

Submitted by: Chairman of the Assembly  
at the Request of the AWWU Board  
Prepared by: Anchorage Water & Wastewater Utility  
For reading: September 26, 2006

CLERK'S OFFICE  
APPROVED

ANCHORAGE, ALASKA

Date: 10-10-06

AO NO. 2006- 131

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, APPROVING  
SUBMISSION BY THE ANCHORAGE WATER & WASTEWATER UTILITY (AWU,  
ASU) PROPOSED RATE CHANGES TO THE REGULATORY COMMISSION OF  
ALASKA.

THE ANCHORAGE ASSEMBLY ORDAINS:

**Section 1.** Rate changes to the tariff of Anchorage Water Utility (AWU), as reflected in the "Anchorage Water Utility Revenue Requirement Study 2005 Test Year" for 2007 rates, attached to the accompanying AM and incorporated herein by reference, are hereby approved for submission to the Regulatory Commission of Alaska.

**Section 2.** Rate changes to the tariff of Anchorage Wastewater Utility (ASU), as reflected in the "Anchorage Wastewater Utility Revenue Requirement Study 2005 Test Year" for 2007 rates, attached to the accompanying AM and incorporated herein by reference, are hereby approved for submission to the Regulatory Commission of Alaska.

**Section 3.** This ordinance shall be effective immediately upon passage and approval by the Anchorage Assembly.

**PASSED AND APPROVED** by the Anchorage Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

  
Chair

ATTEST:

\_\_\_\_\_  
Municipal Clerk

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 669 -2006

Meeting Date: September 26, 2006

**From: Anchorage Water & Wastewater Utility Board of Directors**

**Subject: AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, APPROVING SUBMISSION BY THE ANCHORAGE WATER & WASTEWATER UTILITY (AWU, ASU) PROPOSED RATE CHANGES TO THE REGULATORY COMMISSION OF ALASKA.**

In accordance with Anchorage Municipal Code (AMC) section 31.20.030, Anchorage Water and Wastewater Utility (AWWU or Utility) submits an ordinance concurrent with this memorandum for review and approval by the Assembly of submission by AWWU of 2005 test year AWU and ASU revenue requirement studies to the Regulatory Commission of Alaska (RCA).

AWWU prepared the revenue requirement studies in accordance with the regulations and practices prescribed by the RCA and Alaska Statutes. The proposed, across the board, interim rate increases for 2007 are 7.0% for AWU and 9.5% for ASU. The proposed, across the board, permanent rate increases for 2007 will not exceed 14.5% for AWU and 13.0% for ASU as approved in the 2006/2007 budget approved in 2005.

AWWU's proposed 2007 Operating Budgets include revenue from the proposed rate increases. The proposed rates are necessary in order to cover increased operating expenses and capital costs. The AWWU Board of Directors unanimously approved the interim and not to exceed permanent rates for AWU and ASU on September 6, 2006. All rate changes are subject to the approval of the RCA.

### **Interim Rate Increase Components**

#### **Water:**

	<u>Amount</u>	<u>Rate Increase</u>
Capital and Return Related Charges	\$ 676,000	1.71 %
Labor & Payroll	2,224,000	5.62 %
MUSA	(224,000)	-0.57 %
Other Operating Expense Increase	<u>94,000</u>	<u>0.24 %</u>
2007 Total AWU	<u>\$2,770,000</u>	<u>7.00 %</u>

#### **Wastewater:**

	<u>Amount</u>	<u>Rate Increase</u>
Capital and Return Related Charges	\$ 258,000	0.87 %
Labor & Payroll	2,047,000	6.89 %
MUSA	(12,000)	-0.04 %
Other Operating Expense Increase	<u>527,000</u>	<u>1.78 %</u>
2007 Total ASU	<u>\$2,820,000</u>	<u>9.50 %</u>

**Permanent Rate Increase Components (not to exceed)**

**Water:**

	<b>Amount</b>	<b>Rate Increase</b>
Capital and Return Related Charges	\$3,615,000	9.20 %
Labor & Payroll	2,224,000	5.66 %
MUSA	(224,000)	-0.57 %
Other Operating Expense Increase	81,000	0.21 %
2007 Total AWU	<u>\$5,696,000</u>	<u>14.50 %</u>

**Wastewater:**

	<b>Amount</b>	<b>Rate Increase</b>
Capital and Return Related Charges	1,297,000	4.30 %
Labor & Payroll	2,047,000	6.80 %
MUSA	(12,000)	-0.04 %
Other Operating Expense Increase	585,000	1.94 %
2007 Total ASU	<u>\$3,917,000</u>	<u>13.00 %</u>

