

2017 WATER & SEWER RATES

Rate increase effective date April 1, 2017

Under City of Houston Ordinance 2010-305, approved by City Council on April 21st, 2010, the Combined Utility System (CUS) implements an automatic annual rate adjustment effective April 1st of each year. The water and wastewater rate adjustment under the ordinance for April 1, 2017 is 3.4%. This rate adjustment is based on a combination of the 2016 Houston Regional Consumer Price Index (CPI) of 1.6% plus the City of Houston's population increase of 1.8% according to the United States Census Bureau.

This annual rate adjustment is intended to help cover cost increases that impact the provision of safe, clean drinking water and the collection and treatment of wastewater. This includes operational costs as well as the costs involved in the repair and replacement of portions of the System's aging infrastructure. The bill you will receive in May will reflect a full month of the rate adjustment.

The new rate tables will be posted on the City's updated website www.houstonwater.org.

2017 WATER & SEWER RATES

Effective date April 1, 2017

The basic service charge for both water and sewer is affected by the water meter size. For all classes that include sewer, the water consumption is used to determine the appropriate sewer consumption charge.

Single-Family Residential – TU 01, 02, & 03:

The basic charge for each meter size is listed below. For simplicity, this table adds volume and base charges together for 1,000 to 6,000 gallons. From 7,000 to 12,000 gallons the rate is \$5.17 per 1,000 gallons, regardless of meter size. Starting at 13,000 gallons, the rate is \$8.51 per 1,000 gallons.

| Water Rates | | | | |
|------------------------------------------------------------------|----------------------------------------------------------------|-------------------------|---------------------------|--------------------------|
| | 5/8 or 3/4" meters | 1 inch meter | 1.5 inch meter | 2 or 3 inch meter |
| Basic charge, per meter size | \$ 5.24 | \$ 6.49 | \$ 9.83 | \$11.58 |
| The numbers below this line include both Base and Volume charges | | | | |
| 1,000 gallons | \$5.38 | \$6.63 | \$9.97 | \$11.72 |
| 2,000 gallons | \$12.27 | \$13.52 | \$16.86 | \$18.61 |
| 3,000 gallons | \$12.68 | \$13.93 | \$17.27 | \$19.02 |
| 4,000 gallons | \$23.99 | \$25.24 | \$28.59 | \$30.33 |
| 5,000 gallons | \$28.76 | \$30.00 | \$33.35 | \$35.09 |
| 6,000 gallons | \$33.52 | \$34.77 | \$38.11 | \$39.85 |
| 7,000 to 12,000 gallons | The total charge for 6,000 gallons + \$5.17 per 1,000 gallons | | | |
| Over 12,000 gallons | The total charge for 12,000 gallons + \$8.51 per 1,000 gallons | | | |

| Sewer Rates | | | | | |
|------------------------------------------------------------------|---------------------------------------------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | 5/8 or 3/4" meters | 1 inch meter | 1.5 inch meter | 2 inch meter | 3 inch meter |
| Basic charge, per meter size | \$11.14 | \$11.70 | \$13.56 | \$14.13 | \$25.31 |
| The numbers below this line include both Base and Volume charges | | | | | |
| 1,000 gallons | \$11.32 | \$11.88 | \$13.74 | \$14.31 | \$25.49 |
| 2,000 gallons | \$11.69 | \$12.25 | \$14.11 | \$14.68 | \$25.86 |
| 3,000 gallons | \$11.99 | \$12.55 | \$14.41 | \$14.98 | \$26.16 |
| 4,000 gallons | \$27.48 | \$28.04 | \$29.90 | \$30.47 | \$41.65 |
| 5,000 gallons | \$33.08 | \$33.64 | \$35.50 | \$36.07 | \$47.25 |
| 6,000 gallons | \$41.23 | \$41.79 | \$43.65 | \$44.22 | \$55.40 |
| Over 6,000 gallons | The total charge for 6,000 gallons + \$8.15 per 1,000 gallons | | | | |

