



# Town of Lincoln, NH

## Water and Sewer Rate Options

*Draft and For Consideration Purposes Only*

### Assumptions

- 1) Rates are designed to be sufficient for a 5-year period, but should be analyzed annually to ensure sufficiency.
- 2) Water capital improvements are approximately \$330,000 annually.
- 3) Sewer capital improvements are approximately \$1.12 million annually, including the financing of a WWTP upgrade.
- 4) Given that recent detailed customer consumption data is unavailable, assumptions had to be made with regard to the distribution of consumption, and should be revisited once actual consumption records are available.

### Rate Option Descriptions

- Option 1:** Quarterly fixed charge, recovering 20% of revenues, with no usage allowance; volumetric rate per Kgal
- Option 2:** Quarterly fixed charge, recovering 20% of revenues, with 9,000 gallons per quarter usage allowance; volumetric rate per Kgal
- Option 3:** Quarterly fixed charge, recovering 50% of revenues, with no usage allowance; volumetric rate per Kgal
- Option 4:** Quarterly fixed charge, recovering 50% of revenues, with 9,000 gallons per quarter usage allowance; volumetric rate per Kgal

			<u>Option 1</u>		<u>Option 2</u>		<u>Option 3</u>		<u>Option 4</u>
<u>Water Rates</u>									
Fixed Charge (quarterly)	\$		10.27	\$	10.27	\$	25.67	\$	25.67
Usage Allowance (gallons, quarterly)			-		9,000		-		9,000
Volumetric Charge (per Kgal)	\$		3.08	\$	3.85	\$	1.92	\$	2.40
<u>Sewer Rates</u>									
Fixed Charge (quarterly)	\$		9.03	\$	9.03	\$	22.57	\$	22.57
Usage Allowance (quarterly)			-		9,000		-		9,000
Volumetric Charge (per Kgal)	\$		2.71	\$	3.38	\$	1.69	\$	2.11
<u>Combined Annual Customer Impacts</u>									
5 Kgals	} Seasonal	\$	106.10	\$	77.18	\$	211.02	\$	192.95
10 Kgals		\$	135.02	\$	84.41	\$	229.10	\$	200.18
15 Kgals		\$	163.94	\$	120.56	\$	247.17	\$	236.33
25 Kgals		\$	221.78	\$	192.86	\$	283.32	\$	308.63
50 Kgals		\$	366.39	\$	373.62	\$	373.70	\$	489.39
25 Kgals	} Year-round	\$	221.78	\$	77.18	\$	283.32	\$	192.95
50 Kgals		\$	366.39	\$	178.40	\$	373.70	\$	256.21
75 Kgals		\$	511.00	\$	359.16	\$	464.08	\$	369.19
100 Kgals		\$	655.61	\$	539.92	\$	554.46	\$	482.16
1000 Kgals		\$	5,861.45	\$	7,047.22	\$	3,808.11	\$	4,549.22
10000 Kgals		\$	57,919.88	\$	72,120.26	\$	36,344.63	\$	45,219.87

### Customer Notes

- 1) Seasonal Customers are assumed to be present for only one billing cycle.
- 2) Typical Year-round Residential customers use between 50 and 75 Kgals per year.