

*Exhibit No.:*  
*Issue(s):* *Rate Design*  
*Witness:* *Matthew J. Barnes*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Direct Testimony*  
*Case No.:* *WR-2018-0170*  
*Date Testimony Prepared:* *June 22, 2018*

**MISSOURI PUBLIC SERVICE COMMISSION**

**COMMISSION STAFF DIVISION**

**WATER AND SEWER DEPARTMENT**

**DIRECT TESTIMONY**

**OF**

**MATTHEW J. BARNES**

**LIBERTY UTILITIES (MISSOURI WATER), LLC  
D/B/A LIBERTY UTILITIES**

**CASE NO. WR-2018-0170**

*Jefferson City, Missouri  
June 2018*

**TABLE OF CONTENTS OF**

**DIRECT TESTIMONY**

**OF**

**MATTHEW J. BARNES**

**LIBERTY UTILITIES (MISSOURI WATER), LLC  
D/B/A LIBERTY UTILITIES**

**CASE NO. WR-2018-0170**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19

Recommendation ..... 1

Liberty Systems..... 2

Rate Design ..... 3

District Specific Pricing vs. Single Tariff Pricing ..... 3

Staff’s Proposed Rate Design ..... 5

Staff’s Alternative Rate Design Proposal ..... 7

Conclusion ..... 8

1                                   **DIRECT TESTIMONY**

2                                   **OF**

3  
4                                   **MATTHEW J. BARNES**

5  
6                                   **LIBERTY UTILITIES (MISSOURI WATER), LLC**  
7                                   **D/B/A LIBERTY UTILITIES**

8  
9                                   **CASE NO. WR-2018-0170**  
10

11  
12            Q.     Please state your name and business address.

13            A.     Matthew J. Barnes, P.O. Box 360, Jefferson City, Missouri, 65102.

14            Q.     By whom are you employed and in what capacity?

15            A.     I am employed by the Missouri Public Service Commission (“Commission”)  
16 as a Utility Regulatory Auditor IV.

17            Q.     Please describe your educational background, work experience, and any cases  
18 in which you have previously filed testimony before this Commission.

19            A.     My credentials and a listing of cases in which I have filed testimony previously  
20 before this Commission are attached to this direct testimony as Schedule MJB-d1.

21            Q.     What is the purpose of your Direct Testimony?

22            A.     The purpose of my Direct Testimony is to recommend to the Commission  
23 Staff’s rate design for Liberty Utilities (Missouri Water), LLC D/B/A Liberty Utilities  
24 (“Liberty” or “Company”).

25            **Recommendation**

26            Q.     What is Staff’s recommendation?

27            A.     Staff recommends that the Commission maintain the current water and sewer  
28 rate design for Liberty’s water and sewer service areas.

**Liberty Systems**

Q. What are the systems that make up Liberty’s water and sewer service areas?

A. Liberty is made up of eleven (11) water and three (3) sewer systems that compose nine (9) water tariff districts and two (2) sewer tariff districts. Liberty acquired these systems by purchasing KMB’s water and sewer operations, Silverleaf’s water and sewer operations, and Noel’s water operations. The KMB water systems include: Lakewood, Cedar Hill, Scotsdale, Crestview Acres, Warren Woods, Hillshine and High Ridge. KMB’s sewer system is Cape Rock Village. The Silverleaf water systems include: Holiday Hills, Timber Creek, and Ozark Mountain. The Silverleaf sewer systems are Timber Creek and Ozark Mountain.