**Impact of the Studies**

The Utility uses uniform rates for customer charges, unmetered usage charge per dwelling unit, metered volume rate, and meter charges. These basic rate components make up the individual customer rates. The proposed rate increases are to be applied across the board to all recurring rates. Changes in the most common monthly rates are:

**Water:**

	<b>2006 Current</b>	<b>2007 Interim Proposed</b>	<b>2007 Permanent Proposed</b>
Customer Charge	\$ 9.00	\$ 9.65	\$ 10.30
Flat Residential Usage Charge per unit	25.10	26.85	28.75
Metered Volume rate per 1,000 gallons (Rates for larger meter sizes see Attachment B)	3.48	3.73	3.99
Anchorage Fire Department	\$272,605	\$291,687	\$312,133

**Wastewater:**

	<b>2006 Current</b>	<b>2007 Interim Proposed</b>	<b>2007 Permanent Proposed</b>
Customer Charge	\$ 5.00	\$ 5.45	\$ 5.65
Flat Residential Usage Charge per unit-	21.30	23.30	24.05
Inflow and Infiltration Charge per unit	3.50	3.85	3.95
Metered Volume rate per 1,000 gallons:			
Residential	2.49	2.73	2.81
Commercial Low Strength	2.38	2.61	2.69
Commercial Medium Strength	2.71	2.97	3.06
Commercial High Strength	3.32	3.64	3.75

**Typical Customer Rate Impacts for Interim**

The single-family residential water rate increases by \$2.40 per month in 2007, from the current \$34.10 to \$36.50 per month. The single-family residential wastewater rate increases by \$2.45 in 2007, from the current \$26.30 to \$28.75 per month. The combined water and wastewater charge for a single family residence increases from the current \$60.40 to \$65.25, or 8.03%, in 2007. Other typical customer rate impacts are illustrated in the Attachment A. Listings of all proposed rate changes for recurring and nonrecurring rates and fees are listed in Attachments B (AWU) & C (ASU).

**Typical Customer Rate Impacts for Permanent**

The single-family residential water rate increases by \$4.95 per month in 2007, from the current \$34.10 to \$39.05 per month. The single-family residential wastewater rate increases by \$3.40 in 2007, from the current \$26.30 to \$29.70 per month. The combined water and wastewater charge for a single family residence increases from the current \$60.40 to \$68.75, or 13.82%, in 2007. Other typical customer rate impacts are illustrated in the Attachment A. Listings of all proposed rate changes for recurring and nonrecurring rates and fees are listed in Attachments B (AWU) & C (ASU).

**AWWU Board of Directors**

The AWWU Board of Directors had a work session August 14, 2006 with the AWWU staff and Honchen & Uhlenkott, Inc., the consultants who produced the revenue requirement study. The AWWU Board also held a public hearing on September 6, 2006, which was noticed on August 22, 2006 and August 29, 2006, on the proposed rate changes. The AWWU Board of Directors unanimously approved the interim and not to exceed permanent rates for AWU and ASU for submission to the Assembly and RCA.

**RCA Approval Required**

Revenue from proposed rate increases is included in AWWU's 2007 Operating Budget. AWWU needs to file the 2005 test year Revenue Requirements Studies with the RCA as soon as possible in order to obtain timely approval from the RCA to make the rate increases effective January 1, 2007. In AWWU's two most recent rate cases, for 2005 and 2006, the RCA took 108(05) / 46(06) days for water interim rates and 108(05) / 60(06) days for wastewater interim rates to be approved from the time of filing to approval for implementation. As such a timely filing is necessary to account for RCA's unpredictable approval process.

The RCA determines whether to proceed with or reject the filings. If the RCA decides not to reject the filings, the filings and proposed rate changes will be noticed to the public, along with a thirty-day comment period. RCA staff reviews the filings and makes a recommendation to the Commissioners regarding approval of the filings or suspension for further investigation. If the RCA does not reject the filings, AWWU expects the filings to be suspended for further investigation. In the event the RCA suspends the filings for further investigation, AWWU plans to request interim refundable rates be made effective January 1, 2007 for both AWU and ASU.

1 If the RCA decides to reject the filings AWWU can seek relief from the Superior Court,  
2 appeal to the RCA for reconsideration, or accept the rejections.

