

# At A Glance

## City of Charlottesville

# Utility Rate Report



The following information provides a brief summary of the rate and fee recommendations for water, wastewater, stormwater and natural gas for FY2025, and new rates will go into effect July 1<sup>st</sup>, 2024. For a more thorough explanation and details of the recommendations, please refer to the FY2025 Utility Rate Report.

The table below illustrates the monthly impact on an average City residential customer using 400 cubic feet (cf) of water and wastewater, owning a property with approximately 2,440 square feet of impervious surface, and using 4,600 cubic feet (cf) of gas. This information is based on utility rates and charges adopted July 1<sup>st</sup>, 2023, and proposed rates and charges.

	Current Based on rates adopted 7/1/23	Proposed Effective 7/1/24	Change	Percent
Water <sup>1</sup>	\$36.57	\$38.25	\$1.68	4.59%
Wastewater <sup>1</sup>	\$41.84	\$44.52	\$2.68	6.41%
Gas <sup>1</sup>	\$50.45	\$54.03	\$3.58	7.10%
Stormwater <sup>2</sup>	\$5.86	\$5.86	\$0	0%
<b>Total</b>	<b>\$134.72</b>	<b>\$142.66</b>	<b>\$7.94</b>	<b>5.89%</b>

(1) Rates include monthly service charges

(2) The budget impact shown reflects a residential monthly average fee and provides consistency with other utilities. Stormwater fees are rounded to the next whole billing unit and are billed to property owners biannually.

## Water Rates

### Where your Water Dollar goes ...



### Usage Rate

Water rates are proposed to increase by \$1.70 per 1,000 cf based on the amount of water used (2.3% increase).



## Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on water customers at different amounts of usage.

	Water Use (cf per month)	Current Composite Water (per 1,000 cf)	Current Water Usage (charge per month)	Proposed Composite Water (per 1,000 cf)	Proposed Water Usage (charge per month)	\$ Change	% Change
Minimal User (10 <sup>th</sup> Percentile)	140	\$75.17	\$10.52	\$76.87	\$10.76	\$0.24	2.28%
Small User (25 <sup>th</sup> Percentile)	250	\$75.17	\$18.79	\$76.87	\$19.22	\$0.43	2.29%
Median User (50 <sup>th</sup> Percentile)	400	\$75.17	\$30.07	\$76.87	\$30.75	\$0.68	2.26%
Large User (75 <sup>th</sup> Percentile)	610	\$75.17	\$45.85	\$76.87	\$46.89	\$1.04	2.27%
High Volume User (90 <sup>th</sup> Percentile)	880	\$75.17	\$66.15	\$76.87	\$67.65	\$1.50	2.27%

## Wastewater Rates

### Where your Wastewater Dollar goes ...



## Usage Rate

Wastewater usage rates are proposed to increase by \$4.21 per 1,000 cf based on the amount of water used (4.8% increase).



## Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on wastewater customers at different amounts of usage.

	Water Use (cf per month)	Current Wastewater (\$ per 1,000 cf)	Current Wastewater Usage (charge per month)	Proposed Wastewater Rate (\$ per 1,000 cf)	Proposed Wastewater Usage	\$ Change	% Change
Minimal User (10 <sup>th</sup> Percentile)	140	\$88.34	\$12.37	\$92.55	\$12.96	\$0.59	4.77%
Small User (25 <sup>th</sup> Percentile)	250	\$88.34	\$22.09	\$92.55	\$23.14	\$1.05	4.75%
Median User (50 <sup>th</sup> Percentile)	400	\$88.34	\$35.34	\$92.55	\$37.02	\$1.68	4.75%
Large User (75 <sup>th</sup> Percentile)	610	\$88.34	\$53.89	\$92.55	\$56.46	\$2.57	4.77%
High Volume User (90 <sup>th</sup> Percentile)	880	\$88.34	\$77.74	\$92.55	\$81.44	\$3.70	4.76%