Q. How many customers are in each system and where are they located?

A. Table 1 lists the number of customers and the location of each system:

Service Area/Missouri City	June 2018	
	Water	Sewer
Noel, MO	665	
Silverleaf - Timber Creek/Desoto, MO	758	16
Silverleaf - Ozark Mountain/Kimberling City, MO		230
Silverleaf - Holiday Hills/Branson, MO		
KMB - Cape Rock Village/ Cape Girardeau, MO		170
KMB - Warren Woods/House Springs, MO	19	
KMB - Scotsdale/ Scotsdale, MO	37	
KMB - Lakewood Hills/Pacific Mo	114	
KMB - Hillshine/Catawissa, MO	33	
KMB - High Ridge Manor/House Springs, MO	87	
KMB - Crestview Acres/Pacific, MO	55	
KMB - Cedar Hills Estates/Cedar Hills, MO	185	
<b>Total Customers</b>	<b>1,953</b>	<b>416</b>

1 Q. What are the general characteristics of Liberty's water operating systems?

2 A. All of Liberty's water operating systems consist of wells, master meters, well  
3 houses, and chlorine pumps for disinfection. All of Liberty's sewer systems use an extended  
4 aeration plant to treat the effluent. Staff's *Report of Water and Sewer Department, Field*  
5 *Operations and Tariff Review*, attached to the Partial Disposition Agreement filed in this case  
6 on May 24, 2018, provides more details for each of Liberty's water and sewer operating  
7 systems.

8 **Rate Design**

9 Q. What is the purpose of rate design?

10 A. The purpose of rate design is to develop rates for each of Liberty's water and  
11 sewer service tariffed operations that will give the Company an opportunity to collect its  
12 Commission approved revenue requirement. Prior to Staff developing Liberty's rate design,  
13 certain costs must be assigned to Liberty's water and sewer service systems. The  
14 Commission's Auditing Staff determined an appropriate manner to allocate costs to Liberty's  
15 water and sewer service systems. Staff can then develop Liberty's water and sewer rate  
16 design based on the actual revenue requirement for each water and sewer service system. The  
17 rate structure that is utilized generally consists of a fixed monthly customer charge and a  
18 commodity (usage) charge. The customer charge is developed by comparing certain costs  
19 that are generally considered fixed. Commodity charges are generally developed by  
20 comparing the remaining costs and the usage characteristics of each system.

21 **District Specific Pricing vs. Single Tariff Pricing**

22 Q. What is District-Specific Pricing?

1           A.     District-specific pricing (DSP) takes the costs of providing service for each  
2 individual service area and develops rates based upon that service area's cost of service.  
3 Thus, the rates those ratepayers in a given service area pay cover costs associated with  
4 providing service to only that service area.

5           Q.     What is the primary benefit of DSP?

6           A.     The primary benefit of DSP is that the cost causers pay for their own costs.  
7 Stated another way, those customers who caused the cost to occur are the customers  
8 responsible for paying those costs.

9           Q.     Is there a different type of pricing mechanism that can be used to develop  
10 rates?

11          A.     Yes. The opposite method of DSP is single-tariff pricing (STP), sometimes  
12 referred to as consolidated-tariff pricing. In STP, all costs of the entire utility are combined  
13 and rates are developed on a total, system-wide basis. Thus, residential customers in all of the  
14 utility's service territories will pay the same customer charge and commodity rate. For  
15 example, a Liberty residential customer in Noel will be charged the same rate as a residential  
16 customer in Cedar Hill and as a residential customer in Warren Woods.

17          Q.     What is the primary benefit of STP?

18          A.     The primary benefit of STP is that it spreads out costs to a larger customer  
19 base. This helps mitigate the impact of large capital expenditures that need to be made by the  
20 Company in any particular district. This mechanism works best, however, when there is a  
21 large customer base.

22          Q.     Are these the only two mechanisms for determining rate design for the various  
23 service territories?

1           A.     No. DSP and STP are the two extremes on the rate design spectrum. An  
2 analyst can also use a combination, or hybrid, of the two extremes to develop rates  
3 appropriate to collect the revenues needed by the Company to cover its cost of service.

4           **Staff's Proposed Rate Design**

5           Q.     What is Staff's proposed rate design for Liberty?

6           A.     Staff recommends that the Commission maintain the current water and sewer  
7 rate design for Liberty's existing water and sewer service areas.

