

## Memorandum

Date: August 15, 2022

To: Columbia City Council  
Water and Light Advisory Board  
Electric Utility Director



From: Leanne Tippet Mosby, Chair

In a previous communication to the City Council, the Climate and Environment Commission recommended the Tier 3 rates be increased to provide a more equitable rate structure overall. In addition to this prior action, at their June 26, 2022, meeting the Climate and Environment Commission voted to provide the following recommendations for evaluating the city of Columbia's water rates:

- The CEC recommends evaluating more scenarios using higher rates for tier 3 and potentially tier 2, with no change to the base or Tier I rate. This is conceptually consistent with the 2018 cost of service study recommendations.
- The CEC recommends considering scenarios that would provide water as a basic human right.

This aligns directly with the Climate Action and Adaptation Plan action N.R. 2.1 – Encourage water conservation. Water conservation, in turn, aligns indirectly with the CAAP greenhouse gas reduction goals by reducing the energy needs for water treatment.

One example of a possible scenario that considers equity: provide the first CCF (hundred cubic feet or 748 gallons) either free or as part of the base rate. Many countries such as India and South Africa, as well as the city of Detroit, have started providing a minimum amount of water to citizens at low cost or at no charge.

In summary, we recommend exploring additional scenarios that would align with our CAAP goals, reduce economic burden on low-income residents.