# Water & Wastewater

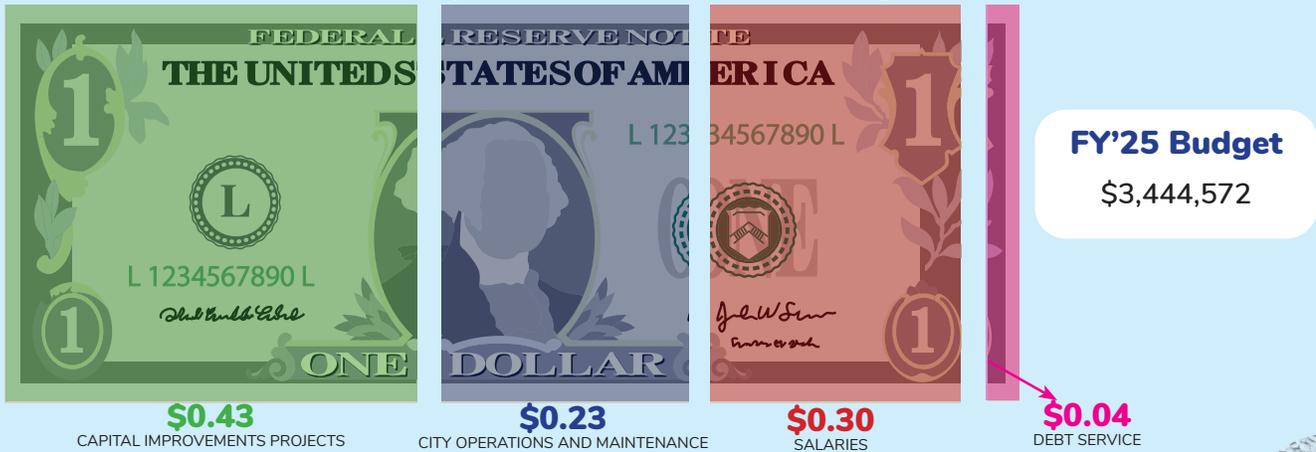
## Monthly Service Charge

The monthly service charges for water and wastewater are proposed to change. The monthly service charges will increase to \$7.50 for water and \$7.50 for wastewater for a 5/8" meter. Approximately 95% of customers have a 5/8 meter. The proposed combined monthly service charges for water and sewer are as follows:

Water Meter Size (in inches)	Current	Proposed	\$ Change
5/8	\$ 13.00	\$ 15.00	\$2.00
1	\$ 32.50	\$ 37.50	\$5.00
1 1/2	\$ 65.00	\$ 75.00	\$10.00
2	\$ 104.00	\$ 120.00	\$16.00
3	\$208.00	\$240.00	\$32.00
4	\$ 325.00	\$ 375.00	\$50.00
6	\$ 650.00	\$ 750.00	\$100.00
14	\$ 4,257.50	\$ 4,912.50	\$655.00

# Stormwater Rates

## Where your Stormwater Dollar goes ...



Stormwater rates are proposed to remain constant for the coming year at \$1.20 per 500 square feet of impervious surface (or part thereof) per month.

Stormwater fees are billed concurrently with real estate tax assessments and are due in June and December.

### Modernize and maintain infrastructure integrity while pursuing environmental stewardship.

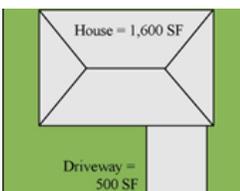
As part of the larger Water Resources Protection Program (WRPP), the City has adopted a stormwater utility fee to provide a dedicated and stable source of funding for stormwater management activities. Funds received are used to help the City comply with federal and state stormwater regulations, rehabilitate the City's aging stormwater infrastructure, address drainage and flooding problems, and pursue environmental stewardship.

### Impact on the Customer

The stormwater utility fee is charged to property owners based on the amount of impervious area on their property (areas covered by hard surfaces, such as: buildings, concrete, gravel, etc.).

An example fee calculation is provided below:

#### Example Fee Calculation



- Total impervious area (house and driveway): 2,100 SF
- Divide by 500 square feet:  $2,100 / 500 = 4.2$  billing units
- Round to the next whole number: 4.2 rounds to 5 billing units
- Multiply the number of billing units by the rate (\$1.20 per billing unit per month) to determine annual fee:  $5 \times \$1.20 \times 12 = \$72$  annual fee, billed \$36 due in June and December

# Gas Rates

## Where your Natural Gas Dollar goes ...



### Usage Rate

Gas rates are proposed to increase for all natural gas customers. For the average residential gas customer, gas rates are proposed to increase by 7.10%.



### Impact on the Customer

The impact on a customer's bill will depend on the volume of gas that the customer uses. The average single family household uses 4,600 cubic feet of natural gas per month. The table below shows the monthly impact on gas customers at different amounts of usage.