8           Q.     Why does Staff propose to maintain the current water and sewer rate design?

9           A.     Staff proposes to maintain the current water and sewer rate design because the  
10 characteristics of the water systems that Liberty owns are more appropriate for the current,  
11 DSP-style rate design approach.

12          Q.     What characteristics about the Liberty water systems support DSP?

13          A.     DSP is appropriate in this case because each system is unique in that each  
14 system is relatively small customer-wise, and the costs to serve Liberty's customers vary  
15 among each system. The cost of service for each system varies based on number of  
16 customers, different usage patterns, or the cost to replace or upgrade plant and infrastructure.

17          Q.     How is the cost of service different for the various Liberty water systems?

18          A.     For example, and as can be seen in Table 1 above, the largest water system is  
19 Noel. Noel is a small city that has 665 water customers, of which a majority of them are  
20 permanent residents. Noel is the only system in Liberty that serves industrial customers.  
21 Noel is Liberty's only system located in the southwest corner of the state. Compared to Noel,  
22 KMB's systems range from 19 customers to 185 customers. KMB has a combination of  
23 permanent customers and time-share customers. KMB currently does not have any industrial

1 customers in its service area and all of KMB's systems are in the neighboring Jefferson and  
2 Franklin Counties.

3 Table 2 shows the cost to serve customers for each Liberty water and sewer  
4 system. The cost of service ranges from a low of \$23,340 to a high of \$705,008 for the water  
5 systems. The cost of service ranges from a low of \$93,806 to a high of \$345,118 for the  
6 sewer systems. The cost to serve each individual customer ranges from a low of \$530 to a  
7 high of \$1,403 for the water systems. The cost to serve each individual customer ranges from  
8 \$552 to \$1,403 for the sewer systems.

	Noel	Silverleaf - HH/TC/OM	KMB - Lakewood	KMB - Cedar Hill	KMB - Scotsdale	KMB - Crestview Acres	KMB - Warren Woods	KMB - Hillshine	KMB - High Ridge	Silverleaf - Systems TC/OM	KMB - Cape Rock
Total Cost of Service	\$ 705,008	\$ 624,618	\$ 92,331	\$ 104,924	\$ 38,033	\$ 39,454	\$ 23,432	\$ 23,340	\$ 46,070	\$ 345,118	\$ 93,806
Cost Per Customer	\$ 1,060	\$ 824	\$ 810	\$ 567	\$ 1,028	\$ 717	\$ 1,233	\$ 707	\$ 530	\$ 1,403	\$ 552

9  
10 As mentioned above, the primary benefit of DSP is that it matches costs to cost-  
11 causers. Because the systems themselves are so different, combining the system costs for the  
12 sake of combining costs would make these customers' rates go up or down, without regard to  
13 the actual cost of operations, or the type of service provided at each system.

14 Q. Does Staff have other reasons to keep the existing rate design?

15 A. Yes. While the cost of service suggests rates need to increase for Liberty's  
16 customers, the service areas' costs are still only for their own investment and expenses.  
17 Liberty has not indicated to Staff that any major capital projects are to be expected in the  
18 future, that would necessitate the need to combine and spread the expenses to avoid rate  
19 shock. With the DSP approach, if there are small, localized capital projects, only the  
20 customers that use the investment in their service area will pay for the investment. Liberty's  
21 service areas are not physically connected and are geographically located far apart from each



1 other. Thus, capital investment in one service area does not provide benefit to customers in  
2 another.

3 Q. Did Staff develop a schedule for the Commission that shows the current and  
4 proposed rate, the dollar change, and the percent change for those rates for each of Liberty's  
5 water and sewer service areas?

6 A. Yes. Schedule MJB-d2 shows the current rate and proposed rate, the dollar  
7 change, and the percent change for each of Liberty's water and sewer service areas.

8 **Staff's Alternative Rate Design Proposal**

9 Q. If the Commission were to consider consolidating Liberty's water and sewer  
10 service areas, what would Staff's recommendation be?

