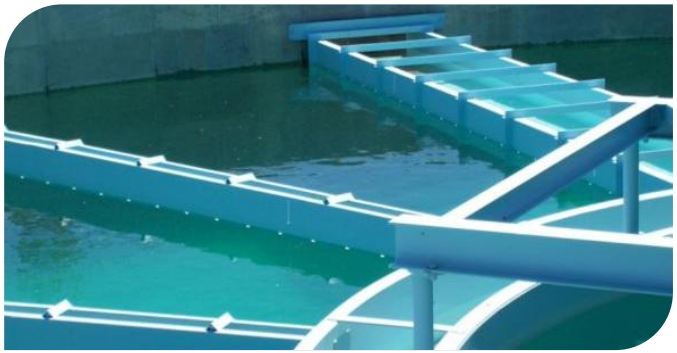
DEL-CO WATER COMPANY

A private 501(c) non-profit utility

morpc



Presentation by:
Glenn Marzluf,
General Manager/CEO

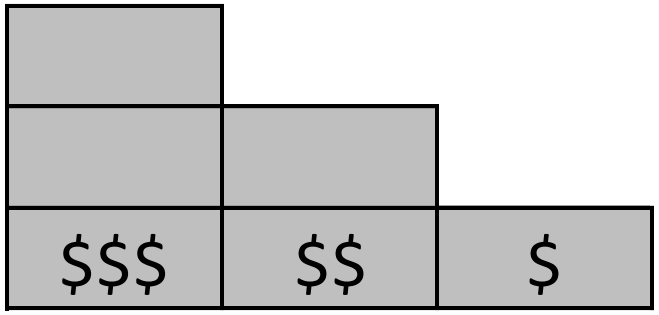
DELCO WATER COMPANY

Implementing a significant rate structure change.

MIDWEST WATER RATES

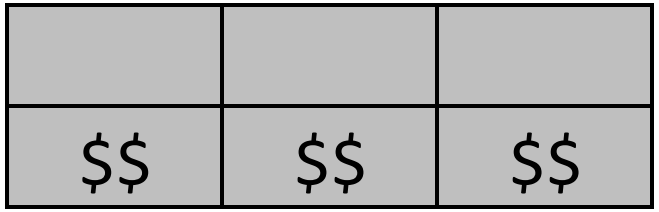
Most common

Declining Block



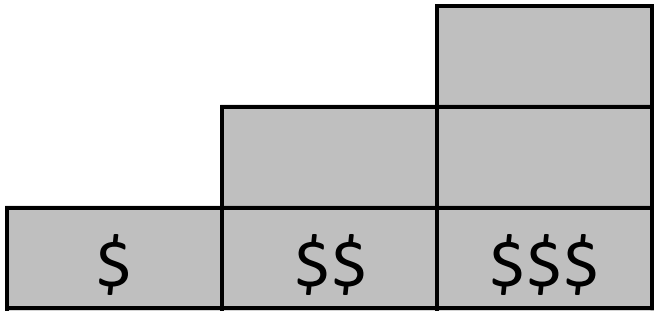
Common

Uniform Block



Rare

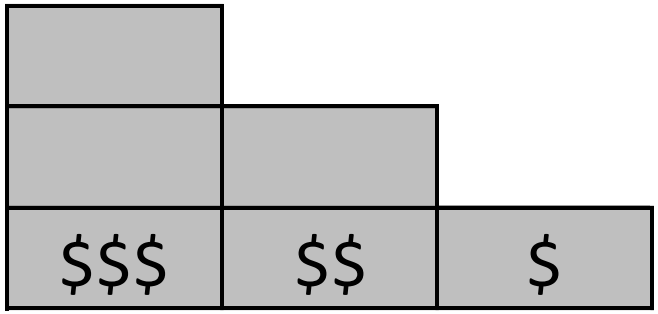
Inclining Block



MIDWEST WATER RATES

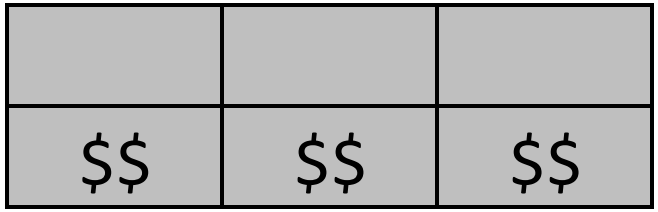
Most common

Declining Block



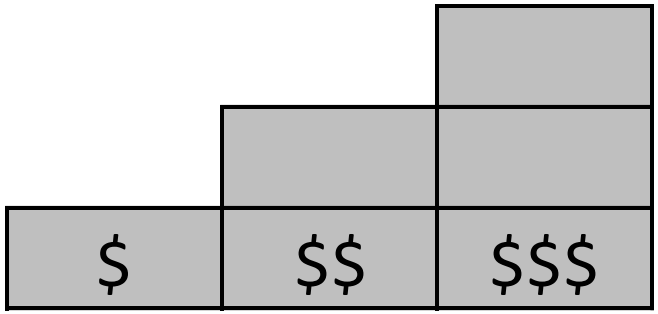
Common

Uniform Block



Rare

Inclining Block



RATE STRUCTURE CHANGE

Residential / Irrigation Metered Rates		
Gallons Per Month	EXISTING Per 1000 Gallons	**NEW Per 1000 Gallons**
First 2,000	$ 7.80	**$ 7.90**
2,100 - 3,000		**7.30**
3,100 - 25,000	$ 6.10	**$ 6.20**
Conservation Tier 25,100 +		**10.20**

