

City of Palo Alto

Urban Water Management Plan

January 10, 2011

Wholly H2O



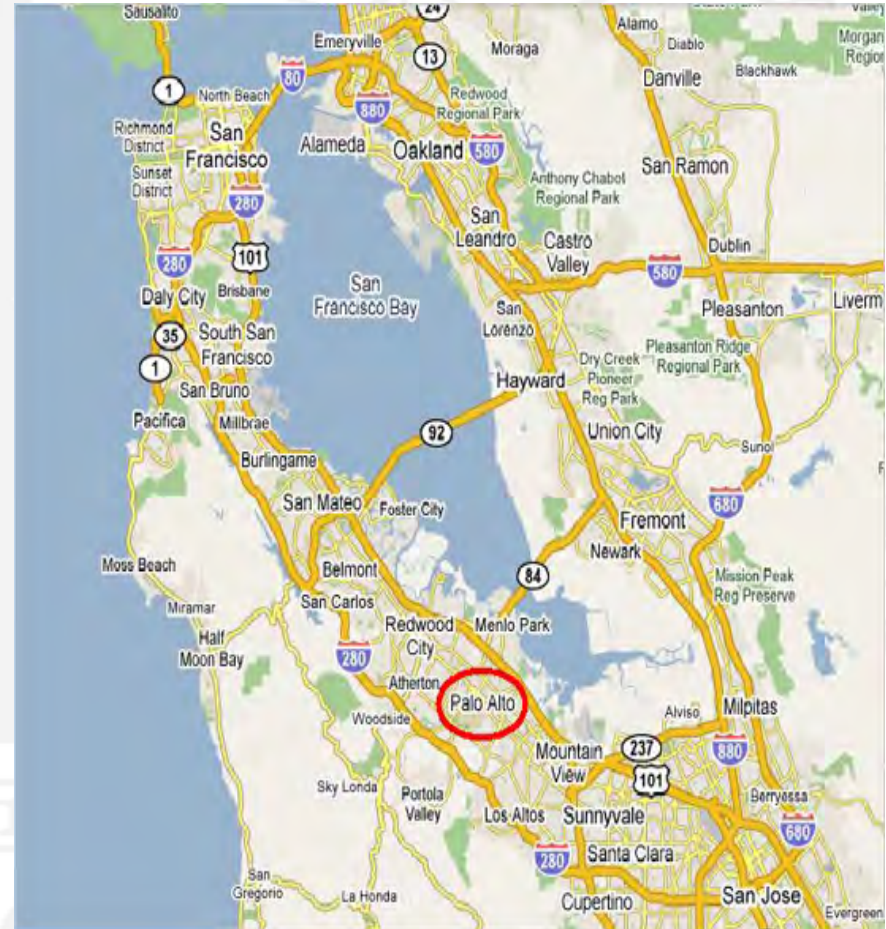
CITY OF PALO ALTO
UTILITIES

City of Palo Alto

- Located northern Santa Clara County
- Area 26 square miles
- Only city-owned utility in California
- Operating electric, natural gas, water, wastewater, fiber optics, refuse
- City founded 1894
- Water utility founded 1896

Population & Accounts

- 65,408 population + 15,000 Stanford University
- 100,000+ daytime population
- 17,432 Resi –SFD/ MFD accounts
- 2,709 CII accounts