11 A. If the Commission were to consider consolidating Liberty's water and  
12 sewer service areas, Staff recommends the Commission consolidate Liberty's KMB water  
13 systems. This would combine the following water service systems: Lakewood, Cedar Hill,  
14 Scotsdale, Crestview Acres, Warren Woods, Hillshine and High Ridge.

15 Q. Why should the Commission consolidate KMB's water systems if they chose  
16 to do so?

17 A. If the Commission chooses to consolidate KMB's water system they should do  
18 so because all the water operating systems are located nearby in the neighboring Jefferson and  
19 Franklin Counties, each system is maintained by the same operator, and each system has  
20 similar plant, i.e. wells, a stand-pipe, well houses and master meters.

21 Q. Did Staff develop a rate design consolidating Liberty's KMB water systems?

22 A. Yes. Staff developed a rate design consolidating Liberty's KMB water  
23 systems and the results are shown in Schedule MJB-d3.

1 Q. What does Schedule MJB-d3 show?

2 A. Schedule MJB-d3 shows the current rate, the proposed single rate, the dollar  
3 and percentage changes for each of Liberty's KMB water systems if the Commission  
4 consolidates KMB's water systems.

5 **Conclusion**

6 Q. Please summarize Staff's position.

7 A. Staff recommends that the Commission maintain the current water and sewer  
8 rate design for Liberty's existing water and sewer service areas. The current water and sewer  
9 rate design takes all of the costs of providing service to certain individual service areas and  
10 develops rates based upon that district's cost of service. Thus, the rates those ratepayers in  
11 any district pay only cover costs associated with providing service to that water and sewer  
12 service area.

13 Q. Does this complete your Direct Testimony?

14 A. Yes, it does.

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

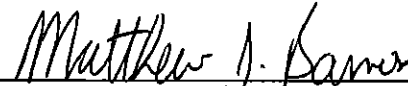
In The Matter of the Application of Rate Increase for )  
Liberty Utilities (Missouri Water), LLC d/b/a )  
Liberty Utilities )

**Case No. WR-2018-0170**

**AFFIDAVIT OF MATTHEW J. BARNES**


State of Missouri )  
  ) ss  
County of Cole )

**COMES NOW** Matthew J. Barnes, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Direct Testimony*; and that the same is true and correct according to his best knowledge and belief. Further the Affiant sayeth not.

  
\_\_\_\_\_  
Matthew J. Barnes

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 19th day of June, 2018.

  
\_\_\_\_\_  
NOTARY PUBLIC

DIANNA L. VAUGHT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: June 28, 2019  
Commission Number: 15207377

MATTHEW J. BARNES

EDUCATION AND RATE CASE PARTICIPATION

**Educational and Employment Background and Credentials**

I am a Utility Regulatory Auditor IV in the Water and Sewer Department, Commission Staff Division for the Missouri Public Service Commission. I was promoted to Utility Regulatory Auditor IV in the Energy Resources Department, Commission Staff Division for the Missouri Public Service Commission in June 2008. I accepted the position of Utility Regulatory Auditor I/II/III in June 2003. I transferred to the position of Utility Regulatory Auditor IV in the Water and Sewer Department in June 2016.

In December 2002, I earned a Bachelor of Science Degree in Business Administration with an Emphasis in Accounting from Columbia College. In May 2005, I earned a Masters in Business Administration with an Emphasis in Accounting from William Woods University.

