

Proposed Sewer Rate Adjustments

Budget Committee Meeting: April 29, 2025

Roger Babcock Jr, Director, Department of Environmental Services

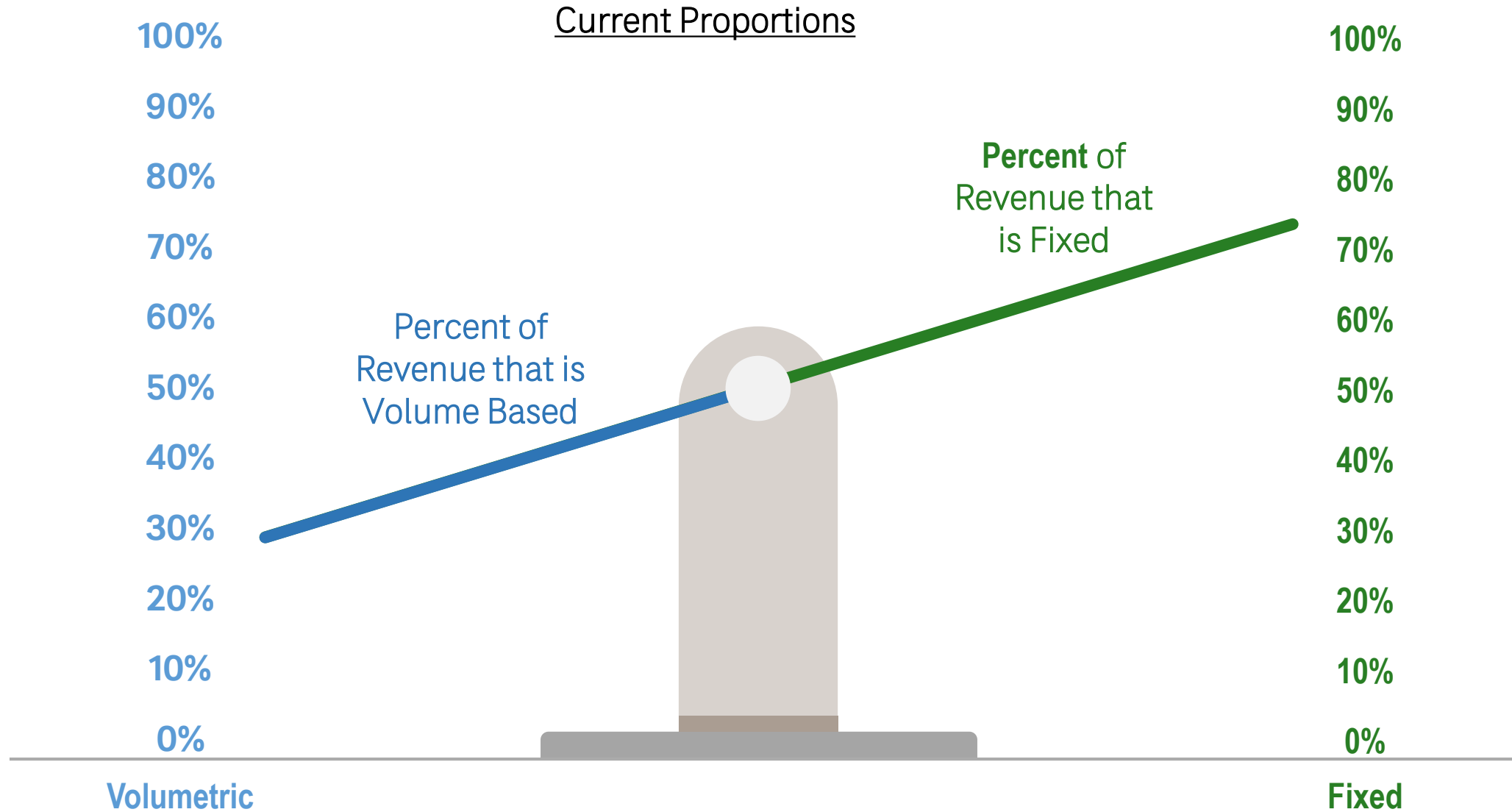
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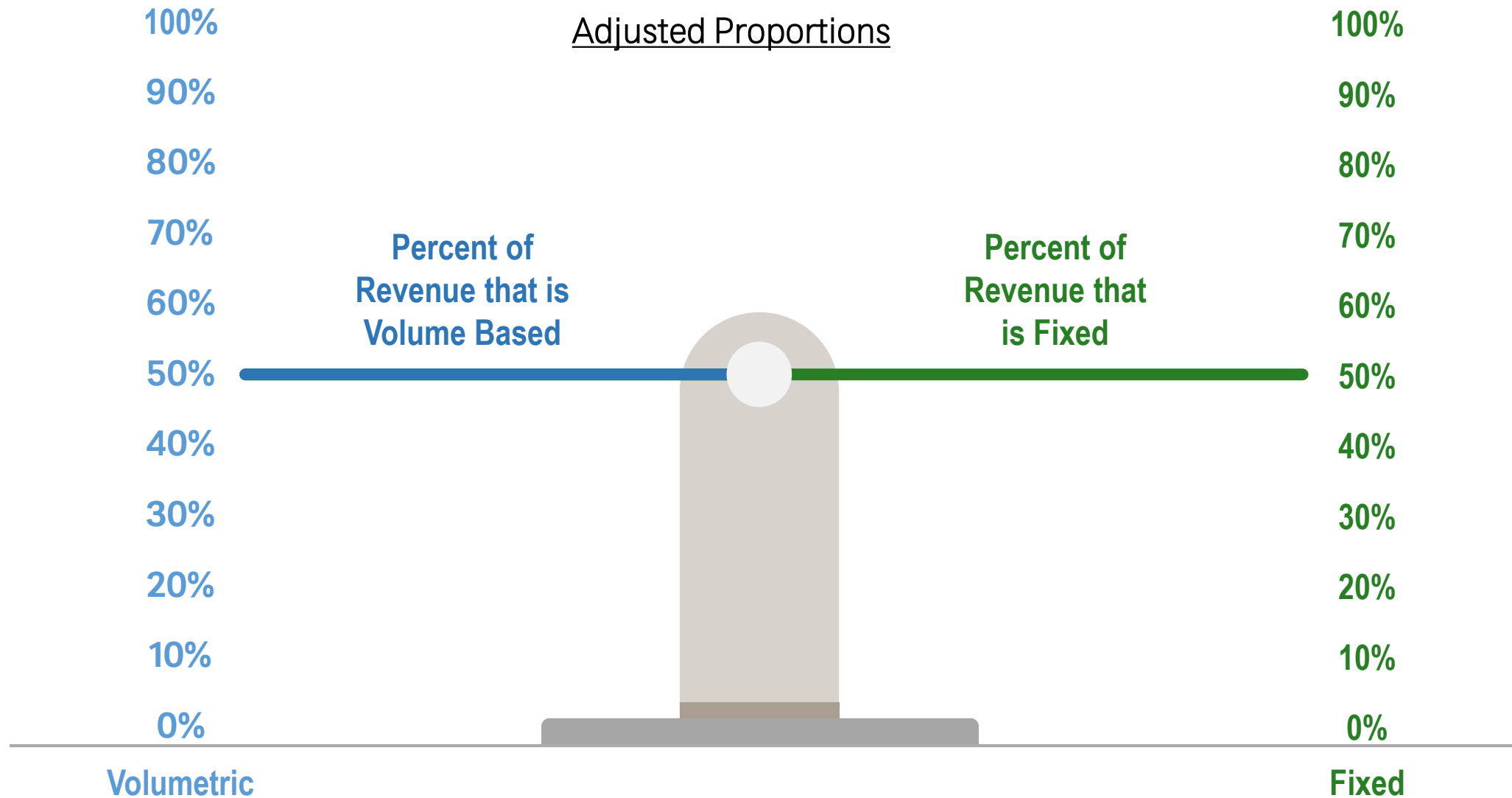
ENV Proposed Rate Increases