Modest increase
$0.10 / 1000 gal

Significant increase
$4.10 / 1000 gal

RATE STRUCTURE CHANGE

Residential / Irrigation Metered Rates

	EXISTING er 1000 Gallons	NEW Per 1000 Gallons
	.80	$ 7.90
		7.30
	.10	$ 6.20
Conservation Tier 25,100 +		10.20

Typical indoor water use is 4,500 gal

lest increase 0 / 1000 gal

Significant increase $4.10 / 1000 gal

RATE STRUCTURE CHANGE

Residential / Irrigation Metered Rates

	EXISTING	NEW Per 1000 Gallons
		7.90
		7.30
		6.20
Conservation Tier 25,100 +		10.20

25,000 gallon tier was set based on sprinkling needs of 0.25 Ac lot

Significant increase $4.10 / 1000 gal

Del-Co Water Master Plan 2015

MAJOR CURRENT CAPITAL PROJECTS

- Doutt Reservoir ($26-million out of $170 total)
- New Source Water Intake *($12-million)*
- Two Plant Expansions *($17 million)*
- Three major Transmission Lines *($15 million)*

MAJOR CURRENT CAPITAL PROJECTS

- Doutt Reservoir ($26-million out of $170 total)

Over $70-million for the 5 largest projects in production

MAJOR CURRENT CAPITAL PROJECTS

- Doutt Reservoir ($26-million out of $170 total)

Master plan identified $230-million in 20-year capital growth needs

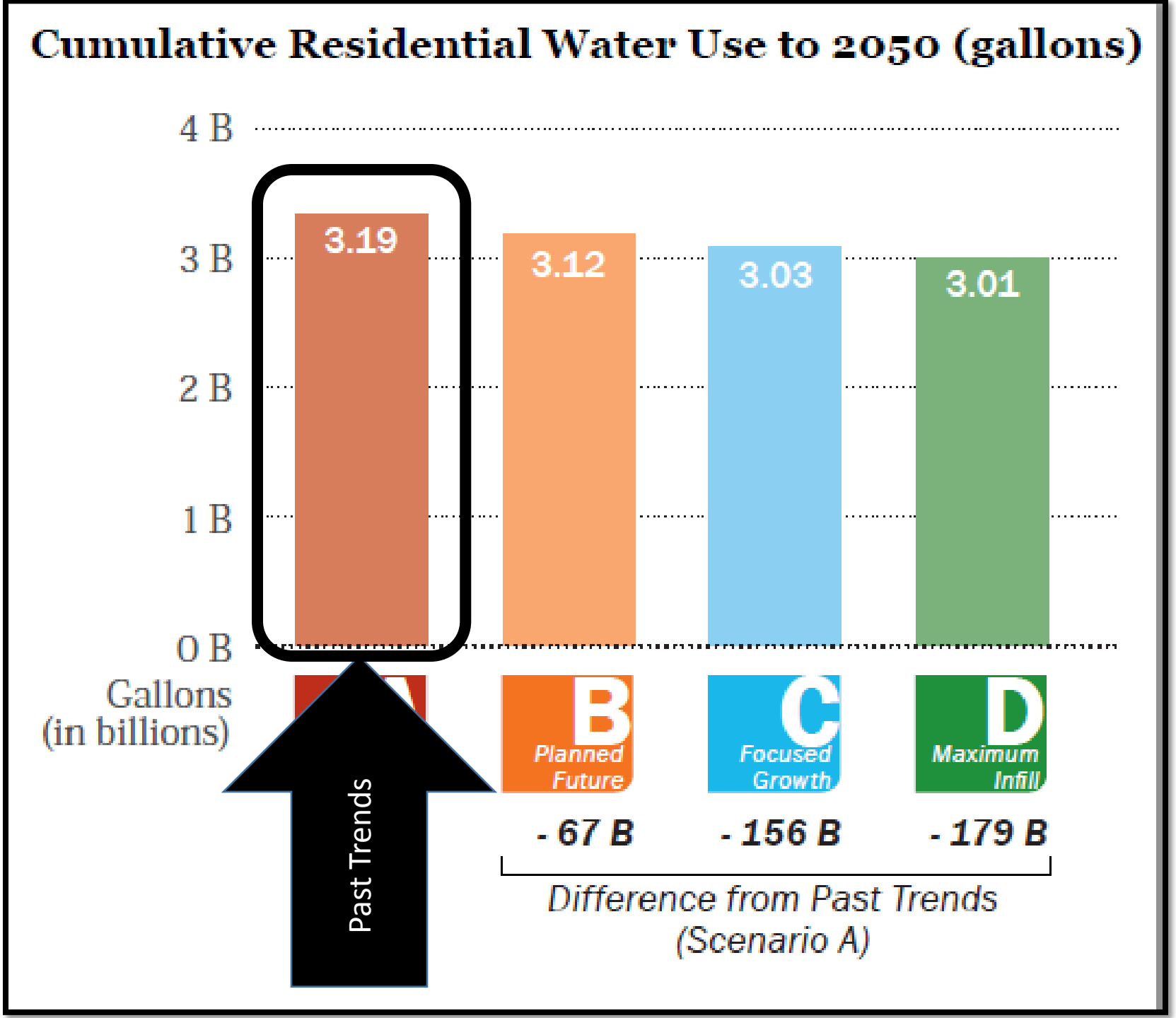
Cumulative Residential Water Use to 2050 (gallons)

4 B

Gallons (in billions)

A Past Trends	B Planned Future	C Focused Growth	D Maximum Infill
	- 67 B	- 156 B	- 179 B

Difference from Past Trends (Scenario A)


Cumulative Residential Water Use to 2050 (gallons)
4 B
3 B
2 B
1 B
0 B
Gallons
(in billions)
3.19
3.12
3.03
3.01
B
Planned
Future
C
Focused
Growth
D
Maximum
Infill
- 67 B
- 156 B
- 179 B
Difference from Past Trends
(Scenario A)
Past Trends

2014 Parade of Homes

Delaware County has a significant percentage of large lot single family homes.