EXAMPLES OF RESIDENTIAL BILLINGS:

| | | | |
|---------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| 1,000 gallons, 5/8" meter | \$ 5.38 Water \$ 11.32 Sewer | | |
| Total/Month | \$ 16.70 | | |
| 7,000 gallons, 5/8" meter | \$ 38.69 Water \$ 49.38 Sewer | | |
| Total/Month | \$ 88.07 | | |
| 14,000 gallons, 5/8" meter | \$ 81.56 Water \$106.43 Sewer | | |
| Total/Month | \$187.99 | | |
| | | Water Charges | Sewer Charges |
| | | \$33.52 for 6,000 gallons plus 1,000 gallons at \$5.17 = \$38.69 | \$41.23 for 6,000 gallons plus 1,000 gallons at \$8.15 = \$49.38 |
| | | \$33.52 for 6,000 gallons plus 6,000 gallons at \$5.17 plus 2,000 gallons at \$8.51 = \$81.56 | \$41.23 for 6,000 gallons plus 8,000 gallons at \$8.15 = \$106.43 |

Multi-Family – TU 14-19:

- 14 (duplex – 2 units)
- 15 (tri-plex – 3 units)
- 16 (quad-plex – 4 units)
- 17 (master-metered townhomes – any number of units)
- 18 (apartments — 5+ units)
- 19 (trailer parks)

Consumption is no longer included with the basic charge. The volume charges are applied to all usage.

| Rate | Meter size (Inches) | Basic Water Charge | Basic Sewer Charge |
|---------------------------------|---------------------|----------------------------|----------------------------|
| Basic Charge (0 consumption) | 5/8 | \$5.44 | \$9.57 |
| | 3/4 | \$5.61 | \$9.57 |
| | 1 | \$6.75 | \$10.06 |
| | 1.5 | \$10.21 | \$11.66 |
| | 2 | \$12.03 | \$12.15 |
| | 3 | \$31.84 | \$21.76 |
| | 4 | \$43.40 | \$24.65 |
| | 6 | \$74.38 | \$35.23 |
| | 8 | \$194.23 | \$85.57 |
| | 10 | \$194.23 | \$104.01 |
| Volume Charge | All | + \$4.19 per 1,000 gallons | + \$6.08 per 1,000 gallons |

Commercial – TU 21-60:

Consumption is no longer included with the basic charge. The volume charges are applied to all usage.

| Rate | Meter Size (Inches) | Basic Water Charge | Basic Sewer Charge |
|---------------------------------|---------------------|----------------------------|----------------------------|
| Basic Charge (0 consumption) | 5/8 | \$ 5.44 | \$9.57 |
| | 3/4 | \$ 5.61 | \$9.57 |
| | 1 | \$6.75 | \$10.06 |
| | 1.5 | \$ 10.21 | \$11.66 |
| | 2 | \$ 12.03 | \$12.15 |
| | 3 | \$ 31.84 | \$21.76 |
| | 4 | \$ 43.40 | \$24.65 |
| | 6 | \$ 74.38 | \$35.23 |
| | 8 | \$ 194.23 | \$85.57 |
| | 10 | \$ 194.23 | \$104.01 |
| Volume Charge | All | + \$4.30 per 1,000 gallons | + \$6.08 per 1,000 gallons |

Industrial, No Surcharge – (WSC 6) TU 21-60, 61, 62:

Industrial rates include a monthly basic charge and volume charges for both water and sewer. No consumption is included with the basic charge for water or sewer. Some customers are billed for sewer only, based on readings from non-City of Houston water meters.