Rate Packages	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Bill 60 proposal	9.0	9.0	9.0	9.0	9.0	9.0	8.0	7.0	6.0	5.0
6% Option - CD2	6.0	7.5	8.5	9.0	9.0	9.0	9.0	8.0	7.5	7.0

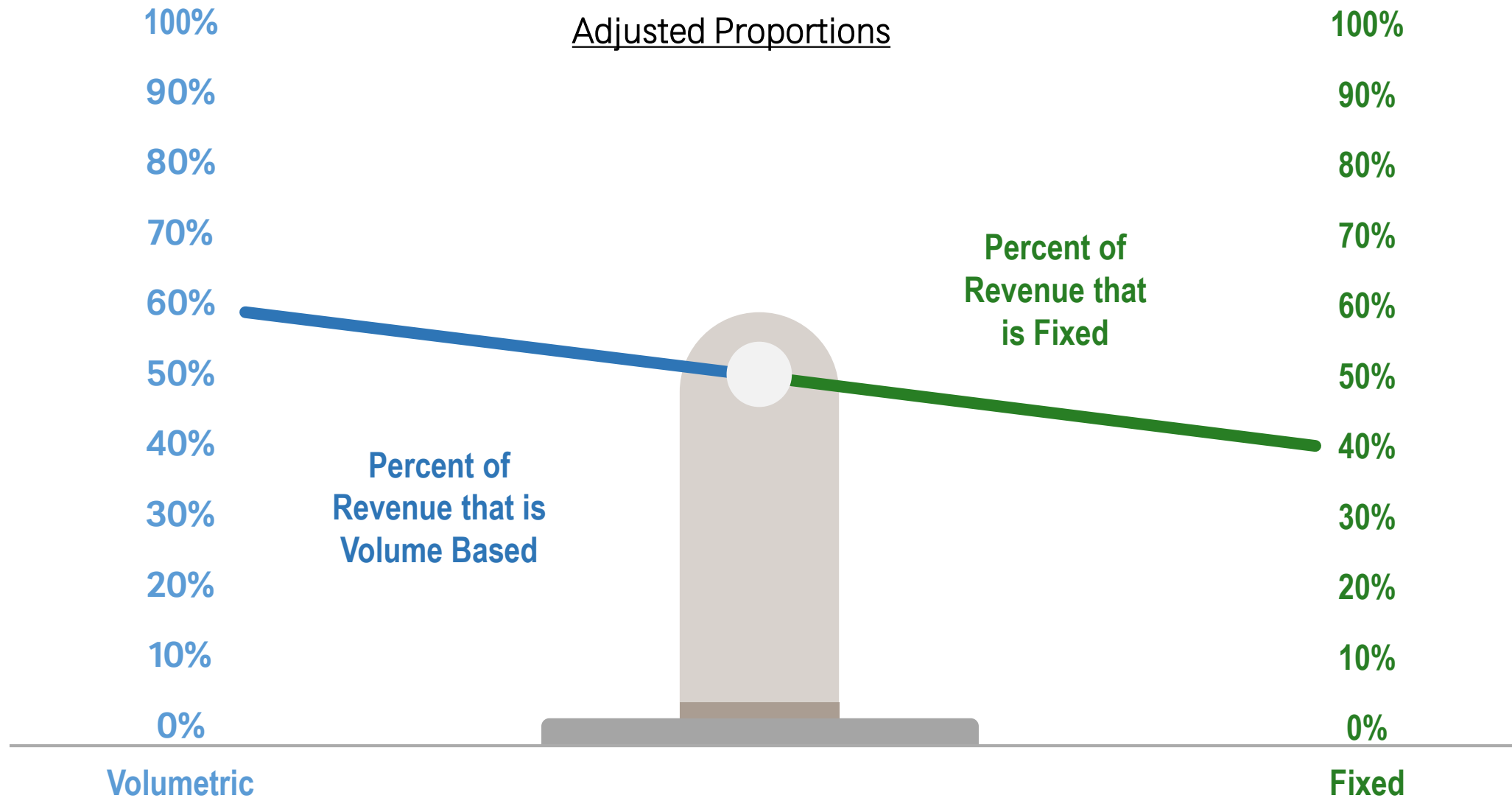
Rate Study Step 4



Rate Study Step 4



Rate Study Step 4



CD2 6% Option proposed sewer rates

40/60 SPLIT (4-yr phase-in)											
Monthly Base Charge	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Residential - Single Family/Duplex - metered water	\$77.55	\$72.88	\$68.32	\$63.25	\$57.08	\$62.22	\$67.82	\$73.92	\$79.84	\$85.83	\$91.83
Residential - Single Family/Duplex - not on City water	\$110.89	\$104.21	\$97.69	\$90.44	\$81.62	\$88.97	\$96.98	\$105.70	\$114.16	\$122.72	\$131.31
Residential - Multiple Unit - metered Water	\$53.32	\$50.11	\$46.97	\$43.49	\$39.25	\$42.78	\$46.63	\$50.83	\$54.89	\$59.01	\$63.14
Residential - Multiple Unit - not on City Water	\$86.65	\$81.43	\$76.33	\$70.67	\$63.78	\$69.52	\$75.78	\$82.60	\$89.21	\$95.90	\$102.61
Non-Residential - Domestic Strength Wastewater - metered water	\$77.55	\$72.88	\$68.32	\$63.25	\$57.08	\$62.22	\$67.82	\$73.92	\$79.84	\$85.83	\$91.83
Non-Residential - Domestic Strength Wastewater - metered wastewater	\$77.55	\$72.88	\$68.32	\$63.25	\$57.08	\$62.22	\$67.82	\$73.92	\$79.84	\$85.83	\$91.83
Consumption Charge	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Residential - Single Family/Duplex - metered water	\$4.63	\$6.43	\$8.55	\$11.05	\$13.99	\$15.24	\$16.62	\$18.11	\$19.56	\$21.03	\$22.50
Residential - Multiple Unit - metered Water	\$4.63	\$6.43	\$8.55	\$11.05	\$13.99	\$15.24	\$16.62	\$18.11	\$19.56	\$21.03	\$22.50
Non-Residential - Domestic Strength Wastewater - metered water	\$4.63	\$6.43	\$8.55	\$11.05	\$13.99	\$15.24	\$16.62	\$18.11	\$19.56	\$21.03	\$22.50
Non-Residential - Domestic Strength Wastewater - metered wastewater	\$4.63	\$6.43	\$8.55	\$11.05	\$13.99	\$15.24	\$16.62	\$18.11	\$19.56	\$21.03	\$22.50

