

City of Salem 2022 Cost of Service Analysis and Rate Proposal

| | | |
|---------------------------|----------|----------|
| System-wide Revenue Slope | 1/1/2023 | 1/1/2024 |
| | 5.0% | 5.0% |

Sample Bills for Typical Inside-City Residential Customer

| Single Family | Month Use (ccf) | Specific Info ¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------------|--------------------|-------------------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water | 8.0 | 0.75 | \$33.67 | \$35.40 | \$37.06 | 5.1% | 4.7% |
| Wastewater | 5.5 | | 36.93 | 38.83 | 40.88 | 5.1% | 5.3% |
| Stormwater | | Tier 2 | 18.92 | 19.76 | 20.70 | 4.4% | 4.8% |
| Subtotal | | | \$89.52 | \$93.99 | \$98.64 | | |
| Franchise Fee | | | 4.48 | 4.70 | 4.93 | | |
| Total Utility Bill | | | \$94.00 | \$98.68 | \$103.57 | 5.0% | 4.9% |
| Dollar Change | | | | \$4.69 | \$4.88 | | |

¹ Water meter size and residential tier for stormwater

| Single Family - Low | Month Use (ccf) | Specific Info ¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------------|--------------------|-------------------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water | 3.0 | 0.75 | \$20.17 | \$21.05 | \$21.96 | 4.4% | 4.3% |
| Sewer | 2.0 | | 23.56 | 25.07 | 26.56 | 6.4% | 5.9% |
| Stormwater | | Tier 1 | 18.09 | 18.87 | 19.77 | 4.3% | 4.8% |
| Subtotal | | | \$61.82 | \$64.99 | \$68.29 | | |
| Franchise Fee | | | 3.09 | 3.25 | 3.41 | | |
| Total Utility Bill | | | \$64.91 | \$68.24 | \$71.70 | 5.1% | 5.1% |
| Dollar Change | | | | \$3.33 | \$3.47 | | |

¹ Water meter size and residential tier for stormwater

| Single Family - High | Month Use (ccf) | Specific Info ¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------------|--------------------|-------------------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water | 24.0 | 1.00 | \$81.15 | \$86.82 | \$91.13 | 7.0% | 5.0% |
| Sewer | 10.0 | | 54.12 | 56.51 | 59.28 | 4.4% | 4.9% |
| Stormwater | | Tier 3 | 19.76 | 20.65 | 21.64 | 4.5% | 4.8% |
| Subtotal | | | \$155.03 | \$163.98 | \$172.05 | | |
| Franchise Fee | | | 7.75 | 8.20 | 8.60 | | |
| Total Utility Bill | | | \$162.78 | \$172.18 | \$180.65 | 5.8% | 4.9% |
| Dollar Change | | | | \$9.40 | \$8.47 | | |

¹ Water meter size, dwelling units, and EDUs for stormwater

City of Salem 2022 Cost of Service Analysis and Rate Proposal

| | | |
|---------------------------|----------|----------|
| System-wide Revenue Slope | 1/1/2023 | 1/1/2024 |
| | 5.0% | 5.0% |

Sample Bills for Nonresidential Customers

| Multifamily - Fourplex | Month Use (ccf) | Specific Info ¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|------------------------------|--------------------|-------------------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water | 10.0 | 1.0 | \$39.05 | \$41.64 | \$43.55 | 6.6% | 4.6% |
| Wastewater | 7.0 | 4.0 | 46.74 | 49.18 | 51.79 | 5.2% | 5.3% |
| Stormwater | | 1.2 | 20.26 | 21.18 | 22.21 | 4.5% | 4.9% |
| Subtotal | | | \$106.05 | \$112.00 | \$117.55 | | |
| Franchise Fee | | | 5.30 | 5.60 | 5.88 | | |
| Total w/Franchise Fee | | | \$111.35 | \$117.60 | \$123.43 | 5.6% | 5.0% |
| Dollar Change | | | | \$6.25 | \$5.83 | | |