| Rate | Meter Size (Inches) | Water Charge | Basic Sewer Charge |
|---------------------------------|---------------------|----------------------------|-----------------------------------------------------|
| Basic Charge (0 consumption) | 5/8 | \$ 5.44 | \$16.19 |
| | 3/4 | \$ 5.61 | \$16.19 |
| | 1 | \$6.75 | \$16.19 |
| | 1.5 | \$ 10.21 | \$16.19 |
| | 2 | \$ 12.03 | \$16.19 |
| | 3 | \$ 31.84 | \$21.57 |
| | 4 | \$ 43.40 | \$24.65 |
| | 6 | \$ 74.38 | \$35.23 |
| | 8 | \$ 194.23 | \$85.57 |
| | 10+ | \$ 194.23 | \$104.01 |
| Volume Charge | All | + \$4.30 per 1,000 gallons | Up to 2,000 gallons at \$3.74 per 1,000 gallons |
| | | | All over 2,000 gallons at \$6.66 per 1,000 gallons. |

Transient Meters – TU 71:

These accounts have rental fees, base charges and consumption charges.

| Rate | Basic Water Charge | | |
|--------------------------------------------|---------------------------|---------|---------|
| | 1" | 2" | 3" |
| Basic Charge/Rental Fee (0 consumption) | \$18.16 | \$24.23 | \$30.28 |
| Volume Charges | +\$4.82 per 1,000 gallons | | |

Please refer questions to Krystal Jones at 832-395-6285, or fax to 713-371-1122.

Lawn/Outdoor Meters – TU 72:

No consumption is included with the basic charge. Volume charges are applied to all usage, but there are two rate tiers. The “defined quantity” marks the point where the tier changes, which is different for each meter size. Volumes up to the defined quantity are charged at the lower rate tier; volumes in excess of the defined quantity are charged at the higher rate tier.

| Rate | Meter Size (Inches) | Basic Water Charge | Defined Quantity (First Tier of Volume Charges) |
|--------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------|----------------------------------------------------|
| Basic Rate, per meter size, (plus first tier of volume charges) | 5/8 | \$ 27.10 | None – all consumption at 2 nd tier |
| | 3/4 | \$ 27.10 | None – all consumption at 2 nd tier |
| | 1 | \$ 30.39 | None – all consumption at 2 nd tier |
| | 1.5 | \$ 80.68 | Up to 10,000: + \$3.15 per 1,000 gallons |
| | 2 | \$ 124.70 | Up to 16,000: + \$3.15 per 1,000 gallons |
| | 3 | \$ 270.72 | Up to 35,000: + \$3.15 per 1,000 gallons |
| | 4 | \$ 458.33 | Up to 60,000: + \$3.15 per 1,000 gallons |
| | 6 | \$ 943.84 | Up to 125,000: + \$3.15 per 1,000 gallons |
| | 8 | \$ 1364.91 | Up to 180,000: + \$3.15 per 1,000 gallons |
| | 10 | \$ 1364.91 | Up to 180,000: + \$3.15 per 1,000 gallons |
| Volume Charges Second Tier (All meter sizes) | All consumption over defined quantity: + \$7.26 per 1,000 gallons | | |

EXAMPLES OF LAWN BILLING:

| <u>5/8" Meter w/2,000 gallons</u> | | <u>1" Meter w/12,000 gallons</u> | | <u>3" meter w 60,000 gallons</u> | | <u>6" meter w 60,000 gallons</u> | |
|-----------------------------------|---------|----------------------------------|----------------|----------------------------------|----------|----------------------------------|-----------|
| Basic: | \$27.10 | Basic: | \$30.39 | Basic: | \$270.72 | Basic: | \$943.84 |
| 2nd tier: 2*7.26 | \$14.52 | 2 nd tier: 12*7.26 | <u>\$87.12</u> | 1 st tier: 35*3.15 | \$110.25 | 1 st tier: 60*3.15 | \$189.00 |
| | | | | 2 nd tier: 25*7.26 | \$181.50 | | |
| TOTAL: | \$41.62 | TOTAL: | \$117.51 | TOTAL: | \$562.47 | TOTAL: | \$1132.84 |

Other Classes:

Industrial w/Surcharge – (WSC 9) TU 21-60, 61, 62, 63:

Industrial rates include a monthly basic charge and volume charges for both water and sewer. Some customers are billed for sewer only, based on readings from non-City of Houston water meters. These customers take their water from non-City of Houston sources and may choose to install a water meter of the type and standard approved by the department for the purpose of measuring the amount of water taken into such facilities. The water consumption indicated by such meter shall be the basis of determining the sewer charge. Rates are the same as if the water is from City of Houston source.

