OUR RATES ARE CHANGING

A rate increase was originally scheduled to begin in 2020. Due to ReWa's strong financial standing and commitment to sound financial planning, we were able to instead phase-in the recommended rate increase over the course of the next two years (2022 and 2023).

In an effort to promote a more equitable rate structure for our customers, the base charges vary according to water meter size.

BASE CHARGES

This monthly charge covers a portion of fixed costs associated with operating, building and refurbishing ReWa infrastructure.

Water Meter Size	FY21	FY22	FY23
5/8" / 3/4"	\$12.00	\$12.38	\$12.75
1"	\$12.00	\$15.92	\$19.83
1.5"	\$12.00	\$15.92	\$23.13
2"	\$12.00	\$15.92	\$30.22
3"	\$12.00	\$15.92	\$46.75
4"	\$12.00	\$15.92	\$70.37
6"	\$12.00	\$15.92	\$129.42
8"	\$12.00	\$15.92	\$200.28

For an average residential customer, the increase will be approximately \$2.02 in January 2022 and approximately \$1.89 in January 2023.

VOLUME CHARGES

This charge recovers the remaining costs associated with operating, building and refurbishing ReWa infrastructure. This charge is calculated using the customers' monthly water consumption.

Customer	FY21	FY22	FY23
Residential (1)	\$5.86	\$6.27	\$6.56
Commerical (1)	\$5.57	\$5.96	\$6.23
Industrial (2)	\$5.86	\$6.27	\$6.56

- (1) Represents volume charges per 1,000 gallons of metered water
- (2) Represents volume charges per 1,000 gallons of metered wastewater



RATE INCREASE

Sewer bills are calculated based on the amount of water used on a property. Sewer charges are typically presented as a separate line-item on the bill sent by your water agency. Previously, residents in our service area paid an average of \$12/month as a monthly flat "base fee" regardless of their water meter size.

The chart above outlines our new rate structure. To provide a more equitable rate structure for our customers, base rates will be calculated upon water meter size which requires greater investment in infrastructure (i.e. larger facilities and trunklines). For example, large meters have the potential for increased water flow; therefore, customers with large meters will pay a greater base charge.

1. WHY DOES REWA NEED TO RAISE RATES NOW?

The rate increase will be phased-in over the course of the next two years (2022 and 2023).

Contrary to popular belief, ReWa does not receive any money from state or federal taxes. This means ReWa depends solely on customer payments to cover the operation and maintenance costs of the wastewater system. It's no surprise that our community is growing at an unprecedented rate. As new homes, businesses and industries bring economic growth to our area, it equally demands reliable and readily available sewer infrastructure.

Our operating and capital costs increase based on the number of local neighborhoods, schools, industries and businesses that need sewer service; the cost of maintaining area infrastructure (pipes, trunk lines, facilities, etc.); and the cost of addressing key challenges facing our community or sewer system. For example, infiltration is a major challenge facing our sewer system. The water from heavy rains can infiltrate the pipe system, causing sanitary sewer overflows and eventually the rainwater makes its way to our facilities for treatment – increasing the gallons of treated wastewater and ultimately our treatment costs.

Identifying future growth needs is a critical part of strategic planning and one that ReWa works with community partners to address. As we make the necessary changes to incorporate growth, such as increasing pipe size, facility upgrades, etc, we must ensure that we have the appropriate funding for those projects in place. By paying wastewater bills, our customers are investing in clean water and the overall health and safety of our community.



RATE INCREASE

2. HOW IS MY SEWER BILL CALCULATED?

Our charges are broken down and accounted for on bills that come through local water companies, because the local water agencies have the ability to read meters and determine usage. Although we realize this can be confusing to shared customers, the water agencies and ReWa find this arrangement to be the simplest and most efficient solution, providing convenience to users and streamlining the process and cost for us.

Sewer charges can be found on your water provider's bill. The number next to the ReWa logo on your Greenville Water bill is made up of the following charges:

- Base Charge This monthly fixed charge covers part of the costs associated with operating, building and refurbishing ReWa infrastructure.
- **Volume Charge** This charge recovers the remaining costs not captured by the base charge. We calculate this charge based on water consumption by the customer.
- **Sewer Charge** This is a wastewater or sewer charge from your subdistrict. Wondering what subdistrict you're in? Click here.

Customers in northeastern Greenville County and in Anderson County should contact ReWa Customer Service at 299-4000 for rates and further information.

3. WHAT'S CHANGING?

Our average residential customers use around 4,000 gallons/month. For this average residential customer, the overall increase will be approximately \$3.91/month over the next two years.

Previously, ReWa residential, commercial and industrial customers all paid a fixed monthly "base charge" of \$12/month regardless of their water meter size.