**RATE CASE PARTICIPATION**

<b>Date Filed</b>	<b>Issue</b>	<b>Case Number</b>	<b>Exhibit</b>	<b>Case Name</b>
09/08/2004	Merger with TXU Gas	GM20040607	Staff Recommendation	Atmos Energy Corporation
10/15/2004	Rate of Return	TC20021076	Supplemental Direct	BPS Telephone Company
06/28/2005	Finance Recommendation	EF20050387	Staff Recommendation	Kansas City Power and Light Company
06/28/2005	Finance Recommendation	EF20050388	Staff Recommendation	Kansas City Power and Light Company
08/31/2005	Finance Recommendation	EF20050498	Staff Recommendation	Kansas City Power and Light Company
11/15/2005	Spin-off of landline operations	IO20060086	Rebuttal	Sprint Nextel Corporation

MATTHEW J. BARNES

EDUCATION AND RATE CASE PARTICIPATION

03/08/2006	Spin-off of landline operations	TM20060272	Rebuttal	Alltel Missouri, Inc.
08/08/2006	Rate of Return	ER20060314	Direct	Kansas City Power & Light Company
09/08/2006	Rate of Return	ER20060314	Rebuttal	Kansas City Power & Light Company
09/13/2006	Rate of Return	GR20060387	Direct	Atmos Energy Corporation
10/06/2006	Rate of Return	ER20060314	Surrebuttal	Kansas City Power & Light Company
11/07/2006	Rate of Return	ER20060314	True-Up Direct	Kansas City Power & Light Company
11/13/2006	Rate of Return	GR20060387	Rebuttal	Atmos Energy Corporation
11/23/2006	Rate of Return	GR20060387	Surrebuttal	Atmos Energy Corporation
12/01/2006	Rate of Return	WR20060425	Direct	Algonquin Water Resources of Missouri LLC
12/28/2006	Rate of Return	WR20060425	Rebuttal	Algonquin Water Resources of Missouri LLC
01/12/2007	Rate of Return	WR20060425	Surrebuttal	Algonquin Water Resources of Missouri LLC
02/07/2007	Finance Recommendation	GF20070220	Staff Recommendation	Laclede Gas Company

MATTHEW J. BARNES

EDUCATION AND RATE CASE PARTICIPATION

05/04/2007	Rate of Return	GR20070208	Direct	Laclede Gas Company
07/24/2007	Rate of Return	ER20070291	Direct	Kansas City Power and Light Company
08/30/2007	Rate of Return	ER20070291	Rebuttal	Kansas City Power and Light Company
09/20/2007	Rate of Return	ER20070291	Surrebuttal	Kansas City Power and Light Company
11/02/2007	Rate of Return	ER20070291	True-up Direct	Kansas City Power and Light Company
02/01/2008	Finance Recommendation	EF20080214	Staff Recommendation	Kansas City Power and Light Company
02/22/2008	Rate of Return	ER20080093	Cost of Service Report	The Empire District Electric Company
04/04/2008	Rate of Return	ER20080093	Rebuttal Testimony	The Empire District Electric Company
04/25/2008	Rate of Return	ER20080093	Surrebuttal Testimony	The Empire District Electric Company
08/18/2008	Rate of Return	WR20080311	Cost of Service Report	Missouri-American Water Company
09/30/2008	Rate of Return	WR20080311	Rebuttal Testimony	Missouri-American Water Company
10/16/2008	Rate of Return	WR2008031	Surrebuttal Testimony	Missouri-American Water Company

MATTHEW J. BARNES

EDUCATION AND RATE CASE PARTICIPATION

02/26/2010	Fuel Adjustment Clause	ER20100130	Cost of Service Report	The Empire District Electric Company
04/02/2010	Fuel Adjustment Clause	ER20100130	Rebuttal Testimony	The Empire District Electric Company
04/23/2010	Fuel Adjustment Clause	ER20100130	Surrebuttal Testimony	The Empire District Electric Company
02/23/11	Fuel Adjustment Clause	ER20110004	Cost of Service Report	The Empire District Electric Company
04/22/11	Fuel Adjustment Clause	ER20110004	Rebuttal Testimony	The Empire District Electric Company
04/28/11	Fuel Adjustment Clause	ER20110004	Surrebuttal Testimony	The Empire District Electric Company
05/06/11	Fuel Adjustment Clause	ER20110004	True-up Direct Testimony	The Empire District Electric Company
10/21/11	Costs for the Phase-In Tariffs	ER20120024	Direct Testimony	KCP&L Greater Missouri Operations Company
11/17/11	Rate of Return	WR20110337	Cost of Service Report	Missouri-American Water Company
08/09/12	Fuel Adjustment Clause	ER20120175	Staff Report	KCP&L Greater Missouri Operations Company
09/12/12	Fuel Adjustment Clause	ER20120175	Rebuttal Testimony	KCP&L Greater Missouri Operations Company
10/10/12	Fuel Adjustment Clause	ER20120175	Surrebuttal Testimony	KCP&L Greater Missouri Operations Company
11/30/12	Fuel Adjustment Clause	ER20120345	Cost of Service Report	The Empire District Electric Company

