



August 2020

Greetings. This is the inaugural edition of a quarterly newsletter that will be posted on our website to keep customers better informed of JCSA's work. This is an appropriate time to begin this effort, because JCSA has made many improvements to our customer billing system in recent months.

Earlier this summer, we transitioned to monthly billing. Whereas customers previously received a bill every three months, customers are now receiving a bill every month. Advantages to monthly billing include:

- More efficient household budgeting
- Bills will now align with most other utilities
- More frequent & timely information about your water usage
- Monitoring your usage can help you to control utility costs
- Ability to detect water leaks sooner
- You will easily notice if your water usage has changed

In addition to monthly billing, we have also made changes to our single family residential water rate structure. The water bill has two components: the fixed charge and the service charge. The fixed charge is a flat amount that is charged every month regardless of consumption. Effective July, JCSA has increased the monthly fixed charge from \$4 per month to \$5.23 per month. This fixed charge promotes rate stability and is more consistent with best practices favored by bond rating agencies.

The service charge is based on consumption. For many years, JCSA has had three tiers for single family residential service in 5,000 gallons per month increments with different rates for each tier. Effective July 1 (and reflected in bills that are mailed in August), JCSA has implemented a new water rate structure that adjusts the number and size of single family residential tiers to better reflect current usage patterns while promoting water conservation. The new structure contains four tiers as follows:

Tier 1: up to 4,000 gallons monthly

Tier 2: 4,001 – 8,000 gallons monthly

Tier 3: 8,001 -12,000 gallons monthly

Tier 4: greater than 12,000 gallons monthly

The following chart shows the previous service rates
compared to the current rates:

Water Services	Old Rate*	Current Rate*
Tier One	\$4.10	\$3.62
Tier Two	\$8.19	\$6.58
Tier Three	\$19.24	\$13.16
Tier Four	N/A	\$20.40

As you can see, the rates have actually decreased for the first three tiers. While an individual customer may see a slight increase or decrease in the amount they are billed for same consumption under the new structure, the changes to the fixed rate combined with the changes to the service rate are overall designed to collect the same amount of revenue as last year.

For customers who use 5,000 gallons per month or less, JCSA continues to have the lowest water rate of any public utility in the Hampton Roads region. 77% of JCSA's customers remain in the first tier.

Sewer rates for this year remain unchanged.

We hope you have found this information helpful. Look for a new edition of the quarterly newsletter in November.