

# Del-Co Water Company, Inc.

## Pricing Structure Change Effective May 1, 2025

### 1. What is the effective date for the rate change?

The new rates will be effective May 1, 2025, at the beginning of Del-Co Water's fiscal year.

### 2. Why is Del-Co making this billing structure change?

Del-Co Water aims to bend an escalating water consumption trend by emphasizing conservation and raising awareness of consumption patterns while also ensuring all residential water users pay their fair share.

### 3. How much water does a routine Del-Co Water residential customer use in a month?

50% of residential customers use 4,000 gallons or less per month and the average usage last year was 5,483 gallons per month.

### 4. I see a lot of lawn irrigation in the warmer months. What can you tell me about the added water use?

A recent study of Del-Co Water residential customers revealed 52% will increase their water consumption by no more than 25% in the summer months over their winter use. However, 24% will more than double their water consumption in the summer through irrigation, swimming pools, and outdoor recreation. Heavy summer irrigation stresses the distribution systems and may impact water pressure for routine water use.

### 5. How would you describe the change in the pricing structure?

Del-Co Water will be lowering the base rate for all residential customers. We are eliminating allowances and lowering the conservation tier to encourage visibility to daily usage. We are also lowering the rate per 1000 gallons across most segments. *See the table below.*

Gallons	Effective May 1, 2024 Rate / 1000	Effective May 1, 2025 Rate / 1000
0-1,500	\$0.00	\$5.00
1,500-3,000	\$9.00	\$5.00
3,000-4,000	\$7.00	\$5.00
4,000-10,000	\$7.00	\$8.00
10,000-25,000	\$7.00	\$11.00
25,000+	\$14.00	\$11.00

### 6. Is the base monthly fee changing?

Yes. Del-Co Water is updating both base fees and water rates. The good news is that the fixed monthly cost is coming down. The cost depends on the meter size and the overall reduction is just under 7%.

**7. What is the thinking behind removing the minimum allowances?**

A minimum allowance insulates customers from understanding their real water use while penalizing more thoughtful use practices. In the long-run, conscientious water users may overpay while more carefree customers pay less.

**8. What is a conservation tier?**

Del-Co Water established a water use level beyond which we send a pricing signal to customers encouraging them to conserve water. The new level is 2 ½ times the median household use. While the threshold is moving from 25,000 gallons per month to 10,000 gallons, we also reduced the price per 1,000 gallons by \$3.00. Our 2024 residential records indicate only 10.6% of monthly bills eclipsed 10,000 gallons.

**9. Can you provide me with specific pricing examples?**

Usage	Effective May 1, 2024	Effective May 1, 2025	Change
0	\$15.00	\$14.00	(\$1.00)
2,000	\$19.50	\$24.00	\$4.50
4,000	\$35.50	\$34.00	(\$1.50)
8,000	\$63.50	\$66.00	\$2.50
10,000	\$77.50	\$82.00	\$4.50
25,000	\$182.50	\$247.00	\$64.40

**10. Will residents using lower levels of water be unfairly impacted by the allowance change?**

Generally, no. Customers use a different amount of water every month for a variety of reasons including the season, weather, holidays, and travel. A recent study revealed 67% of the customers that had a monthly bill for 1,500 gallons, averaged more than 1,500 gallons per month for the year and 14% averaged more than 5,000 gallons.

**11. How will the rate change impact customer billings on a larger macro scale?**

It is important to remember individual water use changes throughout the year and being conservation-minded has financial rewards. 62% of customers using between 0-10,000 in a month will experience a price change between a decline of \$3 to an increase of \$3.00 for a month. 50% of all residential customers experiencing an increase are expected to see a change of \$5 or less.

**12. How can I find out how much water my household uses each month?**

The simplest way to find out how much water you are using is to look at your most recent monthly bill. Del-Co Water includes your history of water use on each monthly bill.

**13. Do you have any tips on saving water to lower my expected cost?**

Conservation can be very simple and a great education opportunity in your home.

- We like our green lawns and sprinkling every *other* day or even one less hour per day will provide savings and likely keep it green. Many lawncare professionals will say it only take 1” of water per week to keep a lawn healthy.
- Look for the leaking toilet with a little food coloring in the tank. If the toilet bowl changes colors, you may have a leak.
- A 10-minute shower uses as much as 25 gallons of water and reducing the time or converting to low flow fixtures are little ways to add savings.
- Washing a car can take 40 to 100 gallons of water depending on the length. Consider the frequency of the car washes.

**14. Are Del-Co Water’s rates similar to other communities around the state of Ohio?**

Del-Co Water and 267 other Ohio water systems participated in a bi-annual study released in 2023. The customer who used 4,000 gallons each month [the level in the middle of the pack] would pay \$408 for a year of service with the new Del-Co Water rate structure. The study revealed the cost for the same use at another Ohio system that is in the middle [50% above and 50% below] of the pack would be \$419.