3  
4 **Budget Approval Requested**

5 Implementation of these rate increases is also contingent upon approval by the  
6 Assembly of the 2007 Operating Budget. If the 2007 Operating Budget is amended by  
7 the Assembly during the approval process, AWWU will withdraw these rate filings from  
8 the RCA and make any adjustments necessary to conform to the approved 2007  
9 operating Budget.

10  
11 **THE AWWU BOARD REQUESTS APPROVAL OF THE ORDINANCE FOR**  
12 **SUBMISSION BY THE ANCHORAGE WATER & WASTEWATER UTILITY (AWU,**  
13 **ASU) PROPOSED RATE CHANGES TO THE REGULATORY COMMISSION OF**  
14 **ALASKA.**

15  
16 **Recommended by: Mark Premo, P.E., General Manager, AWWU**

17 **Respectfully submitted: Randal Buckendorf, Chair AWWU Board**

# Municipality of Anchorage

## Summary of Economic Effects - Utilities

AO Number: 2006- 131 Title: Anchorage Water and Wastewater Utility Proposed Rate Changes- Water  
 Sponsor: \_\_\_\_\_  
 Preparing Agency: AWWU Others Affected: \_\_\_\_\_

### CHANGES IN EXPENDITURES AND REVENUES (Thousands of Dollars)

<b>Operating Revenues:</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>
Anchorage Water Utility	\$5,696	\$5,696	\$5,696	\$5,696	\$5,696
<b>Total Operating Revenues:</b>	<b>\$5,696</b>	<b>\$5,696</b>	<b>\$5,696</b>	<b>\$5,696</b>	<b>\$5,696</b>
<b>Operating Expenses:</b>					
<b>Total Operating Expenses:</b>					
<b>Non-Operating Revenues:</b>					
<b>Total Non-Operating Revenues:</b>					
<b>Non-Operating Expenses</b>					
<b>Total Non-Operating Expenses:</b>					
<b>NET INCOME (Regulated)</b>	<b>\$5,696</b>	<b>\$5,696</b>	<b>\$5,696</b>	<b>\$5,696</b>	<b>\$5,696</b>
Positions: FT/PT/TEMP					

Impact on General Government: YES (If yes, attach SEE for General Government agency impacted.)

Other Municipal Utilities for 2007 Water utility bills should increase by 7.0% for the interim rates not to exceed 14.5% for permanent rates over 2006.

Public Sector Economic Effects: See separate attached SEE

Private Sector Economic Effects: See separate attached SEE.

If further explanation is necessary, a separate page may be attached.

Prepared By: Tim Ament, Regulatory Affairs Manager Telephone: 786-5507  
 (Name, Title)

Validated by OMB: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: Mark Premo, P.E., General Manager, AWWU Date: 9/26/2006  
 (Director, Preparing Agency)

AO Number:	2006- <u>131</u>	Title:	<u>Anchorage Water and Wastewater Utility Proposed Rate Changes– Water</u>	
Sponsor:				
Preparing Agency:	AWWU	Others Affected:	All General Govt. and ASD	

CHANGES IN EXPENDITURES AND REVENUES (Thousands of Dollars)					
Operating Revenues:	FY2007	FY2008	FY2009	FY2010	FY2011
<b>Total Operating Revenues:</b>					
<b>Operating Expenses:</b>					
Anchorage Fire Department	\$312	\$312	\$312	\$312	\$312
Other General Government	\$35	\$35	\$35	\$35	\$35
Anchorage School District	\$43	\$43	\$43	\$43	\$43
<b>Total Operating Expenses:</b>	\$390	\$390	\$390	\$390	\$390
<b>Non-Operating Revenues:</b>					
<b>Total Non-Operating Revenues:</b>					
<b>Non-Operating Expenses</b>					
<b>Total Non-Operating Expenses:</b>					
<b>NET INCOME (Regulated)</b>					
Positions: FT/PT/TEMP					

Public Sector Economic Effects: For 2007 Water utility bills should increase by 7.0% for the interim rates not to exceed 14.5% for permanent rates over 2006.