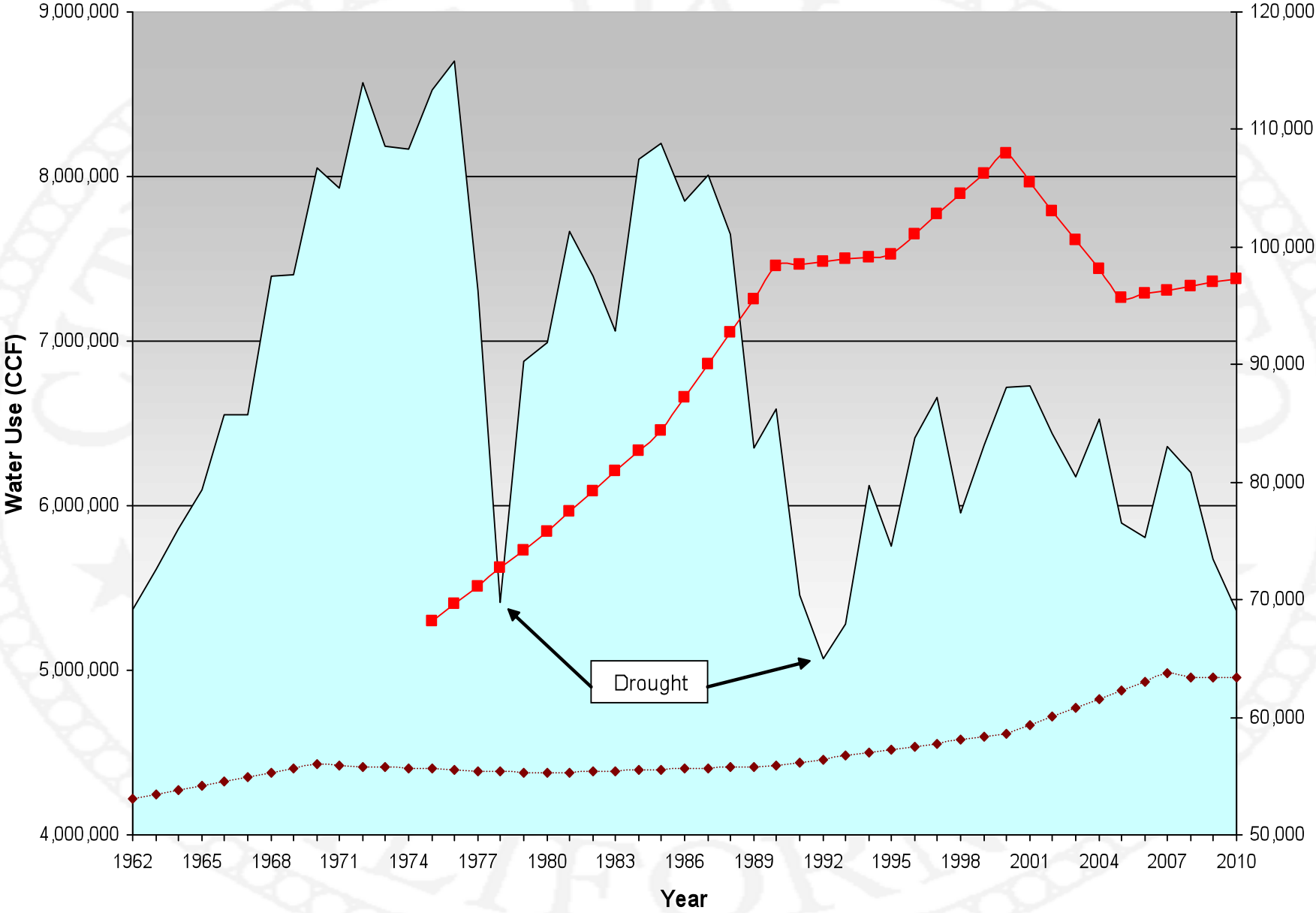
Water Supply

- Water supplied by SFPUC - Hetch Hetchy system (since 1937, 100% since 1962)
- Recycled water – RWQCP
 - Palo Alto Golf Course
 - Emily Renzel Marsh
 - Greer Park
 - RWQCP
 - Stanford Research Park (future expansion)

Water Conservation

- Signatory to MOU BMP – CUWCC
- BAWSCA member
- Partnership with Santa Clara Valley Water District (SCVWD) – rebates and audits
- Education – SCVWD & BAWSCA
- Marketing and outreach
 - Bill inserts, bill messaging, newsletters, print ads, website, community events

City of Palo Alto Water Use & Demographics



Potable Water Use
 Service Area Population
 City-Wide Employment

Urban Water Management Plan

- Draft stages
- Soliciting public comment on draft
 - Early March
- Notice of Preparation
- Public meetings scheduled
 - Community - March
 - UAC - April
 - Council - May
- Website available for public input