No consumption is included with the basic charge for water or sewer. While the basic charge for water and sewer is determined by meter size, the volume charge for sewer may vary based on the results of effluent testing.

| Rate | Meter Size (Inches) | Water Charge | Basic Sewer Charge |
|---------------------------------|---------------------|----------------------------|--------------------|
| Basic Charge (0 consumption) | 5/8 | \$ 5.44 | \$16.19 |
| | 3/4 | \$ 5.61 | \$16.19 |
| | 1 | \$ 6.75 | \$16.19 |
| | 1.5 | \$ 10.21 | \$16.19 |
| | 2 | \$ 12.03 | \$16.19 |
| | 3 | \$ 31.84 | \$21.57 |
| | 4 | \$ 43.40 | \$24.65 |
| | 6 | \$ 74.38 | \$35.23 |
| | 8 | \$ 194.23 | \$85.57 |
| | 10+ | \$ 194.23 | \$104.01 |
| Volume Charge | All | + \$4.48 per 1,000 gallons | See below |

Additional surcharges for industrial sewer accounts are determined by application of a special formula to the results of effluent tests:

$$R = X + (BOD * 8.337 * Y/1000) + (SS * 8.337 * Z/1000)$$

Or R= Rate / TG as 47-122(b)(2)(b), whichever is greater

Where:

$X = \$4.48$ per 1000 gallons, $R = 8.337$, $Y = \$0.7716 / lb.$, $Z = \$0.3045 / lb.$

$BOD =$ Five-day, 20 degrees Centigrade biochemical oxygen demand content of the waste delivered, in mg/l.

$SS =$ Suspended solids content of the waste delivered, in mg/l.

Any questions on how the surcharges are calculated, or regarding prohibited discharges, should be referred to the Wastewater Operations Branch by calling (832) 395-5779 or by emailing allison.osborne@houstontx.gov.

Resale – TU 73:

These customers purchase water from the City of Houston for resale.

| Rate | Meter Size (Inches) | Basic Water Charge |
|--------------------------------------------------|--------------------------|--------------------|
| Basic Charge, per meter size (0 consumption) | 5/8 | \$20.56 |
| | 3/4 | \$20.56 |
| | 1 | \$23.84 |
| | 1.5 | \$58.83 |
| | 2 | \$89.71 |
| | 3 | \$194.21 |
| | 4 | \$327.16 |
| | 6 | \$670.58 |
| | 8 and above | \$971.41 |
| Volume Charge (All meter sizes, all consumption) | \$5.15 per 1,000 gallons | |

Emergency Backup Service – TU 74:

The Contact Center at 713-371-1400 can answer routine questions about these accounts. To notify UCS of EBS use, fax the report to 832-395-5255.

| Rate | Meter Size (Inches) | Basic Water Charge |
|--------------------------------------------------|--------------------------|--------------------|
| Basic Charge, per meter size (0 consumption) | 5/8,3/4 | \$ 7.81 |
| | 1 | \$ 11.11 |
| | 1.5 | \$ 16.39 |
| | 2 | \$ 21.81 |
| | 3 | \$ 45.69 |
| | 4 | \$ 72.54 |
| | 6 | \$ 140.13 |
| | 8 | \$ 207.57 |
| | 10+ | \$ 214.87 |
| Volume Charge (All meter sizes, all consumption) | \$7.97 per 1,000 gallons | |

Un-Metered Fire Line Charge – TU 21-60, 75:

Un-metered fire lines are charged a flat fee every month, under the provisions of City of Houston Ordinance §47-64. These lines must be equipped with backflow prevention assemblies.

| <i>Corresponding size of the diameter of service line</i> | Monthly Charge for Basic Service |
|------------------------------------------------------------------|-----------------------------------------|
| <i>5/8 inch</i> | \$ 14.26 |
| <i>3/4 inch</i> | \$14.26 |
| <i>1.0 inch</i> | \$14.26 |
| <i>1.5 inch</i> | \$56.79 |
| <i>2.0 inch</i> | \$83.76 |
| <i>3.0 inch</i> | \$83.76 |
| <i>4.0 inch</i> | \$83.76 |
| <i>6.0 inch</i> | \$93.31 |
| <i>8.0 inch</i> | \$159.27 |
| <i>10.0 inch</i> | \$214.85 |

Metered Fire Line Charge Only – TU 21-60:

These customers have their fire service isolated from the remainder of the water supply, and served through an independent meter. Normally they will have zero consumption, but a consumption charge applies if consumption occurs.

| Rate | Meter Size (Inches) | Basic Water Charge |
|--------------------------------------------------|----------------------------|---------------------------|
| Basic Charge, per meter size (0 consumption) | 5/8 | \$5.44 |
| | ¾ | \$5.61 |
| | 1 | \$6.75 |
| | 1.5 | \$10.21 |
| | 2 | \$12.03 |
| | 3 | \$31.84 |
| | 4 | \$43.40 |
| | 6 | \$74.38 |
| | 8 and above | \$194.23 |
| Volume Charge (All meter sizes, all consumption) | \$4.30 per 1,000 gallons | |

Un-Metered Sewer Only Customer – TU 81-82:

Special rates apply to sewer customers without City of Houston water or effluent meters. These are monthly rates, but will continue to be billed on a bi-monthly basis.

| Class | Monthly Fee |
|---------------------------|----------------------------------------|
| Single Family Residential | \$27.48 |
| Duplex | \$58.28 |
| Multi-family (3+ units) | \$34.09 per single family unit |
| Commercial | \$64.32 per unit (defined in §47-1002) |
| Industrial | \$64.30 per unit (defined in §47-1002) |

Contract, Untreated and Reclaimed Water (TU 91):

Treated Water (TU 91) – contracted

| R1= | \$2.980 | / TG | R2= | \$3.637 | / TG | N1= | \$0.739 | / TG | N2= | \$0.739 | / TG |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------|------------|---------|-------------|------------|---------|-------------|------------|---------|-------------|
| with airgap water: $p * R1 + (p-m) * N1$ without airgap = $p * R2 + (p - m) * N2$ (p: total water delivery in the month, M: minimum monthly water quantity in contract) | | | | | | | | | | | |

Untreated Water (TU 91) – no contract

| Consumption (/TG) | Per /TG |
|--------------------------|----------------|
| 0 - 10,000 | \$1.7065 |
| 11,000-20,000 | \$1.5334 |
| 21,000-50,000 | \$1.4462 |
| 51,000-150,000 | \$1.3589 |
| 151,000 & up | \$1.3152 |

Reclaimed/ Untreated Water (TU 91) – contracted

| Surcharge (S) | Quantity Charge (/TG) |
|----------------------|------------------------------|
| R= \$0.6821 /TG | \$0.6821 |

If $(P - M) > 10\% M$, $S = P * R * 5\%$ (M: Max. Qty in contract)

If you have further questions on these accounts, contact Monique Pichon in Contract Water at (832) 395-6304 or Maria Carrillo 832-395-6220.

Contract Sewer:

These rates vary, based on whether the contracting district has participated in capital outlays.

If you have further questions on these accounts, contact Monique Pichon in Contract Water at (832) 395-6304 or Maria Carrillo 832-395-6220.