[illegible]

# Municipality of Anchorage

## Summary of Economic Effects - Utilities

AO Number: 2006-131 Title: Anchorage Water and Wastewater Utility Proposed Rate Changes--Wastewater

Sponsor: \_\_\_\_\_

Preparing Agency: AWWU Others Affected: \_\_\_\_\_

### CHANGES IN EXPENDITURES AND REVENUES (Thousands of Dollars)

<b>Operating Revenues:</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>
Anchorage Wastewater Utility	\$3,917	\$3,917	\$3,917	\$3,917	\$3,917
<b>Total Operating Revenues:</b>	<b>\$3,917</b>	<b>\$3,917</b>	<b>\$3,917</b>	<b>\$3,917</b>	<b>\$3,917</b>
<b>Operating Expenses:</b>					
<b>Total Operating Expenses:</b>					
<b>Non-Operating Revenues:</b>					
<b>Total Non-Operating Revenues:</b>					
<b>Non-Operating Expenses:</b>					
<b>Total Non-Operating Expenses:</b>					
<b>NET INCOME (Regulated)</b>	<b>\$3,917</b>	<b>\$3,917</b>	<b>\$3,917</b>	<b>\$3,917</b>	<b>\$3,917</b>
Positions: FT/PT/TEMP					

Impact on General Government: YES (If yes, attach SEE for General Government agency impacted.)

Utility Public Sector Economic Effects: Other Municipal Utilities for 2007 Wastewater utility bills should increase by 9.5% for the interim rates not to exceed 13.0 % for permanent rates over 2006.

Public Sector Economic Effects: See separate attached SEE.

Private Sector Economic Effects: See separate attached SEE.

If further explanation is necessary, a separate page may be attached.

Prepared By: Tim Ament, Regulatory Affairs Manager Telephone: 786-5507  
(Name, Title)

Validated by OMB: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: Mark Premo, P.E., General Manager, AWWU Date: 9/26/06  
(Director, Preparing Agency)

**Municipality of Anchorage**  
**Summary of Economic Effects - General Government**

AO Number:	2006- <u>131</u>	Title:	<u>Anchorage Water and Wastewater Utility Proposed Rate Changes– Wastewater</u>
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**Sponsor:**

Preparing Agency:	AWWU	Others Affected:	All General Govt. and ASD
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### CHANGES IN EXPENDITURES AND REVENUES (Thousands of Dollars)

<b>Operating Revenues:</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>
<b>Total Operating Revenues:</b>					
<b>Operating Expenses:</b>					
General Government	\$22	\$22	\$22	\$22	\$22
Anchorage School District	\$14	\$14	\$14	\$14	\$14
<b>Total Operating Expenses:</b>	<b>\$36</b>	<b>\$36</b>	<b>\$36</b>	<b>\$36</b>	<b>\$36</b>
<b>Non-Operating Revenues:</b>					
<b>Total Non-Operating Revenues:</b>					
<b>Non-Operating Expenses</b>					
<b>Total Non-Operating Expenses:</b>					
NET INCOME (Regulated)					
Positions: FT/PT/TEMP					

Impact on General Government: YES (If yes, attach SEE for General Government agency impacted.)

Public Sector Economic Effects: For 2007 Wastewater utility bills should increase by 9.5% for the interim rates not to exceed 13.0% for permanent rates over 2006.

If further explanation is necessary, a separate page may be attached.

Prepared By: Tim Ament, Regulatory Affairs Manager Telephone: 786-5507  
(Name, Title)

Validated by OMB: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: Mark Premo, P.E., General Manager, AWWU Date: 9/26/06  
(Director, Preparing Agency)

**ATTACHMENT A**  
**Impacts of Proposed 2007 Interim Rate Increase**  
**on Typical AWWU Water Customers:**

Customer Class	Existing	Proposed	Difference
<b>Residential</b>			
Flat Single Family	\$ 34.10	\$ 36.50	\$ 2.40
Metered 4-Plex <sup>(1)</sup>	89.68	96.10	6.42
Metered 20-Plex <sup>(2)</sup>	281.08	301.18	20.10
<b>Commercial</b>			
Metered 0.75 inch <sup>(3)</sup>	\$ 44.82	\$ 48.01	\$ 3.19
Metered 1.00 inch <sup>(4)</sup>	96.64	103.56	6.92
Metered 2.00 inch <sup>(5)</sup>	408.54	437.70	29.16

<sup>(1)</sup> Assumes 1.00 inch meter and 21,000 gallons monthly consumption.

<sup>(2)</sup> Assumes 1.00 inch meter and 76,000 gallons monthly consumption.

<sup>(3)</sup> Assumes 9,000 gallons monthly consumption.

<sup>(4)</sup> Assumes 23,000 gallons monthly consumption.

<sup>(5)</sup> Assumes 108,000 gallons monthly consumption.

