



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

Notice of Recycled 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.

Recycled water rates are based on the cost of potable water from the District's suppliers. Recycled water rates are discounted by 15 percent in recognition of the added expense of using recycled water and as an incentive for recycled water customers.

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.

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 Fees by Meter Size

Recycled Water Usage Fee¹ (3/4" to 1.0" meter)

Consumption Blocks (units) ¹	Current	New
0 - 42	\$3.02	\$3.31
43 - 97	\$3.06	\$3.35
98 or more	\$3.12	\$3.42

Recycled Water Usage Fee¹ (1 1/2" to 2.0" meter)

Consumption Blocks (units) ¹	Current	New
0 - 168	\$3.02	\$3.31
169 - 402	\$3.06	\$3.35
403 or more	\$3.12	\$3.42

Recycled Water Usage Fee¹ (3" & 4" meter)

Consumption Blocks (units) ¹	Current	New
0 - 403	\$3.02	\$3.31
404 - 820	\$3.06	\$3.35
821 or more	\$3.12	\$3.42

Recycled Water Usage Fee¹ (>6" meter)

Consumption Blocks (units) ¹	Current	New
0 - 7,916	\$3.02	\$3.31
7,917 - 16,357	\$3.06	\$3.35
16,358 or more	\$3.12	\$3.42

Meter Size	Current System Fee ²	New System Fee ²
3/4"	\$14.58	\$16.74
1"	\$18.52	\$21.26
1 1/2"	\$28.37	\$32.57
2"	\$40.18	\$46.13
3"	\$71.68	\$82.29
4"	\$107.13	\$122.99
6"	\$205.59	\$236.02
8"	\$323.73	\$371.64
10"	\$461.57	\$529.88

Other Charges

	Current	New
Energy Charges ³	\$0.045	\$0.042

Footnotes

1. Recycled water rates are based on meter size and the number of recycled water units used each month. A unit of recycled water equals 748 gallons.
2. Systems Fees are based on meter size. The fee is increasing to pay for higher water system replacement, maintenance, and operating expenses.
3. The Energy Charge represents the cost of energy required to pump each unit of recycled 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.

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.