



Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
619-670-2222
www.otaywater.gov

Notice of Public and Commercial Water Rate Increase

NOTICE OF INCREASED WATER RATES AND CHARGES EFFECTIVE FOR WATER BILLED IN JANUARY 2013

Dear Customer,

An overall rate increase of 7.4 percent was approved by the Otay Water District's (the "District") Board of Directors as part of the annual budget adoption process completed in May 2012. The new water rates and charges will apply to water billed beginning January 1, 2013 and, depending on your billing cycle, will apply to water used as early as the beginning of December 2012. **This letter serves as a 30-day notice of rate increases.**

The District is a revenue-neutral public agency. To continue providing reliable high-quality water services, the District must implement rate increases and pass-through to its customers higher costs imposed by its water suppliers. One hundred percent (100%) of this increase is a direct pass-through from those suppliers, which include the Metropolitan Water District of Southern California (MWD), San Diego County Water Authority (CWA), and the City of San Diego.

On August 24, 2009, the District adopted a five-year schedule of rates in compliance with applicable provisions of the law. This increase is within the limits contemplated in the five-year schedule of rates.

Water wholesalers are raising their water rates to obtain new and more reliable supplies of water. These include more reliable emergency resources, agricultural to urban water transfers, as well as potential new sources of water supplies including ocean water desalination. In addition, rate increases cover the cost of acquiring imported water from the Colorado River and Northern California.

For its part, the District has worked diligently to reduce internal costs, including reducing the number of full-time employees and instituting efficiency programs, such as automated meter reading and online bill pay services, all of which minimize the impact of higher water costs from wholesalers.

Customers who are interested in learning ways in which they can reduce their water usage to minimize the effects of this increase can visit the District's Conservation page at www.otaywater.gov. Additionally, the Water Conservation Garden located in Rancho San Diego is free to the public and offers various conservation exhibits and classes. For more about the Garden, visit www.thegarden.org. For information about the Otay Water District, please visit www.otaywater.gov or contact us via email at info@otaywater.gov.

Consumption Blocks by Unit and System Fees by Meter Size

Public and Commercial Water Usage Fee (<10" meter)

Consumption Blocks (units) ¹	Current	New
0 - 173	\$2.59	\$2.84
174 - 831	\$2.66	\$2.92
832 or more	\$2.70	\$2.96

Public and Commercial Water Usage Fee (10" meter)

Consumption Blocks (units) ¹	Current	New
0 - 7,426	\$2.59	\$2.84
7,427 - 14,616	\$2.66	\$2.92
14,617 or more	\$2.70	\$2.96

Meter Size	Current			New		
	System Fee ²	MWD/CWA ²	Total	System Fee ²	MWD/CWA ²	Total
3/4"	\$14.58	\$14.01	\$28.59	\$16.74	\$13.28	\$30.02
1"	\$18.52	\$23.33	\$41.85	\$21.26	\$22.12	\$43.38
1 1/2"	\$28.37	\$46.74	\$75.11	\$32.57	\$44.31	\$76.88
2"	\$40.18	\$74.74	\$114.92	\$46.13	\$70.85	\$116.98
3"	\$71.68	\$149.48	\$221.16	\$82.29	\$141.71	\$224.00
4"	\$107.13	\$233.58	\$340.71	\$122.99	\$221.43	\$344.42
6"	\$205.59	\$467.09	\$672.68	\$236.02	\$442.80	\$678.82
8"	\$323.73	\$747.39	\$1,071.12	\$371.64	\$708.53	\$1,080.17
10"	\$461.57	\$1,070.74	\$1,532.31	\$529.88	\$1,015.06	\$1,544.94

Other Charges

	Current	New
Energy Charges³	\$0.045	\$0.042
Improvement District⁴ No. 3	\$0.20	\$0.21
Improvement District⁴ No. 10	\$0.27	\$0.27
La Presa⁴	\$0.08	\$0.08
Fire Service⁵	\$30.11	\$34.57

Footnotes

1. This cost varies based on water usage and can be calculated using the consumption block tables. One unit of consumption equals 748 gallons of water.
3. The Energy Charge represents the cost of energy required to pump each unit of water 100 feet in elevation. This is charged proportionately for every foot of elevation over 450 feet. This decrease is due to decreased power costs to the District.
2. These fees are based on the meter size. The MWD/CWA fee is decreasing to match the cost from the District's water suppliers. The System Fee is increasing to pay for higher water system replacement, maintenance, and operating expenses.
4. This charge is a per unit charge and your bill will vary based on water consumption.
5. Fire Service requires a separate meter and is a monthly fee regardless of meter size.

This information reflects only changes to rates. For a comprehensive listing of rates, please see the Otay Water District's Code of Ordinances at www.otaywater.gov.