**Impacts of Proposed 2007 Interim Rate Increase**  
**on Typical AWWU Wastewater Customers:**

Customer Class	Existing	Proposed	Difference
<b>Residential</b>			
Flat Single Family	\$ 26.30	\$ 28.75	\$ 2.45
Metered 4-Plex <sup>(1)</sup>	60.79	66.56	5.77
Metered 20-Plex <sup>(2)</sup>	215.17	235.60	20.43
<b>Commercial</b>			
Low Strength User <sup>(3)</sup>	\$ 98.94	\$ 108.33	\$ 9.39
Medium Strength User <sup>(4)</sup>	366.22	401.00	34.78
High Strength User <sup>(5)</sup>	177.82	194.71	16.89

<sup>(1)</sup> Assumes 21,000 gallons monthly consumption.

<sup>(2)</sup> Assumes 83,000 gallons monthly consumption.

<sup>(3)</sup> Assumes 38,000 gallons monthly consumption.

<sup>(4)</sup> Assumes 132,000 gallons monthly consumption.

<sup>(5)</sup> Assumes 51,000 gallons monthly consumption.

**Impacts of Proposed 2007 Interim Rate Increase**  
**on Typical AWWU Customers Combined:**

Customer Class	Existing	Proposed	Difference
<b>Residential</b>			
Flat Single Family	\$ 60.40	\$ 65.25	\$ 4.85
Metered 4-Plex <sup>(1)</sup>	150.47	162.66	12.19
Metered 20-Plex <sup>(2)</sup>	496.25	536.79	40.54
<b>Commercial</b>			
Low Strength User <sup>(3)</sup>	\$ 143.76	\$ 156.34	\$ 12.58
Medium Strength User <sup>(4)</sup>	462.86	504.56	41.70
High Strength User <sup>(5)</sup>	586.36	632.41	46.05

**ATTACHMENT A**  
**Impacts of Proposed 2007 Permanent Rate Increase**  
**on Typical AWWU Water Customers:**

Customer Class	Existing	Proposed	Difference
<b>Residential</b>			
Flat Single Family	\$ 34.10	\$ 39.05	\$ 4.95
Metered 4-Plex <sup>(1)</sup>	89.68	102.79	13.11
Metered 20-Plex <sup>(2)</sup>	281.08	322.25	41.17
<b>Commercial</b>			
Metered 0.75 inch <sup>(3)</sup>	\$ 44.82	\$ 51.36	\$ 6.54
Metered 1.00 inch <sup>(4)</sup>	96.64	110.77	14.13
Metered 2.00 inch <sup>(5)</sup>	408.54	468.38	59.84

<sup>(1)</sup> Assumes 1.00 inch meter and 21,000 gallons monthly consumption.

<sup>(2)</sup> Assumes 1.00 inch meter and 76,000 gallons monthly consumption.

<sup>(3)</sup> Assumes 9,000 gallons monthly consumption.

<sup>(4)</sup> Assumes 23,000 gallons monthly consumption.

<sup>(5)</sup> Assumes 108,000 gallons monthly consumption.

**Impacts of Proposed 2007 Permanent Rate Increase**  
**on Typical AWWU Wastewater Customers:**

Customer Class	Existing	Proposed	Difference
<b>Residential</b>			
Flat Single Family	\$ 26.30	\$ 29.70	\$ 3.40
Metered 4-Plex <sup>(1)</sup>	60.79	68.69	7.90
Metered 20-Plex <sup>(2)</sup>	215.17	243.14	27.97
<b>Commercial</b>			
Low Strength User <sup>(3)</sup>	\$ 98.94	\$ 111.80	\$ 12.86
Medium Strength User <sup>(4)</sup>	366.22	413.82	47.60
High Strength User <sup>(5)</sup>	177.82	200.93	23.11

<sup>(1)</sup> Assumes 21,000 gallons monthly consumption.

<sup>(2)</sup> Assumes 83,000 gallons monthly consumption.

<sup>(3)</sup> Assumes 38,000 gallons monthly consumption.

<sup>(4)</sup> Assumes 132,000 gallons monthly consumption.

<sup>(5)</sup> Assumes 51,000 gallons monthly consumption.

