Rate Setting Objectives Exercise

UNC ENVIRONMENTAL FINANCE CENTER · Smart Management for Small Water Systems · EFCN environmental finance center network

Step 1. What are your system's rate setting objectives?

Full cost recovery/ revenue stability	Encouraging conservation
Fostering business-friendly practices	Maintaining affordability (keeping rates low – to whom?)
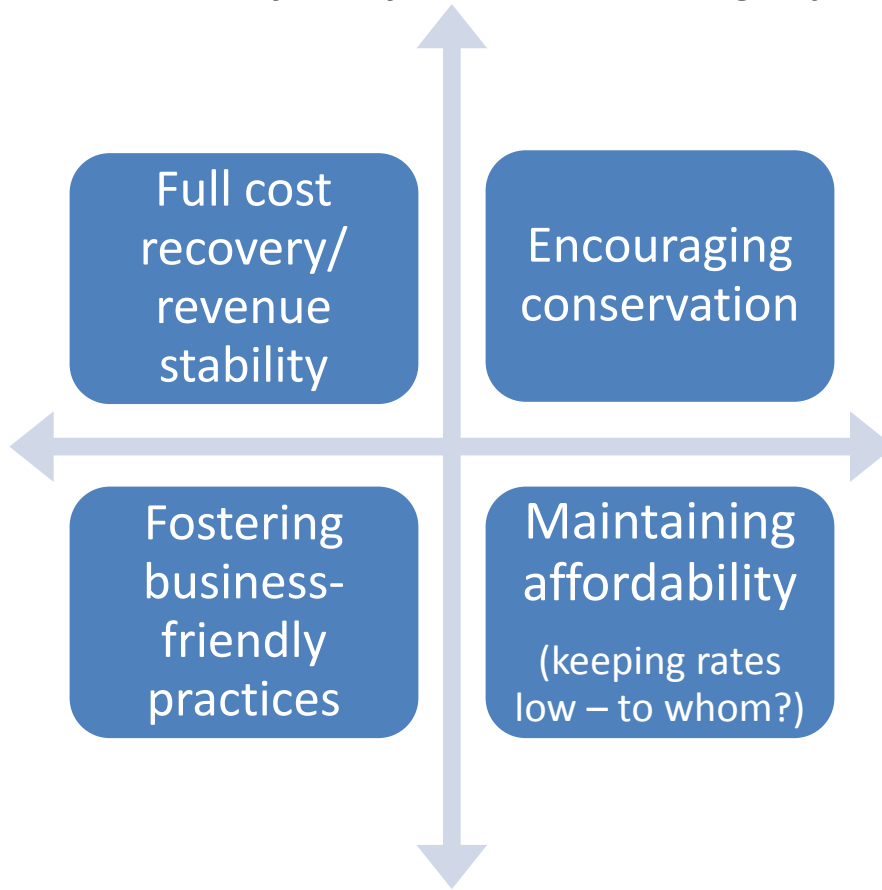
1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

Step 2. What is your current rate structure?

Customer Classes (circle all that apply)	Same for Everyone Res/Comm/Indus By Meter Size Comm/Indus Only Blocks Outside Customers
Billing Period	Monthly Bi-Monthly Quarterly Other
Base Charge ($)	
Consumption Included in Base Charge (gal/cub ft)	
Rate Structure (choose one)	Set Rate Uniform Increasing Block Decreasing Block Other
Number of blocks (if applicable)	
Drought Rates	Yes No
Frequency of Rate Review (choose one)	Annually Bi-Annually Less Frequently

Step 3. Does your current rate structure support your objectives? If not, what other options discussed do you want to explore?