

AVOIDING COSTS WITH CONSERVATION

CONSERVATION KEEPS RATES LOW IN WESTMINSTER, CO

The City of Westminster analyzed the impact of 30 years of water conservation on its water and wastewater rates to provide a clear answer to the common customer question: **“Why do you ask me to conserve water and then raise my rates?”** The analysis found that **fees and rates are significantly lower today than they would have been without conservation.**

How did conservation change the City’s water use?

For 30 years, Westminster has helped customers conserve with indoor and outdoor conservation programs, continuous outreach, and efficiency-oriented water rates.

Thanks to conservation, the volume of water used per person per day declined by 17% (31 gpcd), even as the population more than doubled from roughly 52,570 to 106,114 people.

What if water use patterns from 1980 had persisted and were unchanged?

To meet the higher demand that would exist were it not for conservation, the City would have needed to invest:

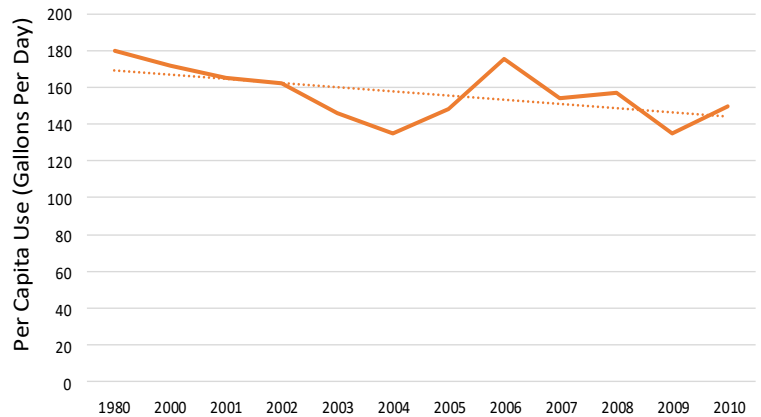
- \$1,238,000 in annual water and wastewater treatment and operational costs.
- \$218,850,000 in additional or new water resources.
- \$223,000,000 in interest (*assumes debt financing*).
- \$591,850,000 total for all new infrastructure.

How did these avoided costs impact customer rates?

The reduction from conservation has been critical in helping Westminster level off total production and avoid the need to invest in up-sizing the system, building new facilities, and purchasing additional water supplies. These savings from these avoided costs have been passed on to the customers.

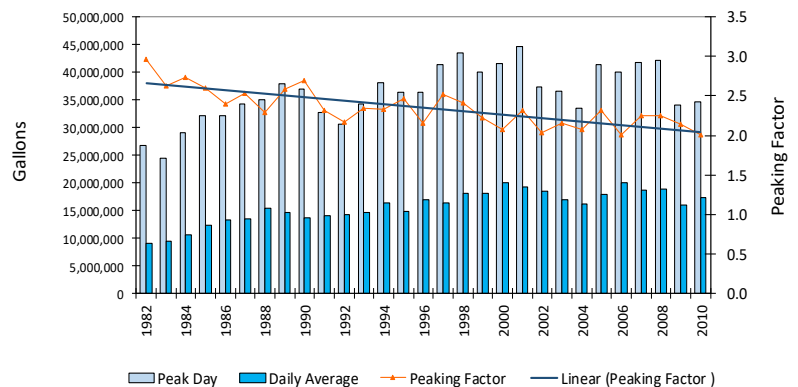
On average, a single-family home would have to pay an extra \$596 a year for water and sewer annually. New customers (residential and non-residential alike), would have to pay an additional \$16,952 in system development fees.

Total Water Use Per Capita Since 1980



In 2012, residents and businesses paid **water and wastewater rates that were 47% lower and development fees that were 44% lower** than they would have been if it weren't for conservation.

Potable Water Production-Westminster, CO
Peak Day, Daily Average, Peaking Factor,



Above: If the peaking factor had not been reduced by 30%, Westminster would have had to expand system to accommodate an extra 52 MGD.