Water Rates

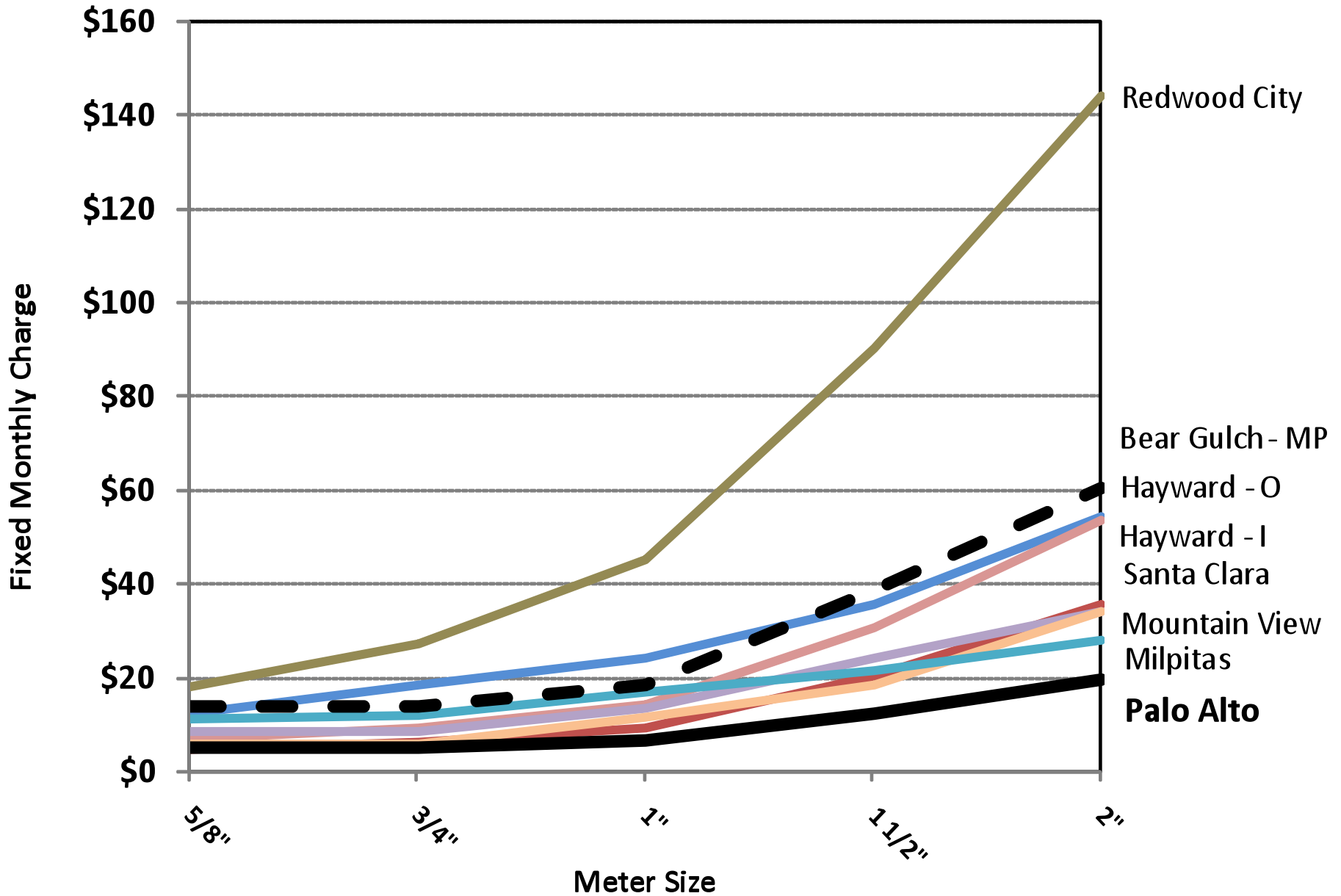
- Residential – tiered rate structure
 - Two tiers
 - Possible increase in number of tiers
- Non-Residential – flat rate
 - Commercial
 - Irrigation
 - Possible introduction of two tiers
- Conservation message & cover cost of service

Water Pricing

- Fixed charge – very low – allows for greatest price signal for water conservation through higher volumetric rates
- Fixed charges 6% of revenue collection
- Volumetric charges 94% revenue collection
- Fixed charge may increase in future - in line with cost of service
- Even at the higher level, only 12% of revenue collection will be through the fixed charge component
- CUWCC guideline is less than 30%

Water Rates - Fixed Monthly Charge Component

Benchmark City Comparison



Questions or Comments?

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