¹ Water meter size, dwelling units, and EDUs for stormwater

| Multifamily - Large | Month Use (ccf) | Specific Info ¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|------------------------------|--------------------|-------------------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water | 300.0 | 2.0 | \$723.68 | \$756.90 | \$794.85 | 4.6% | 5.0% |
| Wastewater | 300.0 | 116.0 | 1,318.30 | 1,367.55 | 1,428.24 | 3.7% | 4.4% |
| Stormwater | | 56.2 | 388.76 | 411.68 | 434.16 | 5.9% | 5.5% |
| Subtotal | | | \$2,430.74 | \$2,536.13 | \$2,657.25 | | |
| Franchise Fee | | | 121.54 | 126.81 | 132.86 | | |
| Total w/Franchise Fee | | | \$2,552.28 | \$2,662.94 | \$2,790.11 | 4.3% | 4.8% |
| Dollar Change | | | | \$110.66 | \$127.17 | | |

¹ Water meter size, dwelling units, and EDUs for stormwater

| Multifamily - Mobile Home Park | Month Use (ccf) | Specific Info ¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|-----------------------------------|--------------------|-------------------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water | 1,000 | 2.0 | \$2,312.68 | \$2,415.90 | \$2,537.85 | 4.5% | 5.0% |
| Wastewater | 992 | 213.0 | 4,093.66 | 4,231.64 | 4,412.75 | 3.4% | 4.3% |
| Stormwater | | 350.8 | 2,362.58 | 2,503.34 | 2,640.71 | 6.0% | 5.5% |
| Subtotal | | | \$8,768.92 | \$9,150.88 | \$9,591.31 | | |
| Franchise Fee | | | 438.45 | 457.54 | 479.57 | | |
| Total w/Franchise Fee | | | \$9,207.37 | \$9,608.42 | \$10,070.88 | 4.4% | 4.8% |
| Dollar Change | | | | \$401.06 | \$462.45 | | |

¹ Water meter size, dwelling units, and EDUs for stormwater

City of Salem 2022 Cost of Service Analysis and Rate Proposal

| | | | System-wide Revenue Slope | | | 1/1/2023 | 1/1/2024 |
|-------------------------------|------------------------|----------------------------------|---------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| | | | | | | 5.0% | 5.0% |
| Commercial - Large EDU | Month Use (ccf) | Specific Info¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
| Water | 315 | 2.0 | \$792.38 | \$830.25 | \$873.15 | 4.8% | 5.2% |
| Wastewater | 300 | | 1,595.81 | 1,687.75 | 1,761.57 | 5.8% | 4.4% |
| Stormwater | | 177.4 | 1,200.80 | 1,272.20 | 1,341.95 | 5.9% | 5.5% |
| Subtotal | | | \$3,588.99 | \$3,790.20 | \$3,976.67 | | |
| Franchise Fee | | | 179.45 | 189.51 | 198.83 | | |
| Total w/Franchise Fee | | | \$3,768.44 | \$3,979.71 | \$4,175.50 | 5.6% | 4.9% |
| Dollar Change | | | | \$211.27 | \$195.79 | | |

¹ Water meter size and EDUs for stormwater

| Commercial - Small EDU | Month Use (ccf) | Specific Info¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|-------------------------------|------------------------|----------------------------------|-------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| Water | 80.0 | 1.5 | \$218.71 | \$229.85 | \$241.53 | 5.1% | 5.1% |
| Wastewater | 68.0 | | 380.13 | 402.47 | 420.61 | 5.9% | 4.5% |
| Stormwater | | 4.1 | 39.69 | 41.77 | 43.93 | 5.2% | 5.2% |
| Subtotal | | | \$638.53 | \$674.09 | \$706.07 | | |
| Franchise Fee | | | 31.93 | 33.70 | 35.30 | | |
| Total w/Franchise Fee | | | \$670.46 | \$707.79 | \$741.37 | 5.6% | 4.7% |
| Dollar Change | | | | \$37.34 | \$33.58 | | |