**Impacts of Proposed 2007 Permanent Rate Increase**  
**on Typical AWWU Customers Combined:**

Customer Class	Existing	Proposed	Difference
<b>Residential</b>			
Flat Single Family	\$ 60.40	\$ 68.75	\$ 8.35
Metered 4-Plex <sup>(1)</sup>	150.47	171.48	21.01
Metered 20-Plex <sup>(2)</sup>	496.25	565.38	69.13
<b>Commercial</b>			
Low Strength User <sup>(3)</sup>	\$ 143.76	\$ 163.16	\$ 19.40
Medium Strength User <sup>(4)</sup>	462.86	524.60	61.74
High Strength User <sup>(5)</sup>	586.36	669.31	82.95

**ATTACHMENT B**  
**ANCHORAGE WATER UTILITY**  
**EFFECT OF PROPOSED RATE CHANGES**  
**For the Test Year Ended December 31, 2005**

Line No.	Customer Class	Current Rates	2007 Proposed Interim Rates		2007 Proposed Permanent Rates	
			Increase	Proposed Interim Rate	Increase	Proposed Permanent Rate
1	<u>Unmetered Residential:</u>					
2	Customer charge per account	\$ 9.00	\$ 0.65	\$ 9.65	\$ 1.30	\$ 10.30
3	Unmetered Residential per unit	25.10	1.75	26.85	3.65	28.75
4	Multifamily - Customer charge per account	9.00	0.65	9.65	1.30	10.30
5	Multifamily (four or more)- per unit	25.10	1.75	26.85	3.65	28.75
6	Trailer Courts - Customer charge account	9.00	0.65	9.65	1.30	10.30
7	Trailer Courts - per unit	25.10	1.75	26.85	3.65	28.75
8	Residential Construction	25.10	1.75	26.85	3.65	28.75
9	<u>Unmetered Commercial:</u>					
10	Customer Charge per account	\$ 9.00	\$ 0.65	\$ 9.65	\$ 1.30	\$ 10.30
11	Usage( per service connection)					
12	<u>Service Size:</u>					
13	3/4 inch	\$ 35.55	\$ 2.50	\$ 38.05	\$ 5.15	\$ 40.70
14	1 inch	71.70	5.00	76.70	10.40	82.10
15	1-1/2 inch	187.45	13.10	200.55	27.20	214.65
16	2 inch	339.45	23.75	363.20	49.20	388.65
17	<u>Metered Residential:</u>					
18	Customer Charge per account	\$ 9.00	\$ 0.65	\$ 9.65	\$ 1.30	\$ 10.30
19	Volume Rate per 1,000 gallons	3.48	0.25	3.73	0.51	3.99
20	Meter Charge (per meter)					
21	<u>Meter Size:</u>					
22	5/8 & 3/4 inch	\$ 4.50	\$ 0.30	\$ 4.80	\$ 0.65	\$ 5.15
23	1 inch	7.60	0.55	8.15	1.10	8.70
24	1-1/2 inch	14.75	1.05	15.80	2.15	16.90
25	2 inch	23.70	1.65	25.35	3.45	27.15
26	3 inch	44.60	3.10	47.70	6.45	51.05
27	4 inch	74.55	5.20	79.75	10.80	85.35
28	6 inch	148.65	10.40	159.05	21.55	170.20
29	8 inch	237.90	16.65	254.55	34.50	272.40
30	<u>Temporary Construction &amp; Temporary Off-Site Construction:</u>					
31	Customer Charge (per account)	\$ 9.00	\$ 0.65	\$ 9.65	\$ 1.30	\$ 10.30
32	Volume Rate per 1,000 gallons	3.48	0.25	3.73	0.51	3.99
33	Meter Charge (per meter)					
34	<u>Meter Size:</u>					
35	1 inch	\$ 7.60	\$ 0.55	\$ 8.15	\$ 1.10	\$ 8.70
36	1 1/2 inch	14.75	1.05	15.80	2.15	16.90
37	2 inch	23.70	1.65	25.35	3.45	27.15
38	3 inch	44.60	3.10	47.70	6.45	51.05
39	<u>BULK Water Sales</u>					
40	1) Bulk Water Sales to Public Utilities					
41	Customer Charge (per account)	\$ 9.00	\$ 0.65	\$ 9.65	\$ 1.30	\$ 10.30
42	Volume Rate per 1,000 gallons	2.61	0.19	2.80	0.38	2.99