Sewer bills for 6% Option based on water use

Sample Sewer Bills - 6% Option (40/60 split w/4-yr phase-in)	Single-Family					Multi-Family			
	2000	4000	6000	9000	15000	2000	4000	6000	9000
Monthly Water Use (gal/mo)									
2025 (current)	84.96	92.37	99.77	110.89	133.11	60.73	68.14	75.54	86.66
2026	83.17	93.46	103.74	119.18	150.04	60.40	70.69	80.97	96.41
2027	82.00	95.68	109.36	129.88	170.92	60.65	74.33	88.01	108.53
2028	80.93	98.61	116.29	142.81	195.85	61.17	78.85	96.53	123.05
2029	79.46	101.85	124.23	157.81	224.96	61.63	84.02	106.40	139.98
2030	86.60	110.99	135.37	171.95	245.10	67.16	91.55	115.93	152.51
2031	94.41	121.00	147.60	187.48	267.26	73.22	99.81	126.41	166.29
2032	102.90	131.87	160.85	204.31	291.24	79.81	108.78	137.76	181.22
2033	111.14	142.43	173.73	220.67	314.56	86.19	117.48	148.78	195.72
2034	119.48	153.13	186.77	237.25	338.19	92.66	126.31	159.95	210.43
2035	127.83	163.83	199.83	253.83	361.83	99.14	135.14	171.14	225.14
Total Increase (%)	50	77	100	129	172	63	98	127	160

Sewer bills for 9% Option based on water use

Sample Sewer Bills - 9% Option (Original with 50/50 split and 4-yr phase-in)	Single-Family					Multi-Family			
	2000	4000	6000	9000	15000	2000	4000	6000	9000
Monthly Water Use (gal/mo)									
2025 (current)	84.96	92.37	99.77	110.89	133.11	60.73	68.14	75.54	86.66
2026	87.65	97.48	107.30	122.04	151.51	63.33	73.16	82.98	97.72
2027	90.14	102.77	115.39	134.33	172.20	65.92	78.55	91.17	110.11
2028	92.37	108.21	124.05	147.81	195.33	68.46	84.30	100.14	123.90
2029	94.28	113.81	133.35	162.65	221.26	70.93	90.46	110.00	139.30
2030	102.77	124.06	145.36	177.30	241.19	77.31	98.60	119.90	151.84
2031	112.00	135.20	158.40	193.20	262.80	84.25	107.45	130.65	165.45
2032	120.97	146.04	171.12	208.72	283.94	91.01	116.08	141.16	178.76
2033	129.44	156.25	183.07	223.29	303.74	97.37	124.18	151.00	191.22
2034	137.20	165.63	194.07	236.71	322.01	103.22	131.65	160.09	202.73
2035	144.07	173.92	203.78	248.56	338.13	108.39	138.24	168.10	212.88
Total Increase (%)	70	88	104	124	154	78	103	123	146

Bill Comparisons: 6% vs 9%

Comparisons (Original vs 6%)	Single-Family					Multi-Family			
Monthly Water Use (gal/mo)	2000	4000	6000	9000	15000	2000	4000	6000	9000
2026 (original)	87.65	97.48	107.30	122.04	151.51	63.33	73.16	82.98	97.72
2026 (6%)	83.17	93.46	103.74	119.18	150.04	60.40	70.69	80.97	96.41
Savings per month 6% vs 9% in 2026 first year (\$/mo)	4.49	4.02	3.56	2.86	1.47	2.94	2.47	2.01	1.31
2028 (original)	92.37	108.21	124.05	147.81	195.33	68.46	84.30	100.14	123.90
2028 (6%)	80.93	98.61	116.29	142.81	195.85	61.17	78.85	96.53	123.05
Savings per month 6% vs 9% in 2028 third year (\$/mo)	11.44	9.60	7.76	5.00	-0.52	7.29	5.45	3.61	0.85
2030 (original)	102.77	124.06	145.36	177.30	241.19	77.31	98.60	119.90	151.84
2030 (6%)	86.60	110.99	135.37	171.95	245.10	67.16	91.55	115.93	152.51
Savings per month 6% vs 9% in 2030 fifth year (\$/mo)	16.16	13.07	9.99	5.35	-3.91	10.14	7.05	3.97	-0.67
2032 (original)	120.97	146.04	171.12	208.72	283.94	91.01	116.08	141.16	178.76
2032 (6%)	102.90	131.87	160.85	204.31	291.24	79.81	108.78	137.76	181.22
Savings per month 6% vs 9% in 2032 seventh year (\$/mo)	18.08	14.17	10.27	4.41	-7.30	11.21	7.30	3.40	-2.46