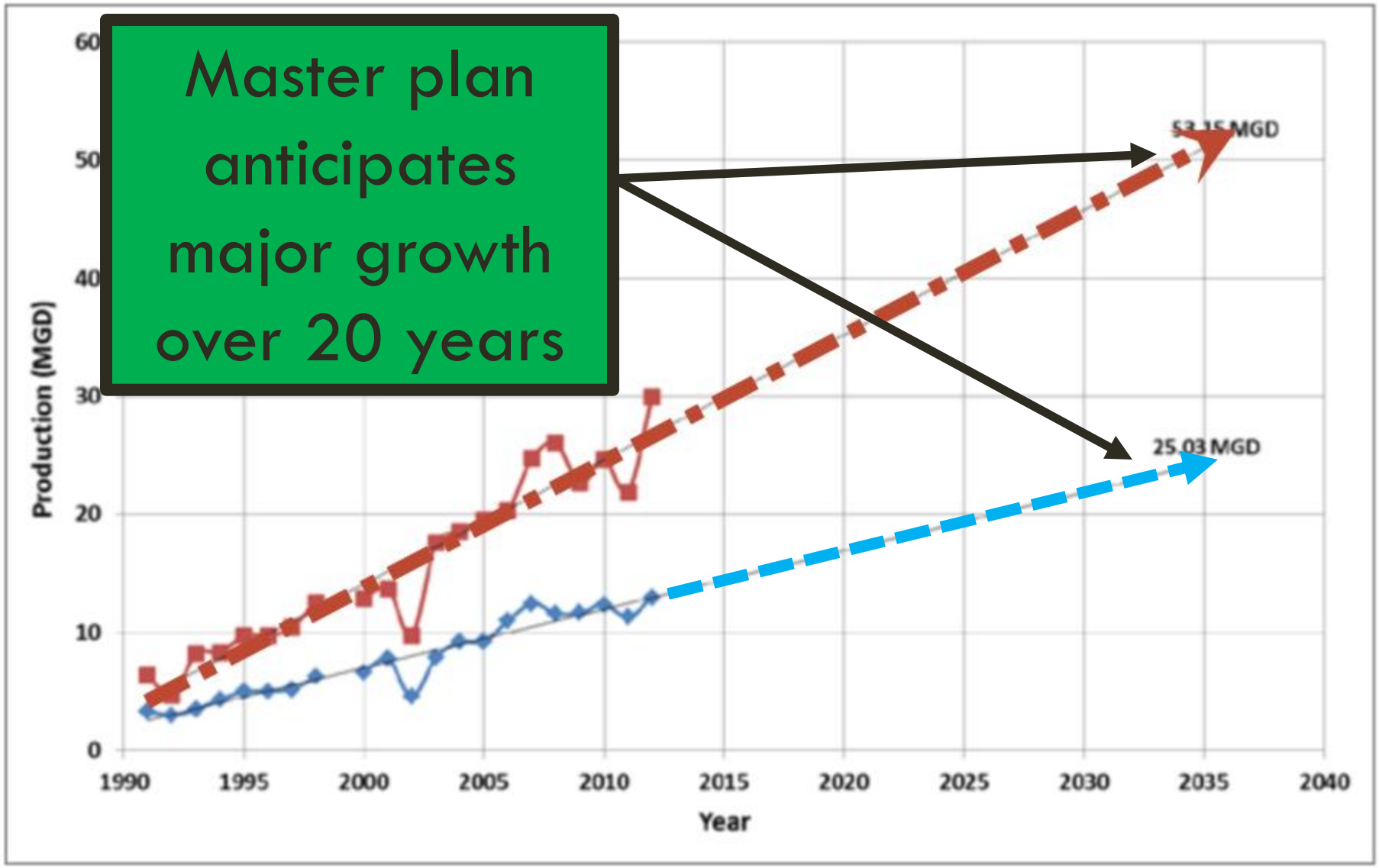
POPULATION GROWTH / FUTURE DEMAND

Figure 4-3 Historical Demand Trends and Future Projected Demand

Master Plan Results

