

Help inform your water and wastewater rate

The City of Vaughan is conducting a Water and Wastewater Rate Study to review the current rates and rate structure for the delivery of water and wastewater services.

The study will:

- ▶ **maintain user rate affordability** across all residents and businesses.
- ▶ **develop a financial plan** that generates sufficient revenue to support operations, maintenance and capital investment.
- ▶ **review the current rate structure** and recommend changes as needed.
- ▶ **align proposed rate and financial plan** with industry best practices.

The City is in the consultation process, and **no decision** on a preferred rate structure has been made.

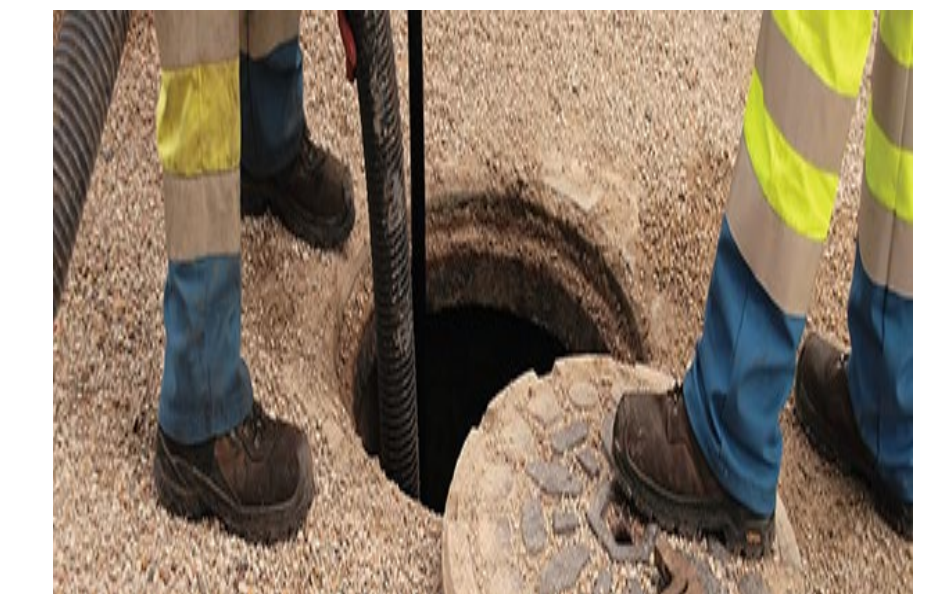
What does my water and wastewater bill pay for?

More than **75 percent** of your water bill covers the purchase of water and wastewater treatment services from York Region. The remainder of your bill funds:

- maintenance of the City's infrastructure.
- delivery of safe and clean water.
- collection of wastewater for treatment through the sewer network.
- leak detection initiatives.
- customer support services.



A water tower in Vaughan



Wastewater infrastructure in Vaughan



Water sampling station in Vaughan



Water pipes with backflow prevention device



Understanding your water and wastewater bill

How are rates currently calculated?

Every two months, water and wastewater charges appear on your residential hydro bill. This charge has two parts:

- ▶ **volumetric rate** – each customer is charged a combined water and wastewater rate of \$5.56 per cubic metre of water used.
- ▶ **minimum monthly fee** – **only charged** to customers that use less than 7.2 cubic metres of water in a month. Instead of the volumetric rate, these customers are automatically charged \$39 for water and wastewater for that month.

Why charge a monthly minimum fee?

A minimum monthly fee:

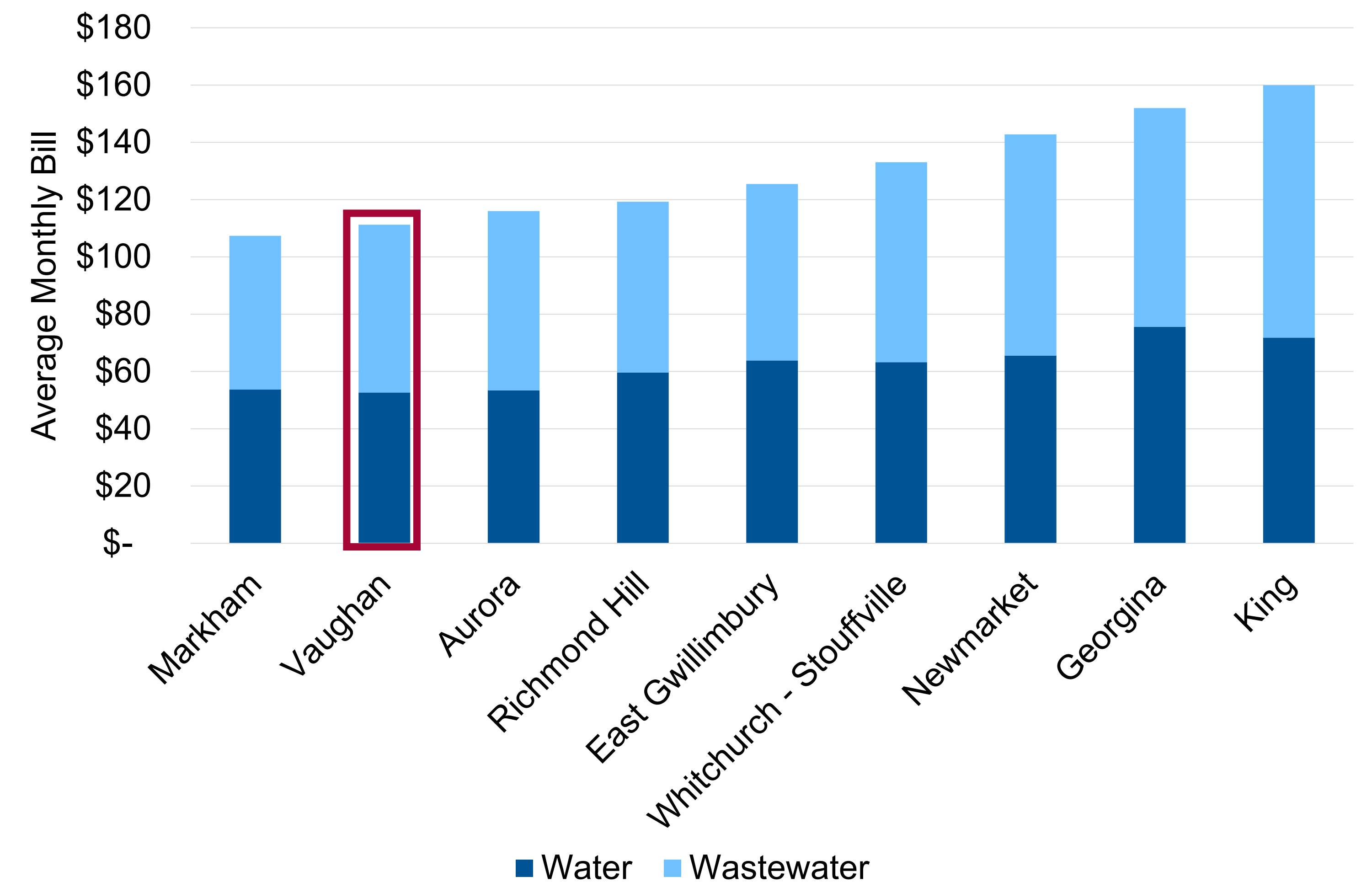
- ▶ recognizes ongoing operational and capital costs needed to ensure water and wastewater assets are well-maintained.
- ▶ ensures water is “ready and waiting” for each customer, regardless of the amount of water used.
- ▶ helps recover the cost of ensuring services are continuously available even when customers are not using water.

Note 1: Based on April-to-April billing with equal consumption of 20 m³ per month.



How does our rate compare?

Average monthly bill (20 m³)¹





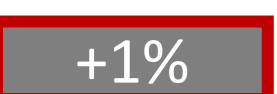









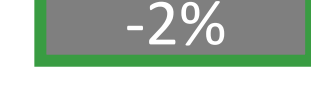


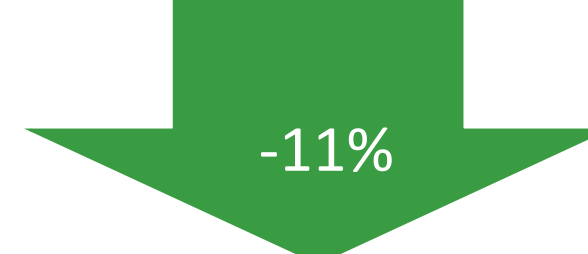


- ▶ Five municipalities in York Region combine a fixed monthly fee and a volumetric rate.
- ▶ Three municipalities use a volumetric rate only.
- ▶ Vaughan uses a minimum monthly fee for low water users.



Comparison of billing structure options

Three rate structures are under review. Here is a breakdown of how each structure may impact several sample customer types.

| <u>Sample customers</u> | <u>Annual consumption (m³)</u> | <u>1. Annual bill with current structure¹</u> | <u>2. Volumetric charge only^{2,3}</u> | <u>3. Service delivery charge and volumetric rate^{2,3,4}</u> |
|--|---|--|---|---|
|  Vacant house | Little-to-no consumption | \$470 |  |  |
|  Low volume household | 90 m ³ per annum | \$500 |  |  |
|  Moderate volume household | 160 m ³ per annum | \$890 |  |  |
|  Average volume household | 240 m ³ per annum | \$1,335 |  |  |
|  High volume household | 400 m ³ per annum | \$2,300 |  |  |
|  Snowbird (3+ months away) | 270 m ³ per annum | \$1,700 |  |  |

Legend

Thick arrow = annual bill **increase** or **decrease** greater than ten per cent

Thin arrow = annual bill **increase** or **decrease** between two and ten per cent

Bar = annual bill **increase** or **decrease** less than two per cent

Note 1: Based on April-to-April billing.

Note 2: Table reflects a sample of users, and each individual customer rate impact will be different pending on consumption patterns.

Note 3: The anticipated impacts relate only to the effects of a rate structure change and do not consider the rate change required to meet annual budget needs.

Note 4: The service delivery charge + volumetric rate scenario assumes five per cent of costs to deliver water and wastewater services are recovered from the service delivery charge.

