main breaks in February set a new record for a February. In January alone, we responded to an average 200 calls a day for frozen or burst services and pipes, flooding, leaks, and main breaks.*

- **Infrastructure improvements**

*We will increase the number of miles of old water mains we replace.*

*Backup Power Generation: We are completing a multi-year project to provide backup diesel engine-generated electrical power for critical infrastructure such as water purification and distribution pumps. Should the power go out locally or regionally, the new system is designed to meet 94% of daily water demand throughout the service area, including our 15 suburban customers.*

*Water Meter Replacement: We are replacing over 156,000 water meters in homes and small businesses in Milwaukee and Greenfield, Hales Corners, St. Francis, and West Milwaukee. This is required by the PSC; new meters provide accurate bills and eliminate, with rare exception, the need to estimate a bill. Customers can see their water use at [www.Milwaukee.gov/water](http://www.Milwaukee.gov/water) and look for high use that can indicate costly leaks.*

- **Support for the health and economic vitality of our community**

*Clean, safe water keeps us healthy. A reliable supply of clean water is necessary for water-intensive and water technology business, industry, and research. Our ample water supply and treatment capacity allow us to offer a declining block rate for commercial and industrial customers.*

*With service since 1874, the Milwaukee Water Works is proud to be the largest and oldest continuously operating water utility in Wisconsin.*