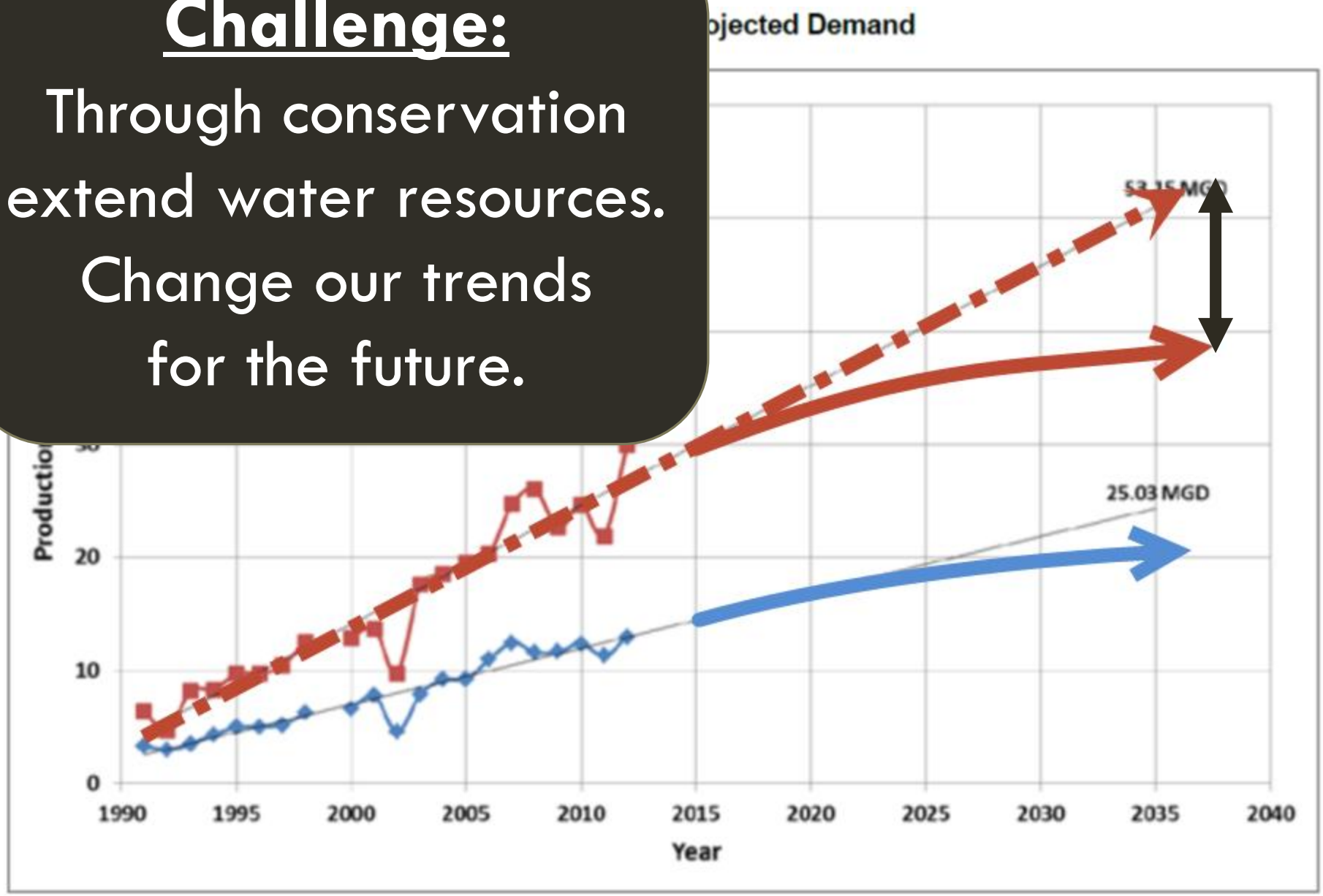
POPULATION GROWTH / FUTURE DEMAND

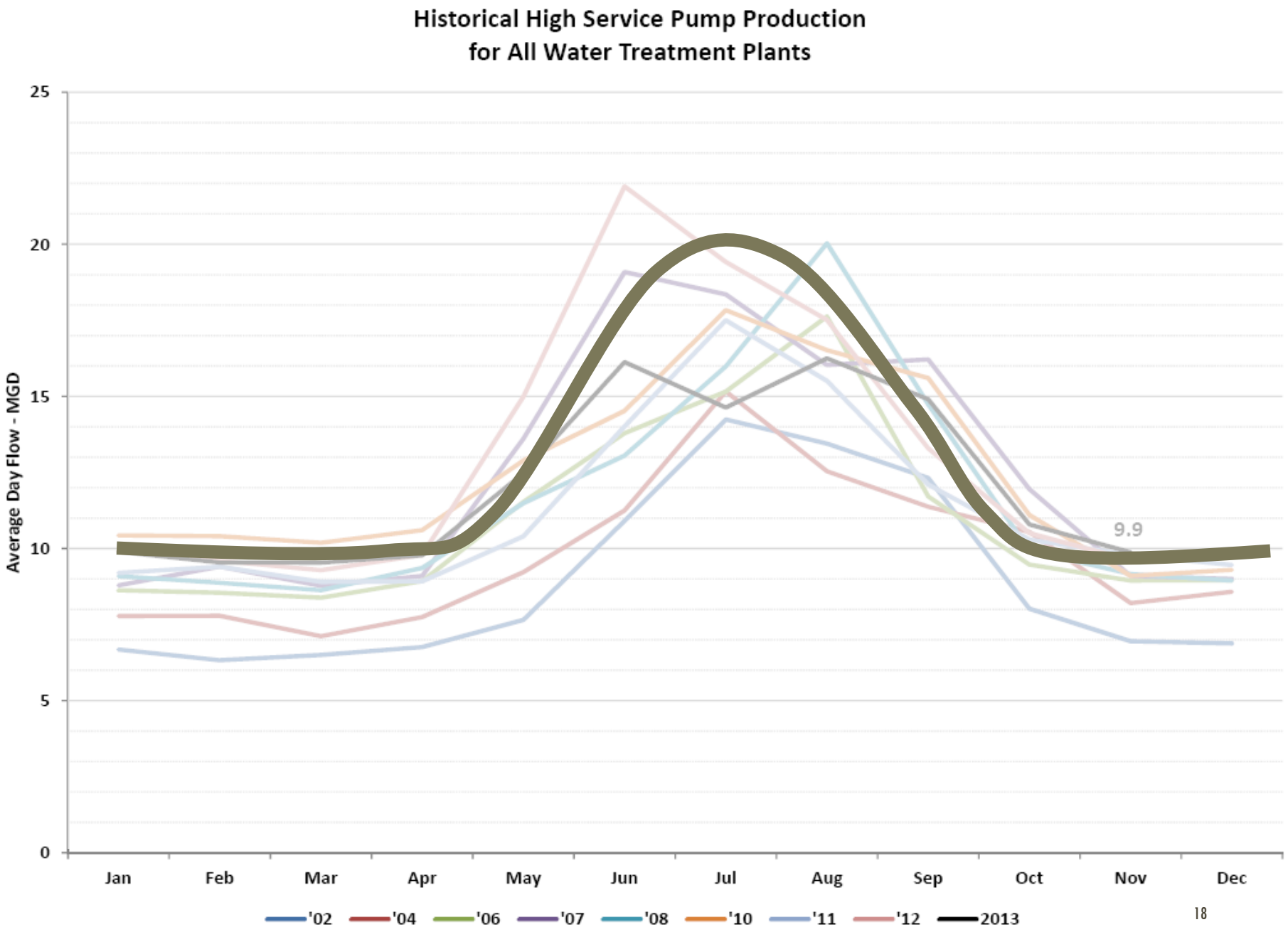
Figure 4-3 Historical Demand Trends and Future Projected Demand