	Gas Used (cf per month)	Current Monthly Gas Bill with Most Recent PGA	Proposed Monthly Gas Bill with Most Recent PGA	\$ Change	% Change
Minimal User	4,000	\$45.38	\$48.52	3.14	6.92%
Average User	4,600	\$50.45	\$54.03	3.58	7.10%
Large User	20,000	\$173.19	\$186.98	13.79	7.96%
High Volume User	60,000	\$490.09	\$530.12	40.03	8.17%

The base rate is set on July 1st each year. This base rate is calculated using the cost of gas at that time. However, gas is purchased throughout the year and the cost per cubic foot of natural gas varies by month due to various factors (weather, economics, etc) which are hard to predict. The purchased gas adjustment (PGA) acts as a "true up" to account for the differences between the current market cost of gas and the base rate. This ensures that customers are not over or underpaying and that the City is not over or under collecting.

### New Gas Service Connection Fee

The City currently offers gas service installation up to 150 feet at no cost to residential customers if the City's investments in installation costs are offset by the revenue generated within a payback period of approximately 4 ½ years. Beginning January 1, 2025, Charlottesville Gas will no longer offer service line installations for qualifying appliances at no cost to the customer. Under this new ordinance, gas services with qualifying appliances, such as gas heat or gas water heating, will pay a \$340.00 connection fee for the new service, up to 150 feet of service line.

Charlottesville Gas will use the funds from this connection fee to finance our expanded energy efficiency program to promote energy savings and reduce greenhouse gas emissions.

# Utilities Operations Overview



## FY2025

*The Department of Utilities is committed to providing the Charlottesville community with safe, reliable, and sustainable utility services by dedicated and knowledgeable staff.*

## Core Programs & Services

### Department-Wide

- **Utility Location Oversight**  
Protecting infrastructure & critical facilities, including utility locating: **31,569** tickets in 2023.
- **24/7/365 Utilities Call Center**  
The Utilities Call Center handles approximately **25,000** calls per year.
- **Customer Service**  
Last year, we processed **6,493** Move-ins and **6,521** Move-outs.
- **Online Bill Pay Services**  
In October 2021, we launched a new bill pay portal. To date, **4,357** customers have registered for Autopay, and over **12,500** customers receive paperless billing.
- **Emergency Operations**  
Emergency response to water and gas leaks as well as sewer backups. **853** leaks checked in 2023.
- **GIS Mapping and Maintenance**  
**50,831** feet of utility lines entered and **1,327** CCTV videos cataloged last year.
- **Meter Reading and Maintenance**  
We performed **449,777** meter readings including **2,141** implausible meter readings and completed **701** ERT replacements in 2023.
- **Development Site Plan Review**  
Our engineers reviewed and followed the implementation of **170** site plans in 2023.

## Customer Satisfaction

Experience Interacting with Utilities Department Staff (% Satisfied)\*



How satisfied you are with the new Utility Billing Online Payment Portal?



\*Department of Utilities Customer Satisfaction Survey - SurveyMonkey – February, 2024



# Water Distribution & Wastewater Collection



## Water & Wastewater by numbers



**14,500**  
CUSTOMERS  
SERVED



**4.5 million**  
GALLONS OF WATER  
PROVIDED DAILY



**179 miles**  
OF WATER  
MAINS



**168 miles**  
OF WASTEWATER  
MAINS



**7,447**  
WORK ORDERS  
COMPLETED

### Water Quality

- The quality of our drinking water meets and exceeds all regulatory requirements and expectations for safety and reliability. A water quality report is prepared annually and is available online.
- Cross-contamination:
  - The situation in which water flows in a direction that is opposite from the intended flow is called backflow and presents a serious hazard to our water supply.
  - The City's Department of Utilities currently maintains inspection records for **935 backflow devices** in an effort to protect and provide the highest quality water to the City residents.



### Water Loss Prevention

- Meter testing and replacement program:
  - Over **329** large water meters have been replaced since the program's inception.
- Annual system-wide leak detection survey:
  - In 2023, **5 leaks** totalling **184,320 GPD** were detected and repaired.
- Ultrasonic meter installation:
  - Is more accurate and measures low flow usage.



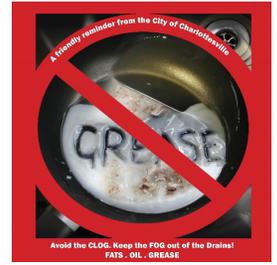
### Water & Wastewater Asset Management

- Water main replacement program:
  - **7,706 linear feet** in 2023 and **128,660 linear feet** of water lines have been replaced since 2010 (**13.6%** of the entire water system).
  - Total construction cost: **\$30.6 million**
- Water service line replacement:
  - **3,501 linear feet** in 2023 and **55,719 linear feet** of water services have been replaced since 2010 (**17.4%** of the City-owned water services).
- Wastewater main rehabilitation program:
  - **11,666 linear feet** of wastewater lines were rehabilitated or replaced in 2023 and over **355,394 linear feet** of main have been rehabilitated or replaced since the program's inception in 2009 (**40.1%** of the wastewater system).
  - Total construction cost: **\$36.4 million**
- Manhole rehabilitation or replacement:
  - **1,325 manholes** have been rehabilitated or replaced since the program's inception (**22.4%** of the City's wastewater manholes).