Agricultural and Rice Farmers (TU 91):

Agricultural - General

| | |
|------------------------------|-----------------|
| Quantity Charge (/MG) | \$139.21 |
|------------------------------|-----------------|

Agricultural - Rice

| | |
|-------------------------------------------|-----------------|
| First Watering (/MG or /Acre) | \$139.21 |
| Additional Watering (/MG or /Acre) | \$25.32 |

If you have further questions on these accounts, contact Monique Pichon in Contract Water at (832) 395-6304 or Maria Carrillo 832-395-6220.

Groundwater Reduction Plan (GRP) Participants:

GRP: $R * P * Q$ where

- R is the base rate for contract treated water customer receiving water through airgap
- P is the percentage reduction for groundwater production required for GRP participant
- Q is the quantity of groundwater produced by the GRP participant during the month.

| | | | | | | | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------|------------|---------|-------------|------------|---------|-------------|------------|---------|-------------|
| R1= | \$2.980 | / TG | R2= | \$3.637 | / TG | N1= | \$0.739 | / TG | N2= | \$0.739 | / TG |
| with airgap water: $p * R1 + (p - m) * N1$ without airgap = $p * R2 + (p - m) * N2$ (p: total water delivery in the month, M: minimum monthly water quantity in contract) | | | | | | | | | | | |

If you have further questions on these accounts, contact Monique Pichon at (832) 395-6304 or Maria Carrillo at (832) 395-6220

For additional reference, see chart on next page.

Fee Schedule

| Name | Description | Statutory Authority | Amount | As Of |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------|----------|
| Water Rates | Untreated Water Sales No Contract Standard Rate for volume from 1,000 to 10,000 gallons, per 1,000 gallons | 47-84(d)(1) | \$1.7065 | 4/1/2017 |
| Water Rates | Untreated Water Sales No Contract Standard Rate for volume from over 10,000 to 20,000 gallons, per 1,000 gallons (in addition to Volume Charge for the first increment of 10,000 gallons) | 47-84(d)(2) | \$1.5334 | 4/1/2017 |
| Water Rates | Untreated Water Sales No Contract Standard Rate for volume from over 21,000 to 50,000 gallons, per 1,000 gallons (in addition to Volume Charges for the first increment of 10,000 gallons and for the second increment of 10,000gallons) | 47-84(d)(3) | \$1.4462 | 4/1/2017 |
| Water Rates | Untreated Water Sales No Contract Standard Rate for volume from over 51,000 to 150,000 gallons, per 1,000 gallons (in addition to Volume Charges for the first increment of 10,000 gallons, the second increment of 10,000 gallons and the third increment of 30,000 gallons) | 47-84(d)(4) | \$1.3589 | 4/1/2017 |
| Water Rates | Untreated Water Sales No Contract Standard Rate for volume over 151,000 gallons, per 1,000 gallons (in addition to Volume Charges for the first 10,000 gallons, the second increment of 10,000 gallons, the third increment of 30,000 gallons and the fourth increment of 100,000 gallons) | 47-84(d)(5) | \$1.3152 | 4/1/2017 |
| Water Rates | Contract Untreated Water sold in excess of contract amount, per 1,000 gallons | 47-85 | \$0.6821 | 4/1/2017 |
| Water Rates | Contract Untreated Water for agricultural use, general agriculture, per 1,000 gallons | 47-89(b)(1) | \$139.21 | 4/1/2017 |
| Water Rates | Contract Untreated Water for agricultural use, rice irrigation, rate for first watering, per acre of contracted land (if diverted through a meter on canal / conveyance system - per 1,000 gallons actually used) | 47-89(b)(2)a | \$139.21 | 4/1/2017 |
| Water Rates | Contract Untreated Water for agricultural use, rice irrigation, Rate for each additional watering, per acre of contracted land (if diverted through a meter on canal / conveyance system - per 1,000 gallons actually used) | 47-89(b)(2)b | \$25.32 | 4/1/2017 |