Facilities Charges, ERUs, and Meter Size

Presented at Operating Board meeting October 28, 2011

- Facilities Charges are the growth pays for growth mechanism of the Full and Partial contracts
- Growth is measured by connection size, with the base size (3/4") unfortunately called an "ERU""
 - <u>Not</u> the ERU per WAC 246-290-010 and DOH's Design Manual: amount of water consumed by a typical full-time single-family residence.
 - o Not the Equivalent Meter per AWWA M6: maximum capacity per meter size.
 - $\circ~\underline{\text{Is}}$ based on the average flow through a $\frac{3}{4}$ " meter, regardless of what is connected on the customer side
- The variety of customer characteristics per meter size is taken into account through the use of averages, so any adjustment for customer specific demand is in some ways double accounting for demand.

	Lower than typical use per meter size	Higher than typical use per meter size
Initial installation	 Difference in SFR from utility to utility Irrigation only meters Fire sizing (³/₄"→1",1"→1.5", 1.5"→2", and all combo meters) Elevation Low system pressure Tuberculated pipes Long service lines 	 Difference in SFR from utility to utility ADUs Various continuous-type users
After installation	 Change in use Water use efficiency Tuberculated pipes Irrigation 	Change in useADUsIrrigation

Examples of variations

Advantages:

- New connections measure increased demands on the system even with declining utility specific and declining aggregate demand
- Meter size is not subjective/open to interpretation
- Meter size is already tracked for each service
- No need to analyze sizing methodology by customer
- No implied liability for being involved with sizing methodology
- No need to track sizing methodology by customer
- No need to be notified of change in use
- Administratively manageable

Disadvantages:

• As with any postage stamp pricing, no one customer is the exact average user, whether it be monthly base service charges, commodity rates, retail connection charges, or Facilities Charges