## Fats, Oils, and Grease Program

- The City of Charlottesville prohibits the discharge of fats, oils, and grease (FOG) down the drain into the City's wastewater system.
  - The City of Charlottesville maintains an active FOG program that routinely inspects and advises best management practices to over **300 city food service establishments** on an annual basis on how to properly dispose of FOG.
- We provide FOG Kits to residents to help properly dispose fats, oils, and grease from cooking.



## Customer Satisfaction

In our recent Utilities Customer Satisfaction Survey, our customers show high levels of satisfaction with the reliability of our services.

Rate the value that you pay for your water service



Rate the value that you pay for your sewer service



Reliability of your water service



Reliability of your sanitary sewer service



The vast majority of our customers rated the value of their water and sewer service as fair and above (good and excellent).



## Stormwater

### Stormwater by numbers



**15,000**  
BILLABLE  
CUSTOMERS



**8,340**  
STORMWATER  
STRUCTURES



**130 miles**  
OF SUBSURFACE  
CONVEYANCE PIPING



**460**  
OUTFALLS

## Stormwater Asset Management

- Utilities has had an active Stormwater Conveyance System Rehabilitation Program since 2010.
- Stormwater rehabilitation program:
  - 77,771 linear feet** rehabilitated or replaced (**11.3%** of the system since the program's inception).
  - Total construction cost: **\$11.8 million**
- Structure rehabilitation or replacement:
  - 456** structures rehabilitated or replaced since the program's inception (**5.4%** of the system's storm structures).





# Gas System

## Natural Gas by numbers



**21,050**  
CUSTOMERS  
SERVED



**340 miles**  
GAS MAIN  
LINES



**304 miles**  
GAS SERVICE  
LINES



**36**  
REGULATOR  
STATIONS



**10,034**  
WORK ORDERS  
COMPLETED

## Greenhouse Gas Reduction Strategy

Adoption of a three-pronged strategy to help reduce greenhouse gas emissions (GHG) in our community due to natural gas usage.

### 1) Energy-efficiency programs:

- Energy-Saving Trees – The program has **given away 700 trees** for planting. Beginning in the fall of 2024, Utilities will increase the program frequency to twice yearly (Spring and Fall).
- Popular energy-efficiency rebates include a **\$100 Programmable Thermostat** and **\$300 Attic Insulation** rebates. Beginning July 1, 2024, the \$200 Tankless Water Heater rebate will be paused as the utility evaluates its existing rebate offerings.
- Charlottesville Gas Energy Efficiency Program (CGEEP) offers **energy efficiency upgrades at no cost** to income-qualified households. Since its launch, **179 gas customers** have benefitted from the program. The utility is developing a reduced-cost home weatherization program to complement CGEEP. The revenue from the newly established gas connection fee will fund this new program.

### 2) Carbon offset program:

- This program allows Utilities to invest in various carbon sequestration projects all over the world. Charlottesville Gas currently **offsets 25%** of its emissions through this program. Future carbon offset projects will be selected in partnership with the City's Office of Sustainability.

### 3) Updated Infrastructure:

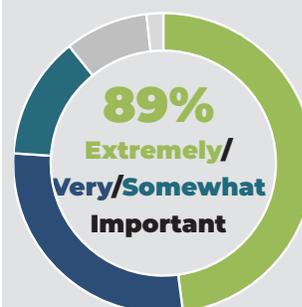
- Charlottesville Utilities was awarded a **\$7.1 million grant** from the Natural Gas Distribution Infrastructure Safety and Modernization program to replace Utilities' last remaining section of legacy cast iron pipes helping to strengthen the system's resiliency and reduce methane emissions. Construction is scheduled to start in Spring 2025.

## Decarbonization Study

- The Decarbonization Study will help Charlottesville Utilities determine how the gas utility can be part of the solution in achieving Community Climate Action goals of **45% reduction** in community-wide GHGs **by 2030** and **carbon neutrality by 2050**. The Study will evaluate several pathways and their impact on emissions, reliability of service, and cost to customers. **Community Engagement sessions** will occur in the **Summer of 2024**.

In our recent Utilities Customer Satisfaction Survey, our customers show high levels of satisfaction with access to gas service, and value of natural gas.

How important is it to have gas available to your home?



Rate the value that you pay for your natural gas service

