

# Summary Recommendations of the Rate Advisory Committee

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**Presented by:**

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# RAC Policy Recommendations

- Today's presentation will summarize the RAC's final policy recommendations
- Addressed the five policy areas:
  - ✓ Affordability
  - ✓ Common Service Consolidation
  - ✓ Duplex Billing
  - ✓ Hydrant Meter Calculations
  - ✓ Multi-Year Rate Adjustments
- RAC recommendations are fully documented in the RAC Summary Recommendations to the TVWD Board of Commissioners report

# 1. Affordability Policy Recommendations

- ✓ **Monthly Billing** – Move from bi-monthly to monthly billing
- ✓ **Levelized Billing** – Offer levelized billing as an option for residential customers
- ✓ **Temporary/Emergency Assistance** – Continue current Customer Emergency Assistance Program (CEAP)
  - Provide additional customer outreach and education
  - Increase the ability and opportunity to contribute to program
- ✓ **Penalty Forgiveness** – Develop policies to allow for reduction or waiver of rate-related fees (e.g., shut-off fees)

# 1. Affordability Policy Recommendations (cont.)

- ✓ **Low-Income Rate** – General direction is to offer some form of low-income rate (some RAC members were concerned with a subsidized rate). RAC provides the following policy guidance:
  - To qualify customers, use an existing qualification criteria (e.g. LIHEAP, etc.)
  - To screen and qualify customers, use an outside organization
  - Only low-income customers should qualify
  - Low-income rate should be a separate and distinct rate (rate schedule)
  - Board should determine the best approach (discount the fixed charge, variable charge, etc.) which best aligns with the Board's intent of the program and revenue/cost constraints

# 1. Affordability Policy Recommendations (cont.)

## ✓ Low-Income Rate (cont.)

- The level of the discount should be based upon either an amount of discount to be provided or structured to be within the District's funding limits.
- District's management and Board should determine the best approach to recover the revenues to fund the low-income rate.

# Other RAC Recommendations

2. **Common Service Consolidation** – RAC recommends that the District should continue explore this issue, specifically with Tualatin Hills Park & Recreation District
3. **Duplex Billing** – Duplexes with a shared meter should be re-classified as multi-family customers
4. **Hydrant Meter Calculations** – Maintain the current approach for hydrant meters, but provide enhanced outreach and education to bulk water customers regarding efficient and proper use. Review the cost of providing this service and adjust rates accordingly

## Other RAC Recommendations (continued)

5. **Multi-Year Rate Adjustments** – Revise rate setting process to establish a two-year rate period concurrent with the District's biennial budgeting process. Provide expanded customer outreach to explain the change.

This concludes the RAC's policy recommendations to the TVWD Board of Commissioners in their entirety.