In an effort to promote a more equitable rate structure for our customer base, customers will be phased into a structure that removes the fixed charge and calculates the "base charge" on water meter size. This will be phased-in over the next two years (2022 and 2023).



FREQUENTLY ASKED QUESTIONS (FAQs)

RATE INCREASE

4. ARE THERE ANY
OTHER CHANGES
THAT CUSTOMERS
SHOULD KNOW
ABOUT?

No. There are no increases in the new account fee at this time. When ReWa changes any fees or charges, there will always be a public hearing along with information on our website and an advertisement in the *Greenville News*.

5. WHY DID REWA CANCEL A RATE INCREASE THAT WAS ALREADY APPROVED?

Rate increases are planned years in advance. ReWa works with third-party industry consulting specialists, like <u>Raftelis</u>, to identify and implement appropriate rates for our customers and community, and also to meet the evolving needs of our organization to ensure we continue providing our trusted superior service. These studies are conducted every three years or as needed.

In 2017, the ReWa Board of Commissioners approved a rate increase for 2018 and 2020. This increase was approved because of projected cost increases related to more stringent environmental regulations and infrastructure investments such as needed system rehabilitation and expansion.

However, after the increase was approved in 2017, local economic growth was greater than projected and ReWa successfully kept costs in check through sound financial management practices that led to:

- Revenues trending slightly higher than projections that were forecasted when the increase was originally approved by the Board of Commissioners following a public hearing.
- Capital expenditures being less than expected.

Due to these factors, the ReWa Board of Commissioners voted in 2019 to cancel the rate increase set for 2020.

6. WHEN WAS THE LAST TRUNK AND TREATMENT RATE INCREASE?

The last increase for our trunk and treatment rates, our monthly base and volume charges, was on January 1, 2018.



FREQUENTLY ASKED QUESTIONS (FAQs)

RATE INCREASE

7. WHY WAS THE INCREASE APPROVED A FEW YEARS AGO? This increase was approved because of projected cost increases related to more stringent environmental regulations and infrastructure investments such as needed system rehabilitation and expansion. For example, the Dig Greenville project was a major investment dedicated to safely and efficiently revitalizing our wastewater infrastructure in the growing Greenville community for the next 100 years.

8. HOW ARE RATE INCREASES APPROVED?

The ReWa Board of Commissioners approved the previous increase, following an advertised public hearing, before its regular monthly meeting on April 24, 2017.

9. WHAT DO YOU
DO WITH THE
ADDITIONAL
REVENUE FROM
RATE INCREASES?

Our rate structure allows ReWa to efficiently manage and meet the required operating expenses, which represent the cost of doing business. However, we are also committed to ensuring the continued health and viability of our region's wastewater infrastructure now, and for years to come.

By making strategic improvements to our system, the organization—and the customer—will benefit from the rehabilitation and replacement of aging infrastructure that is costly to maintain, in addition to the implementation of new technologies that enhance the efficiencies necessary to provide the best service at a fair price.

Rates also allow ReWa to invest in new infrastructure and upsizing existing infrastructure to support economic growth and development.

10. DO YOU NEED ASSISTANCE?

Everyone deserves affordable and readily available access to clean water. Our Board of Commissioners created ReWa's Help to Community (H2C) Program to provide financial support for bills of qualifying customers. The program is managed by the Salvation Army and designed to provide temporary financial assistance to eligible ReWa and Greenville Water customers.

In this program, the Salvation Army works with our customers to pay outstanding water bills and restore wastewater services. The Salvation Army also offers budget and life skill training to equip customers enrolled in this program with financial management skills for the future.

In late 2020, ReWa partnered with the United Way of Greenville County's Keep the Lights on Program to provide assistance to those in need by providing grant funds to cover their water and wastewater bills.



RATE INCREASE

11. IS REWA FUNDED WITH TAXPAYER MONEY? No. Unlike many of the subdistricts and water companies, ReWa receives no funding through local taxes.

12. HOW DOES
REWA SHOW ITS
COMMITMENT
TO AFFORDABLE
RATES?

ReWa is not only committed to affordability, we see it as a strategic imperative. As evidenced by our AAA credit rating, ReWa is committed to raising rates only when absolutely necessary and works diligently to be good stewards of the funds entrusted to us, working to make strategic investments that meet current needs while doing everything within our means to keep costs and rates in check.

13. WHERE CAN
CUSTOMERS GO
FOR MORE INFO
ABOUT REWA?

Information about ReWa and its rates can be found at rewaonline.org. We also encourage you to review the financial data that we make available to all of customers. For a high-level snapshot of ReWa's financial position, please read over our Popular Annual Financial Report. For much more detail, we also suggest reviewing the Comprehensive Annual Financial Report. To ensure transparency, these reports are available for multiple years and provide important information about the organization. Those reports are available for review at

rewaonline.org/about-us/what-we-do/annual-reports.