¹ Water meter size and EDUs for stormwater

| Public | Month Use (ccf) | Specific Info¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|------------------------------|------------------------|----------------------------------|-------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| Water | 30.0 | 3.0 | \$158.37 | \$168.46 | \$176.43 | 6.4% | 4.7% |
| Wastewater | 11.5 | | 84.07 | 89.46 | 94.04 | 6.4% | 5.1% |
| Stormwater | | 13.5 | 102.67 | 108.51 | 114.34 | 5.7% | 5.4% |
| Subtotal | | | \$345.11 | \$366.43 | \$384.81 | | |
| Franchise Fee | | | 17.26 | 18.32 | 19.24 | | |
| Total w/Franchise Fee | | | \$362.37 | \$384.75 | \$404.05 | 6.2% | 5.0% |
| Dollar Change | | | | \$22.39 | \$19.29 | | |

¹ Water meter size and EDUs for stormwater

| Irrigation | Month Use (ccf) | Specific Info¹ | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|------------------------------|------------------------|----------------------------------|-------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| Water | 483 | 2.0 | \$1,805.63 | \$1,987.56 | \$2,090.94 | 10.1% | 5.2% |
| Backflow Prevention | | | 1.50 | 2.25 | 2.25 | | |
| Subtotal | | | \$1,807.13 | \$1,989.81 | \$2,093.19 | | |
| Franchise Fee | | | 90.28 | 99.38 | 104.55 | | |
| Total w/Franchise Fee | | | \$1,897.41 | \$2,089.19 | \$2,197.74 | 10.1% | 5.2% |
| Dollar Change | | | | \$191.78 | \$108.55 | | |

City of Salem 2022 Cost of Service Analysis and Rate Proposal

| Industrial 1 | Monthly Use ¹ | Specific Info ² | System-wide Revenue Slope | | | 1/1/2023 | 1/1/2024 |
|------------------------------|--------------------------|----------------------------|---------------------------|--------------------|---------------------|-----------------------|-----------------------|
| | | | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
| Water | 6,661 | 6.0 | \$11,101.14 | \$11,716.32 | \$12,327.26 | 5.5% | 5.2% |
| Wastewater | | | | | | | |
| Flow (mg) | 5.2 | | 18,758.48 | 18,232.66 | 18,875.58 | -2.8% | 3.5% |
| BOD (1,000 lbs) | 149 | | 56,401.41 | 58,412.06 | 61,221.90 | 3.6% | 4.8% |
| TSS (1,000 lbs) | 9 | | 2,335.25 | 3,052.92 | 3,215.35 | 30.7% | 5.3% |
| Fixed | | | 2,135.07 | 2,728.80 | 2,943.48 | 27.8% | 7.9% |
| Stormwater | | 89.9 | 614.55 | 650.95 | 686.57 | 5.9% | 5.5% |
| Subtotal | | | \$91,345.90 | \$94,793.70 | \$99,270.14 | | |
| Franchise Fee | | | 4,567.30 | 4,739.69 | 4,963.51 | | |
| Total w/Franchise Fee | | | \$95,913.20 | \$99,533.39 | \$104,233.65 | 3.8% | 4.7% |
| Dollar Change | | | | \$3,620.19 | \$4,700.26 | | |

¹ Water = ccf, wastewater = mg

² Water meter size and EDUs for stormwater

| Industrial 2 | Monthly Use ¹ | Specific Info ² | System-wide Revenue Slope | | | % Change | % Change |
|------------------------------|--------------------------|----------------------------|---------------------------|--------------------|--------------------|--------------|--------------|
| | | | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | 2022 to 2023 | 2023 to 2024 |
| Water | 2,842 | 6.0 | \$4,876.17 | \$5,147.64 | \$5,414.87 | 5.6% | 5.2% |
| Wastewater | | | | | | | |
| Flow (mg) | 1.7 | | 6,276.88 | 6,100.93 | 6,316.06 | -2.8% | 3.5% |
| BOD (1,000 lbs) | 9.7 | | 3,651.10 | 3,781.26 | 3,963.15 | 3.6% | 4.8% |
| TSS (1,000 lbs) | 5.1 | | 1,371.63 | 1,793.15 | 1,888.55 | 30.7% | 5.3% |
| Fixed | | | 2,135.07 | 2,728.80 | 2,943.48 | 27.8% | 7.9% |
| Stormwater | | 113.1 | 769.99 | 815.67 | 860.34 | 5.9% | 5.5% |
| Subtotal | | | \$19,080.83 | \$20,367.45 | \$21,386.46 | | |
| Franchise Fee | | | 954.04 | 1,018.37 | 1,069.32 | | |
| Total w/Franchise Fee | | | \$20,034.88 | \$21,385.82 | \$22,455.78 | 6.7% | 5.0% |
| Dollar Change | | | | \$1,350.94 | \$1,069.96 | | |