**ANCHORAGE WATER UTILITY  
EFFECT OF PROPOSED RATE CHANGES  
For the Test Year Ended December 31, 2005**

Line No.	Customer Class	Current Rates	2007 Proposed Interim Rates		2007 Proposed Permanent Rates	
			Increase	Proposed Interim Rate	Increase	Proposed Permanent Rate
43	Meter Charge (per meter)					
44	<u>Meter Size:</u>					
45	3/4 inch	\$ 4.50	\$ 0.30	\$ 4.80	\$ 0.65	\$ 5.15
46	1 inch	7.60	0.55	8.15	1.10	8.70
47	1 1/2 inch	14.75	1.05	15.80	2.15	16.90
48	2 inch	23.70	1.65	25.35	3.45	27.15
49	3 inch	44.60	3.10	47.70	6.45	51.05
50	4 inch	74.55	5.20	79.75	10.80	85.35
51	6 inch	148.65	10.40	159.05	21.55	170.20
52	8 inch	237.90	16.65	254.55	34.50	272.40
53	2) Bulk Water Delivered to Vessels at the Port of Anchorage					
54	Customer Charge ( per delivery)	\$ 9.00	\$ 0.65	\$ 9.65	\$ 1.30	\$ 10.30
55	Volume Rate per 1,000 gallons	3.48	0.25	3.73	0.51	3.99
56	<u>Anchorage Fire Department</u>	\$ 272,604.60	\$ 19,082.30	\$ 291,686.90	\$ 39,527.65	\$ 312,132.25

**ATTACHMENT C**  
**ANCHORAGE WASTEWATER UTILITY**  
**EFFECT OF PROPOSED RATE CHANGES**  
**For the Test Year Ended December 31, 2005**

Line No.	Customer Class	Current Rates	2007 Proposed Interim Rates		2007 Proposed Permanent Rates	
			Increase (Decrease)	Proposed Interim Rate	Increase (Decrease)	Proposed Permanent Rate
1	<u>Unmetered Residential:</u>					
2	Customer charge per account	\$ 5.00	\$ 0.45	\$ 5.45	\$ 0.65	\$ 5.65
3	Unmetered Residential per unit	21.30	2.00	23.30	2.75	24.05
4	Multifamily - Customer charge	\$ 5.00	0.45	\$ 5.45	\$ 0.65	\$ 5.65
5	Multifamily (four or more)- per unit	21.30	2.00	23.30	2.75	24.05
6	Trailer Courts - Customer charge	\$ 5.00	0.45	\$ 5.45	\$ 0.65	\$ 5.65
7	Trailer Courts - per unit	21.30	2.00	23.30	2.75	24.05
8	Residential Construction	21.30	2.00	23.30	2.75	24.05
9	<u>Unmetered Commercial:</u>					
10	Customer Charge	\$ 5.00	0.45	\$ 5.45	\$ 0.65	\$ 5.65
11	I/I Charge (per unit)	3.50	0.35	3.85	0.45	3.95
12	C01 Bakeries	392.90	37.35	430.25	51.10	444.00
13	C02 Bars	97.35	9.25	106.60	12.65	110.00
14	C03 Restaurants	-	-	-	-	-
15	C04 Bar and restaurant combination	342.10	32.50	374.60	44.45	386.55
16	C06 Camper parks per spc	10.60	1.00	11.60	1.40	12.00
17	C10 Churches	35.30	3.35	38.65	4.60	39.90
18	C12 Dentists/ Doctors	105.00	9.95	114.95	13.65	118.65
19	C13 Veterinarians with 6 employees	43.90	4.15	48.05	5.70	49.60
20	C18 Gas stations - gas only	32.65	3.10	35.75	4.25	36.90
21	C19 Gas stations - full serve	53.30	5.05	58.35	6.95	60.25
22	C22 Motels, per room	18.15	1.70	19.85	2.35	20.50
23	C23 Laundromat: Commercial and Self Service Laundry	1,052.60	100.00	1,152.60	136.85	1,189.45
24	C24 Office / Retail 1 to 5 employees	19.75	1.90	21.65	2.55	22.30
25	C24 Office / Retail 6 to 25 employees	48.85	4.65	53.50	6.35	55.20
26	C24 Office / Retail, 26 or more employees	189.20	17.95	207.15	24.60	213.80
27	C25 Jr. and senior high schools	392.90	37.35	430.25	51.10	444.00
28	C28 Training School	60.10	5.70	65.80	7.80	67.90
29	C29 Barber and beauty shops	28.30	2.70	31.00	3.70	32.00
30	C31 Theaters	144.55	13.75	158.30	18.80	163.35
31	C35 Health spas	44.65	4.25	48.90	5.80	50.45
32	C36 Warehouses	22.40	2.15	24.55	2.90	25.30
33	C38 Meeting halls	80.35	7.65	88.00	10.45	90.80
34	C46 Convenience store	49.15	4.65	53.80	6.40	55.55
35	C47 Convenience Store w/ gas pump	47.30	4.50	51.80	6.15	53.45
36	C48 Drive In/Deli/Fast Food/Donu	157.25	14.95	172.20	20.45	177.70
37	C49 Massage parlor / Escort Services	100.20	9.50	109.70	13.05	113.25
38	C53 Garage/Body/Mech Shop	22.00	2.10	24.10	2.85	24.85
39	C59 Auto dealers/vehicle rentals	194.15	18.45	212.60	25.25	219.40
40	C62 Construction/Vacant wtr on	21.70	2.05	23.75	2.80	24.50
41	C98 Fire station	57.40	5.45	62.85	7.45	64.85
42	<u>Metered Residential:</u>	Volume(1,000 gal.)				
43	<u>Multifamily:</u>					
44	Customer Charge	\$ 5.00	0.45	\$ 5.45	0.65	\$ 5.65
45	I/I Charge (per unit)	3.50	0.35	3.85	0.45	3.95
46	Use charge (per 1,000 gallons)	2.49	0.24	2.73	0.32	2.81
47	<u>Trailer Courts:</u>					
48	Customer Charge	\$ 5.00	0.45	\$ 5.45	0.65	\$ 5.65
49	I/I Charge (per unit)	3.50	0.35	3.85	0.45	3.95
50	Use charge (per 1,000 gallons)	2.49	0.24	2.73	0.32	2.81

