

**Tualatin Valley Water District**  
Delivering The Best Water Service Value

**Rate Advisory  
Committee Meeting**  
November 2, 2016



**Presented by:**  
HDR Engineering, Inc.



RAC Issue 4: Consolidated Consumption Billing



## Overview of the Issue

- TVWD’s rate for non-residential customer may provide a unique situation whereby consolidation of consumption from multiple meters is advantageous to the customer (i.e., a lower bill)
  - Customers with multiple meters, billed to the same account/property owner
  - Potential to move consumption from the Block 2 (higher) price to the Block 1 (lower price)
    - For non-residential, TVWD establishes tier sizes based on a 12-month moving average

Consumption Charges (\$/CCF)	
Base Rates	\$3.55/CCF
Block 2 Rates	\$5.06/CCF

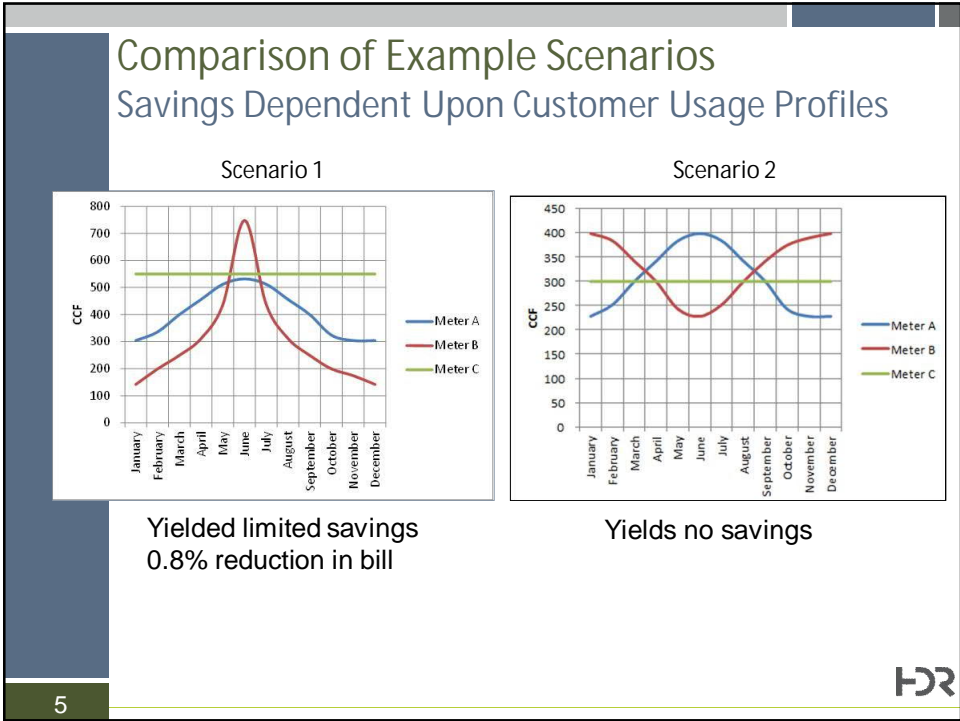
Block 2 rate applies to quantities used in excess of 28 CCF in a bi-monthly billing period for single family residential customers or 140% of the past twelve-months average usage for multi-family, irrigation, commercial and production customers.



## Survey of Consolidated Billing

- Two-meanings for “consolidated billing”
  - Each meter billed individually, but each individual metering point (bill) consolidated into a single invoice for ease of payment by the customer
  - Each metering point’s consumption consolidated into a single volumetric amount for calculation of a bill
- Survey of Oregon and other utilities found limited consolidation of bills (1<sup>st</sup> instance above), but no utilities that consolidated volumes for billing (Issue Paper Table 1)





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- ### Consolidated Billing – Issues and Concerns
- **Cost of service**
    - Equity – customers that create peak demands should pay for peak demands
    - Cost – meeting peak demands is the most expensive cost component
    - Location (adjacent or separated metering points) – Peak costs drive both supply and distribution system costs
  - **Administrative**
    - Opt-in or out program?
    - Viewed as in-equitable if a customer can't opt in
    - Complexity in billing (billing system capabilities)
  - **Other**
    - Not a common utility practice
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## Policy Direction – Consolidated Billing

- Allow for consolidated consumption for non-residential customers (Y/N)?
  - If yes, do customers have to opt-in?
  - If a customer opts-in, must they stay opted-in?