MATTHEW J. BARNES

EDUCATION AND RATE CASE PARTICIPATION

12/13/14	Fuel Adjustment Clause	ER20120345	Class Cost of Service Report	The Empire District Electric Company
01/16/13	Fuel Adjustment Clause	ER20120345	Rebuttal Testimony	The Empire District Electric Company
02/14/13	Fuel Adjustment Clause	ER20120345	Surrebuttal Testimony	The Empire District Electric Company
12/05/14	Fuel Adjustment Clause	ER20140258	Cost of Service Report	Ameren Missouri
12/19/14	Fuel Adjustment Clause	ER20140258	Class Cost of Service Report	Ameren Missouri
01/16/15	Fuel Adjustment Clause	ER20140258	Rebuttal Testimony	Ameren Missouri
02/06/15	Fuel Adjustment Clause	ER20140258	Surrebuttal Testimony	Ameren Missouri
03/17/15	Fuel Adjustment Clause	ER20140258	True-up Direct Testimony	Ameren Missouri
07/15/16	Fuel Adjustment Clause	ER20160156	Staff Report Revenue Requirement Cost of Service	KCP&L Greater Missouri Operations Company
07/29/16	Fuel Adjustment Clause	ER20160156	Staff Report Rate Design	KCP&L Greater Missouri Operations Company
10/13/16	Rate of Return	SR20160202	Rebuttal Testimony	Raccoon Creek Utility Operating Company
10/13/17	Rate of Return	WR20170259	Direct Testimony	Indian Hills Utility Operating Company



MATTHEW J. BARNES

EDUCATION AND RATE CASE PARTICIPATION

12/13/17	Class Cost of Service/Rate Design	WR20170285	Staff's Class Cost of Service and Rate Design Report	Missouri American Water Company
01/24/18	Special Contracts	WR20170285	Rebuttal Testimony	Missouri American Water Company
02/09/18	Class Cost of Service/Rate Design	WR20170285	Surrebuttal Testimony	Missouri American Water Company

## Current and Proposed Rates

<b>Residential Customer Charge</b>					
	<b>Residential</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Cedar Hill	3/4" Meter	\$ 8.68	\$ 32.07	\$ 23.39	↑ 269.43%
City of Scotsdale	5/8" Meter	\$ 42.42	\$ 56.86	\$ 14.44	↑ 34.03%
Crest View Acres	5/8" Meter	\$ 12.45	\$ 32.09	\$ 19.64	↑ 157.72%
High Ridge	5/8" Meter	\$ 6.54	\$ 24.41	\$ 17.87	↑ 273.26%
Hillshine	5/8" Meter	\$ 14.28	\$ 36.65	\$ 22.37	↑ 156.67%
HH, TC, OM (Silverleaf)	3/4" Meter	\$ 8.96	\$ 31.81	\$ 22.85	↑ 255.07%
Lakewood Hills	5/8" Meter	\$ 13.53	\$ 34.14	\$ 20.61	↑ 152.31%
Noel	5/8" Meter	\$ 7.76	\$ 23.35	\$ 15.59	↑ 200.88%
Warren Woods	5/8" Meter	\$ 23.39	\$ 62.92	\$ 39.53	↑ 169.01%
KMB-Cape Rock Village Sewer	Single Family	\$ 27.60	\$ 45.44	\$ 17.84	↑ 64.63%
Silverleaf-Timber Creek & Ozark Mountain Sewer	5/8" Meter	\$ 16.00	\$ 34.86	\$ 18.86	↑ 117.88%