**ATTACHMENT C**  
**ANCHORAGE WASTEWATER UTILITY**  
**EFFECT OF PROPOSED RATE CHANGES**  
**For the Test Year Ended December 31, 2005**

Line No.	Customer Class	Current Rates	2007 Proposed Interim Rates		2007 Proposed Permanent Rates	
			Increase (Decrease)	Proposed Interim Rate	Increase (Decrease)	Proposed Permanent Rate
51	<u>Metered Commercial:</u>					
52	Customer Charge	\$ 5.00	0.45	\$ 5.45	0.65	\$ 5.65
53	I/I Charge (per unit)	3.50	0.35	3.85	0.45	3.95
54	Low strength - use charge (per 1,000 gallons)	2.38	0.23	2.61	0.31	2.69
55	Medium strength - use charge (per 1,000 gallons)	2.71	0.26	2.97	0.35	3.06
56	High Strength - use charge (per 1,000 gallons)	3.32	0.32	3.64	0.43	3.75
57	<u>Public Authorities:</u>					
58	Customer Charge	\$ 5.00	0.45	\$ 5.45	0.65	\$ 5.65
59	I/I Charge	1.05	0.10	1.15	0.15	1.20
60	Fort Richardson - use charge (per 1,000 gallons)	0.83	0.08	0.91	0.11	0.94
61	Elmendorf AFB - use charge (per 1,000 gallons)	0.94	0.09	1.03	0.12	1.06
62	<u>Others:</u>					
63	Customer Charge	\$ 5.00	0.45	\$ 5.45	0.65	\$ 5.65
64	I/I Charge	1.45	0.15	1.60	0.20	1.65
65	Sanitary Landfill	1.11	0.11	1.22	0.14	1.25
66	Septic Haulers - use charge per 1,000 gal capacity	272.63	25.90	298.53	35.44	308.07

**Content Information****Content ID :** 004373**Type:** Ordinance - AO

**Title:** AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE,  
ALASKA, APPROVING SUBMISSION BY THE ANCHORAGE WATER  
& WASTEWATER UTILITY (AWU, ASU) PROPOSED RATE  
CHANGES TO THE REGULATORY COMMISSION OF ALASKA.

**Author:** gibsonam**Initiating Dept:** AWWU**Review Depts:** AWWU**Date Prepared:** 9/14/06 5:26 PM**Director Name:** Mark Premo**Assembly****Meeting Date** 9/26/06**MM/DD/YY:****Hearing Date** 10/10/06**MM/DD/YY:****Workflow History**

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
AllOrdinanceWorkflow	9/14/06 5:28 PM	Checkin	gibsonam	Public	004373
AllOrdinanceWorkflow	9/14/06 5:32 PM	Reject	premomc	Public	004373
AllOrdinanceWorkflow	9/14/06 5:34 PM	Checkin	gibsonam	Public	004373
AWWU_SubWorkflow	9/14/06 5:37 PM	Approve	premomc	Public	004373

M.O.A.  
 2006 SEP 15 AM 9:12  
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