¹ Water = ccf, wastewater = mg

² Water meter size and EDUs for stormwater

City of Salem 2022 Cost of Service Analysis and Rate Proposal

System-wide Revenue Slope 1/1/2023 1/1/2024
5.0% 5.0%

| Institutional 1 | Month Use ¹ | Specific Info ² | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|------------------------------|------------------------|----------------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|
| Water | 2,000 | 2.0 | \$4,442.68 | \$4,605.90 | \$4,847.85 | 3.7% | 5.3% |
| Wastewater | | | | | | | |
| Flow (mg) | 1.8 | | 6,565.47 | 6,381.43 | 6,606.45 | -2.8% | 3.5% |
| BOD (1,000 lbs) | 7.0 | | 2,646.77 | 2,741.12 | 2,872.98 | 3.6% | 4.8% |
| TSS (1,000 lbs) | 8.6 | | 2,305.73 | 3,014.32 | 3,174.69 | 30.7% | 5.3% |
| Fixed | | | 1,196.68 | 1,365.56 | 1,472.97 | 14.1% | 7.9% |
| Stormwater | | 560.0 | 3,764.22 | 3,988.66 | 4,207.62 | 6.0% | 5.5% |
| Subtotal | | | \$20,921.54 | \$22,096.99 | \$23,182.57 | | |
| Franchise Fee | | | \$1,046.08 | \$1,104.85 | \$1,159.13 | | |
| Total w/Franchise Fee | | | \$21,967.62 | \$23,201.84 | \$24,341.69 | 5.6% | 4.9% |
| Dollar Change | | | | \$1,234.22 | \$1,139.86 | | |

¹ Water = ccf, wastewater = mg

² Water meter size and EDUs for stormwater

| Institutional 2 | Month Use ¹ | Specific Info ² | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|------------------------------|------------------------|----------------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|
| Water | 1,850 | 2.0 | \$4,155.36 | \$4,309.80 | \$4,535.70 | 3.7% | 5.2% |
| Wastewater | | | | | | | |
| Flow (mg) | 27.05 | | 97,580.17 | 94,844.87 | 98,189.34 | -2.8% | 3.5% |
| BOD (1,000 lbs) | 38.97 | | 14,713.90 | 15,238.44 | 15,971.46 | 3.6% | 4.8% |
| TSS (1,000 lbs) | 47.40 | | 12,723.11 | 16,633.13 | 17,518.09 | 30.7% | 5.3% |
| Fixed | | | 1,196.68 | 1,365.56 | 1,472.97 | 14.1% | 7.9% |
| Stormwater | | 514.3 | 3,458.03 | 3,664.19 | 3,865.33 | 6.0% | 5.5% |
| Subtotal | | | \$133,827.25 | \$136,056.00 | \$141,552.89 | | |
| Franchise Fee | | | 6,691.36 | 6,802.80 | 7,077.64 | | |
| Total w/Franchise Fee | | | \$140,518.61 | \$142,858.80 | \$148,630.53 | 1.7% | 4.0% |
| Dollar Change | | | | \$2,340.18 | \$5,771.74 | | |

¹ Water = ccf, wastewater = mg

² Water meter size and EDUs for stormwater

City of Salem 2022 Cost of Service Analysis and Rate Proposal

| | | |
|---------------------------|----------|----------|
| System-wide Revenue Slope | 1/1/2023 | 1/1/2024 |
| | 5.0% | 5.0% |