Bill Comparisons: 4-yr phase-in vs no phase-in

Sample Sewer Bills - 6% Option (4-yr phase-in)	Single-Family					Multi-Family			
Monthly Water Use (gal/mo)	2000	4000	6000	9000	15000	2000	4000	6000	9000
2025 (current)	84.96	92.37	99.77	110.89	133.11	60.73	68.14	75.54	86.66
2026	83.17	93.46	103.74	119.18	150.04	60.40	70.69	80.97	96.41
2027	82.00	95.68	109.36	129.88	170.92	60.65	74.33	88.01	108.53
2028	80.93	98.61	116.29	142.81	195.85	61.17	78.85	96.53	123.05
2029	79.46	101.85	124.23	157.81	224.96	61.63	84.02	106.40	139.98
Sample Sewer Bills - 6% Option (no phase-in)	Single-Family					Multi-Family			
Monthly Water Use (gal/mo)	2000	4000	6000	9000	15000	2000	4000	6000	9000
2025 (current)	84.96	92.37	99.77	110.89	133.11	60.73	68.14	75.54	86.66
2026	62.50	80.10	97.70	124.10	176.90	48.47	66.07	83.67	110.07
2027	67.20	86.13	105.05	133.45	190.23	52.12	71.05	89.97	118.37
2028	72.90	93.43	113.95	144.75	206.33	56.54	77.07	97.59	128.39
2029	79.46	101.85	124.23	157.81	224.96	61.63	84.02	106.40	139.98

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Bill Comparisons: 6% vs 9%

Sample Sewer Bills - 6% Option (4-yr phase-in)		Single-Family					Multi-Family			
Monthly Water Use (gal/mo)		2000	4000	6000	9000	15000	2000	4000	6000	9000
2025 (current)		84.96	92.37	99.77	110.89	133.11	60.73	68.14	75.54	86.66
2026		83.17	93.46	103.74	119.18	150.04	60.40	70.69	80.97	96.41
2027		82.00	95.68	109.36	129.88	170.92	60.65	74.33	88.01	108.53
2028		80.93	98.61	116.29	142.81	195.85	61.17	78.85	96.53	123.05
2029		79.46	101.85	124.23	157.81	224.96	61.63	84.02	106.40	139.98
Sample Sewer Bills - 6% Option (no phase-in)		Single-Family					Multi-Family			
Monthly Water Use (gal/mo)		2000	4000	6000	9000	15000	2000	4000	6000	9000
2025 (current)		84.96	92.37	99.77	110.89	133.11	60.73	68.14	75.54	86.66
2026		62.50	80.10	97.70	124.10	176.90	48.47	66.07	83.67	110.07
2027		67.20	86.13	105.05	133.45	190.23	52.12	71.05	89.97	118.37
2028		72.90	93.43	113.95	144.75	206.33	56.54	77.07	97.59	128.39
2029		79.46	101.85	124.23	157.81	224.96	61.63	84.02	106.40	139.98

Customer Assistance Program (CARES) Info

- Proposed funding = \$10M/yr
- If credit is \$20/month, the number of households that could be served = 41,666 households
- If the credit is reduced to \$10/month, number that could be served = 83,332 households
- If qualification is 80% AMI, this is $0.8 \times 139,000 = \$111,200/\text{yr}$
- If qualification is 300% of FPL, this is 100% AMI = \$139,000/yr
- If qualification is ALICE for Oahu, this is \$108,000/yr
- ALICE is 37% of households on Oahu
- There are an estimated 340,000 households on Oahu.
- If 37% of households are ALICE, this is 125,800 households
- ENV has 140,000 Residential customers.
 - With 134,000 Single-Family Residential (41% of consumption)
 - With 5,900 Multi-Family Residential (26% of consumption) with 3 to 500+ individual households each (estimated 110,000 total households).