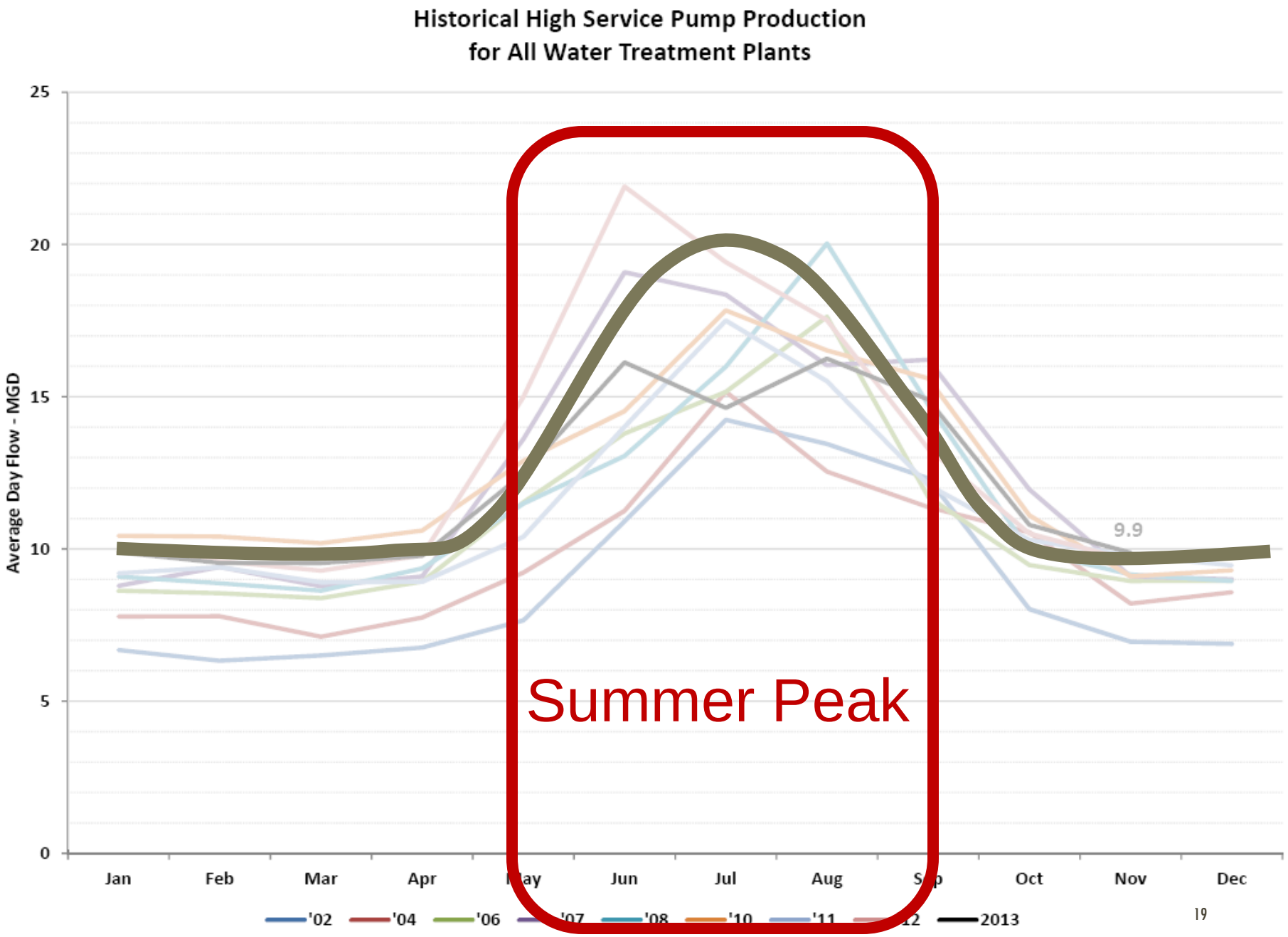


Challenge:

Through conservation extend water resources. Change our trends for the future.