Sample Bills for Outside City Customers

Jan Ree/Eola Chatnicka

| Single Family Residential | Month Use (ccf) | Other Info | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------------|-----------------|------------|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Water | 10.0 | 0.75 | \$45.00 | \$44.38 | \$46.68 | -1.4% | 5.2% |
| Wastewater | 6.0 | | 42.28 | 44.40 | 46.69 | 5.0% | 5.2% |
| Total Bill | | | \$87.28 | \$88.78 | \$93.37 | 1.7% | 5.2% |
| Dollar Change | | | | \$1.50 | \$4.59 | | |

| Commercial | Month Use (ccf) | Other Info | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|-------------------|-----------------|------------|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Water- 1" meter | 12.0 | | \$51.19 | \$51.59 | \$54.15 | 0.8% | 5.0% |
| Wastewater | 4.0 | | 48.75 | 52.15 | 55.18 | 7.0% | 5.8% |
| Total Bill | | | \$99.94 | \$103.74 | \$109.33 | 3.8% | 5.4% |
| Dollar Change | | | | \$3.80 | \$5.59 | | |

Outside City - Sewer Only

| Single Family Residential | Month Use (ccf) | Other Info | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------------|-----------------|------------|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Wastewater | 5.0 | | \$38.12 | \$40.12 | \$42.24 | 5.2% | 5.3% |
| Dollar Change | | | | \$2.00 | \$2.12 | | |

City of Keizer

| Single Family Residential | Month Use (ccf) | Other Info | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------------|-----------------|------------|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Wastewater | 5.0 | | \$33.15 | \$35.09 | \$36.96 | 5.9% | 5.3% |
| Dollar Change | | | | \$1.94 | \$1.87 | | |

| Fourplex | Month Use (ccf) | Other Info | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------|-----------------|------------|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Wastewater | 10.0 | | \$56.61 | \$59.55 | \$62.54 | 5.2% | 5.0% |
| Dollar Change | | | | \$2.94 | \$2.99 | | |

| Commercial | Month Use (ccf) | Other Info | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------|-----------------|------------|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Wastewater | 4.0 | | \$43.18 | \$46.37 | \$49.11 | 7.4% | 5.9% |
| Dollar Change | | | | \$3.19 | \$2.74 | | |

City of Salem 2022 Cost of Service Analysis and Rate Proposal

| | | |
|---------------------------|----------|----------|
| System-wide Revenue Slope | 1/1/2023 | 1/1/2024 |
| | 5.0% | 5.0% |

Sample Bills for Wholesale Customers

Suburban East Salem Water District

| Wholesale | Month Use (ccf) | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|----------------------------|--------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water - 8" and 2-6" meters | 57,660 | \$75,926.31 | \$81,958.22 | \$89,143.31 | 7.9% | 8.8% |
| Dollar Change | | | \$6,031.91 | \$7,185.09 | | |

Orchard Heights Water Association

| Wholesale | Month Use (ccf) | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|---------------------|--------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water - 2-3" meters | 1,267 | \$4,266.53 | \$4,683.77 | \$5,148.21 | 9.8% | 9.9% |
| Dollar Change | | | \$417.24 | \$464.44 | | |

City of Turner

| Wholesale | Month Use (ccf) | Current 1/1/2022 | Proposed 1/1/2023 | Proposed 1/1/2024 | % Change 2022 to 2023 | % Change 2023 to 2024 |
|----------------------------|--------------------|---------------------|----------------------|----------------------|--------------------------|--------------------------|
| Water - 2" and 2-6" meters | 11,181 | \$12,567.22 | \$13,780.79 | \$15,106.14 | 9.7% | 9.6% |
| Sewer | 7,536 | 28,866.84 | 29,620.43 | 30,826.37 | 2.6% | 4.1% |
| Total Bill | | \$41,434.06 | \$43,401.22 | \$45,932.51 | 4.7% | 5.8% |
| Dollar Change | | | \$1,967.16 | \$2,531.30 | | |