<b>Residential Commodity Charge</b>					
	<b>Residential</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Cedar Hill	3/4" Meter	\$ 1.84	\$ 3.60	\$ 1.76	↑ 95.72%
City of Scotsdale	5/8" Meter	\$ 5.52	\$ 6.23	\$ 0.71	↑ 12.79%
Crest View Acres	5/8" Meter	\$ 3.67	\$ 6.82	\$ 3.15	↑ 85.89%
High Ridge	5/8" Meter	\$ 2.44	\$ 4.70	\$ 2.26	↑ 92.82%
Hillshine	5/8" Meter	\$ 2.77	\$ 5.58	\$ 2.81	↑ 101.56%
HH, TC, OM (Silverleaf)	3/4" Meter	\$ 5.96	\$ 6.80	\$ 0.84	↑ 14.14%
Lakewood Hills	5/8" Meter	\$ 3.51	\$ 6.39	\$ 2.88	↑ 82.15%
Noel	5/8" Meter	\$ 1.80	\$ 2.98	\$ 1.18	↑ 65.49%
Warren Woods	5/8" Meter	\$ 5.29	\$ 8.76	\$ 3.47	↑ 65.62%
Silverleaf-Timber Creek & Ozark Mountain Sewer	5/8" Meter	\$ 17.24	\$ 25.94	\$ 8.70	↑ 50.47%

## Staff's Alternative Water Rate Design

<b>Residential Customer Charge</b>						
		<b>Current</b>	<b>Proposed</b>	<b>Dollar</b>	<b>Percent</b>	
	<b>Residential</b>	<b>Rate</b>	<b>Rate</b>	<b>Change</b>	<b>Change</b>	
Cedar Hill	3/4" Meter	\$ 8.68	\$ 29.95	\$ 21.27	↑	245.07%
City of Scotsdale	5/8" Meter	\$ 42.42	\$ 29.95	\$ (12.47)	↓	-29.39%
Crest View Acres	5/8" Meter	\$ 12.45	\$ 29.95	\$ 17.50	↑	140.58%
High Ridge	5/8" Meter	\$ 6.54	\$ 29.95	\$ 23.41	↑	357.99%
Hillshine	5/8" Meter	\$ 14.28	\$ 29.95	\$ 15.67	↑	109.75%
Lakewood Hills	5/8" Meter	\$ 13.53	\$ 29.95	\$ 16.42	↑	121.38%
Warren Woods	5/8" Meter	\$ 23.39	\$ 29.95	\$ 6.56	↑	28.06%

<b>Residential Commodity Charge</b>						
		<b>Current</b>	<b>Proposed</b>	<b>Dollar</b>	<b>Percent</b>	
	<b>Residential</b>	<b>Rate</b>	<b>Rate</b>	<b>Change</b>	<b>Change</b>	
Cedar Hill	3/4" Meter	\$ 2.86	\$ 6.65	\$ 3.79	↑	132.60%
City of Scotsdale	5/8" Meter	\$ 2.44	\$ 6.65	\$ 4.21	↑	172.57%
Crest View Acres	5/8" Meter	\$ 2.77	\$ 6.65	\$ 3.88	↑	140.10%
High Ridge	5/8" Meter	\$ 3.51	\$ 6.65	\$ 3.14	↑	89.48%
Hillshine	5/8" Meter	\$ 5.29	\$ 6.65	\$ 1.36	↑	25.72%
Lakewood Hills	5/8" Meter	\$ 1.84	\$ 6.65	\$ 4.81	↑	261.46%
Warren Woods	5/8" Meter	\$ 1.84	\$ 6.65	\$ 4.81	↑	261.46%