Historical High Service Pump Production
for All Water Treatment Plants
Average Day Flow - MGD
25
20
15
10
5
0
9.9
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
'02
'04
'06
'07
'08
'10
'11
'12
2013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Oct
Nov
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Summer Peak
'02
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'07
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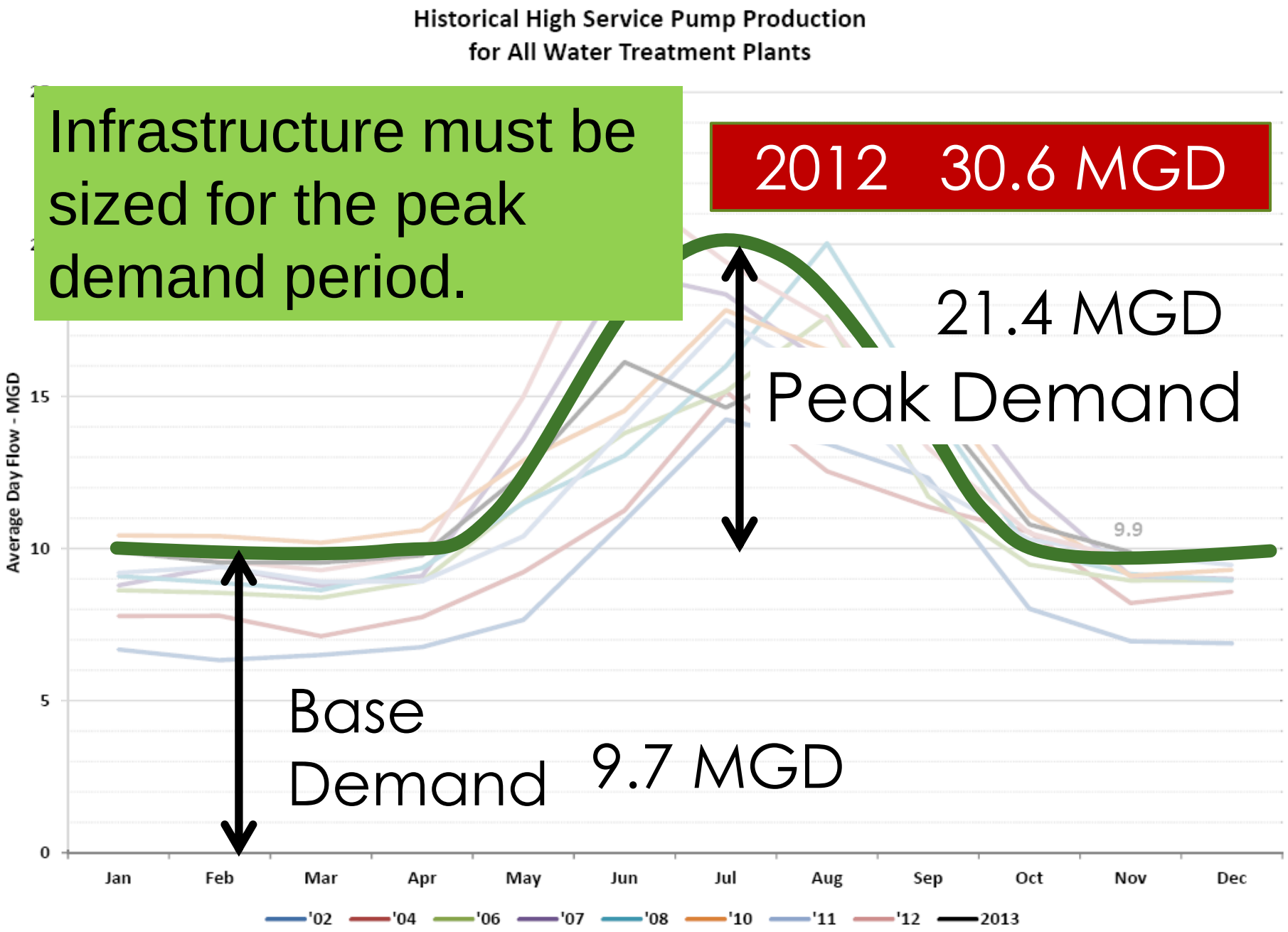
'11
'12
2013


Historical High Service Pump Production
for All Water Treatment Plants
Infrastructure must be sized for the peak demand period.
2012 30.6 MGD
21.4 MGD
Peak Demand
Base
Demand
9.7 MGD
9.9
Average Day Flow - MGD
15
10
5
0
Jan
Feb
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'04
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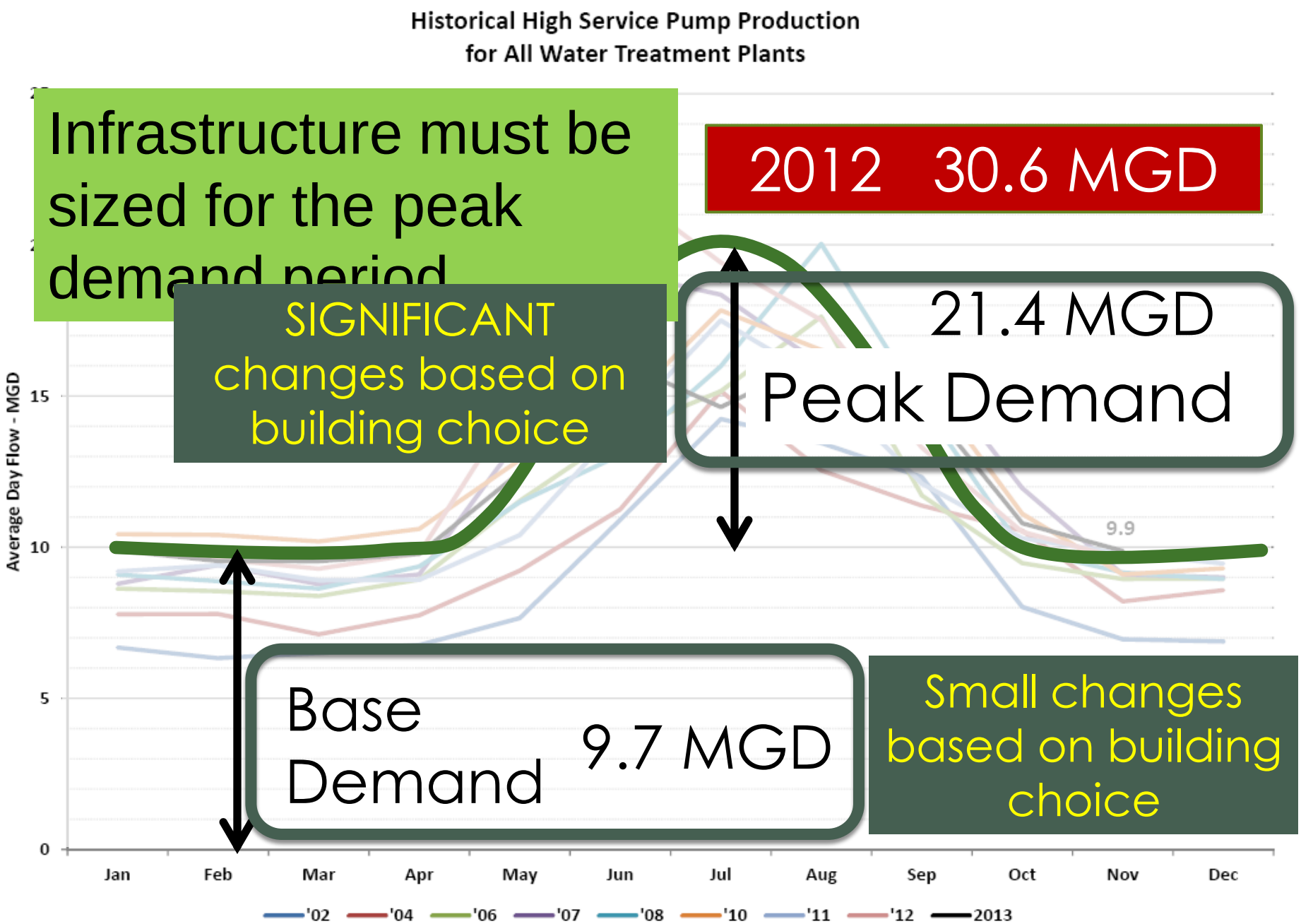
'12
2013


Historical High Service Pump Production
for All Water Treatment Plants
Infrastructure must be sized for the peak demand period
2012 30.6 MGD
SIGNIFICANT changes based on building choice
21.4 MGD
Peak Demand
9.9
Base Demand
9.7 MGD
Small changes based on building choice
Average Day Flow - MGD
15
10
5
0
Jan
Feb
Mar
Apr
May
Jun
Jul
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Oct
Nov
Dec
'02
'04
'06
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'08
'10
'11
'12
2013

2015 Summary Data

	Peaking Factor (max day/avg day)	% summer increase over average day
Cleveland	1.20	4.6%
Columbus	1.19	6.1%
Toledo	1.35	9.2%
Akron	1.21	2.4%
Dayton	1.24	2.4%
Youngstown	1.25	11.1%
Del-Co	1.81	34.1%

Residential use:

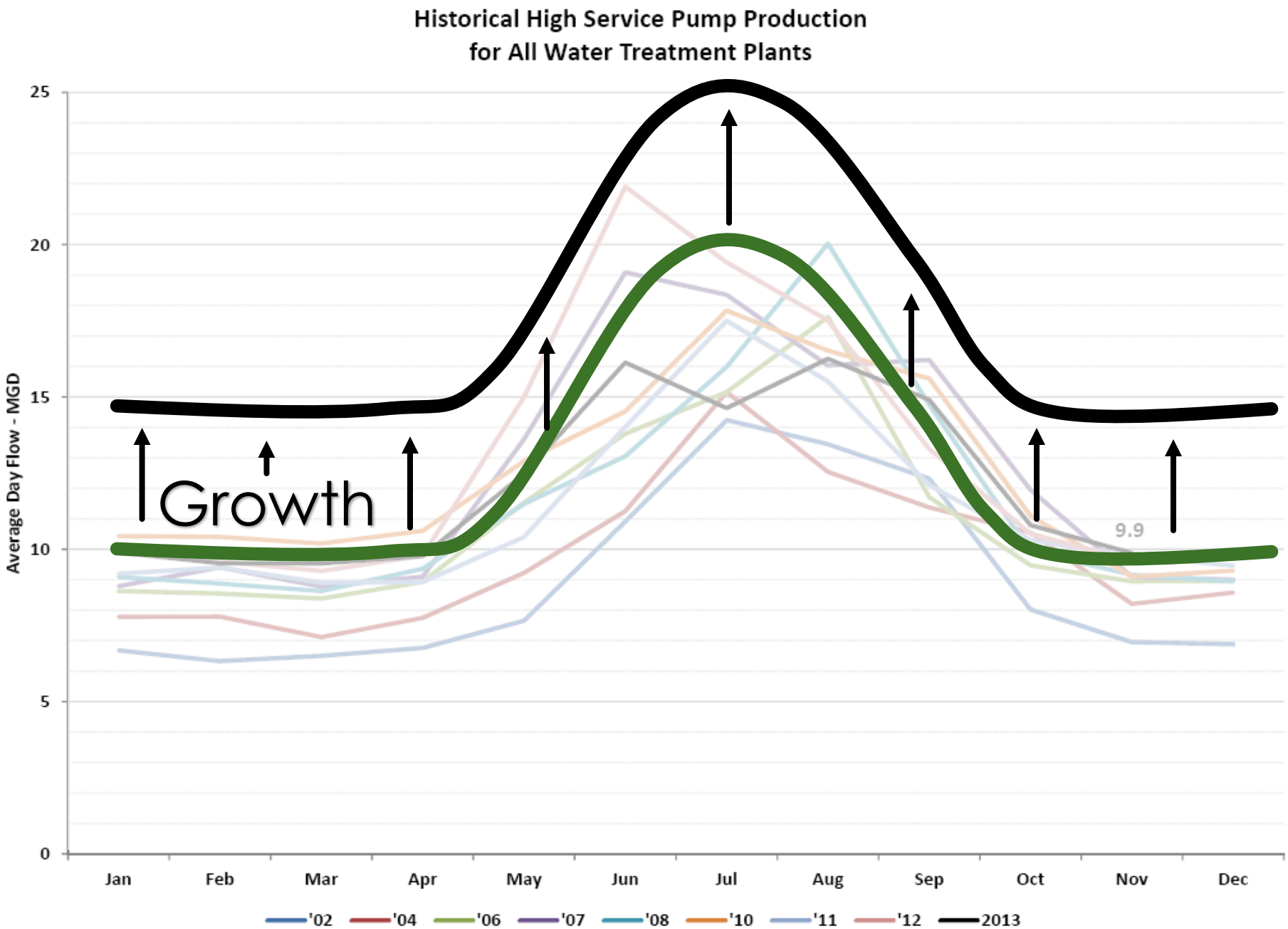
149 winter vs. 233 gal/day summer (+57%)

Typical July – Nearly Full

July 2012
Doutt Reservoir is
near-term solution

July 2012

With growth this drought issue may return soon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Growth
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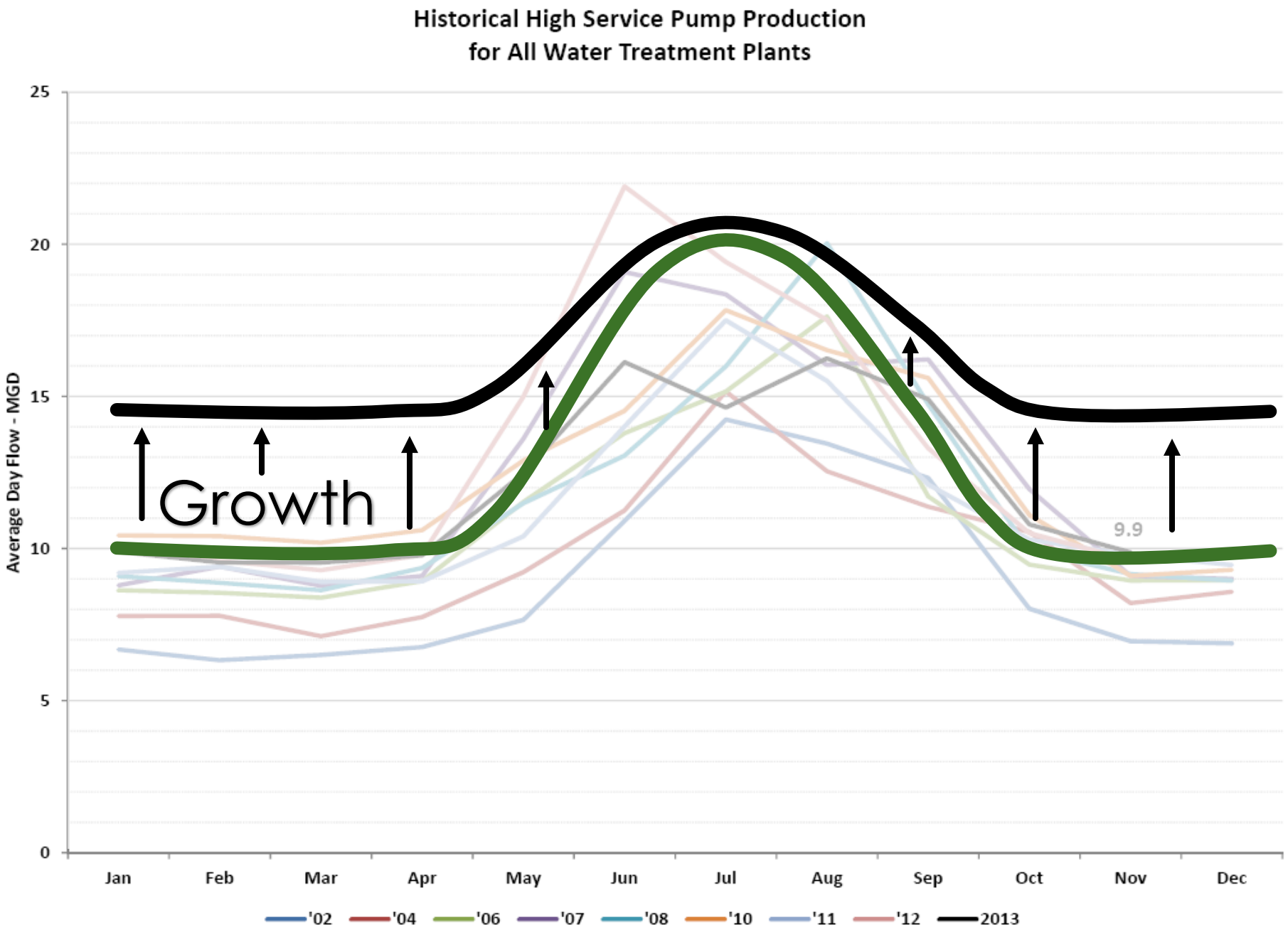
'10
'11
'12
2013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Nov
Dec
Growth
9.9
'02
'04
'06
'07
'08
'10
'11
'12
2013

NEW RATE STRUCTURE

- Affects only 10% of residential / irrigation
- Discourage discretionary water use
- Help pay for early upsizing of infrastructure
- Defer future capital through peak reduction

Thank you!

GLENN MARZLUF

DEL-CO WATER COMPANY