

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	June 7, 2021
Action Requested:	1st of 2 Readings of Ordinance
Presenter:	Chris Cullinan, Director of Finance Lauren Hildebrand, Director of Utilities
Staff Contacts:	Chris Cullinan, Director of Finance Lauren Hildebrand, Director of Utilities
Title:	Proposed Utility Rate Report for FY2022

Background:

The City of Charlottesville owns and operates public utilities for water, wastewater, natural gas, and stormwater. Utility services are essential on a daily basis to both individuals and to the entire community. Thoughtful, deliberate planning and sufficient financial resources ensure efficient and orderly maintenance and operation of these systems. This need for investment in our utility systems is not without cost, but our utility rates must also be balanced with the need for continued affordability for our customers.

Each of the City's utilities is accounted for separately as enterprise funds. Enterprise funds are operated on a self-supporting basis, meaning that each utility is required to cover the full costs of providing its service. The City's utilities are funded solely through their rates and related fees and charges and are not subsidized with general tax revenues. The utilities do not operate on a for-profit basis. As such, utility rates are calculated annually to bring each fund to a break-even point; however, variable factors such as weather, usage, and number of customers may result in an unexpected and unanticipated operating surplus or deficit during any given year. If so, the surpluses or deficits are accounted for and remain within their respective utility fund.

Due to the COVID pandemic, the City Council adopted budget for FY'21 was essentially flat by holding operating budgets at the same amounts that were approved for FY'20. Therefore there have been no changes in the utility rates since FY'20. The Department of Utilities was able to operate and maintain all essential utility services during the COVID pandemic by mitigating any operational expenses to stay within available revenues. Rivanna Water and Sewer Authority (RWSA), which provides the treatment services for the City, is one of the largest fixed cost elements for the water and wastewater budgets. For FY'21, RWSA held their rates steady and did not pass along any increase. Their budget increases were offset by available cash on-hand for FY'21. For FY'22, the rates for RWSA have increased and they are incorporated in the City's proposed utility rates.

Discussion:

Proposed Utility Rates and Monthly Service Charges for FY'22

The budgets for each of the utilities have been thoroughly examined for opportunities to minimize costs without sacrificing service.

Based on the revenue requirements needed to operate and maintain each utility and the above recommendations, the City is proposing the following rates in the water, wastewater, and gas utility:

- \$60.65/1,000 cubic feet (cf) of water (average annual composite rate of seasonal rates),
- \$81.34/1,000 cf of wastewater, and;
- \$81.84/8,000 cf of natural gas.

In addition, the proposed Monthly Service Charges for Water and Wastewater are as follows:

Water Meter Size (in inches)	Water	Wastewater
5/8	\$5.50	\$5.50
1	\$13.75	\$13.75
1 1/2	\$27.50	\$27.50
2	\$44.00	\$44.00
3	\$88.00	\$88.00
4	\$137.50	\$137.50
6	\$275.00	\$275.00
14	\$1,801.25	\$1,801.25

There is no change to the Monthly Service Charge for Gas.

For the stormwater utility, there are minimal changes to the budget and stormwater fees are proposed to remain unchanged for the coming year at \$1.20 per 500 square feet of impervious surface.

Impact on Average Customer

Utility customers continue to conserve water and natural gas, which is both good for the environment and for their utility bill. The average residential water customer is using 400 cubic feet (cf) per month. Similarly, the average residential gas customer is using 4,600 cf. Based on these usage figures and the proposed utility rates, the average residential customer is projected to spend the following per month:

<u>Service</u>	<u>Current</u> <u>(based on rates adopted</u> <u>7/1/19)</u>	<u>Proposed</u> <u>(Effective 7/1/21)</u>	<u>Change</u>	<u>Percent</u>
Water ¹	\$27.61	\$29.76	\$2.15	7.79%
Wastewater ¹	\$37.06	\$38.04	\$0.98	2.64%
Natural Gas ¹	\$50.85	\$50.60	-\$0.25	-0.49%
Stormwater ²	\$5.86	\$5.86	\$0	0%
TOTAL	\$121.38	\$124.26	\$2.88	2.37%

- (1) Rates include monthly service charge.
- (2) The budget impact shown reflects a residential monthly average fee and provides consistency with other utilities. Stormwater fees are rounded to the next whole billing unit and are billed to property owners biannually.

For City residential customers who receive water, wastewater, stormwater and natural gas (approximately 87% of City residents), their total utility bill is projected to rise by \$2.88 per month, or 2.37%. For residential customers who receive just water, wastewater and stormwater service, their utility bill will increase by \$3.13 per month, or 4.44%. The proposed rate report can be found at <https://www.charlottesville.gov/602/Utility-Billing>.

Alignment with City Council’s Vision and Strategic Plan:

City Utilities operations supports City Council’s “A Green City” vision. It contributes to the Strategic Plan’s Objectives:

- 3.2 - To provide reliable and high-quality infrastructure,
- 3.4 - Be responsible stewards of natural resources,
- 5.1 - Integrate effective business practices and strong fiscal policies.

Community Engagement:

The public hearing is being held at tonight’s Council meeting to establish the rates for City utility services (water, sanitary sewer, natural gas and stormwater). These rates would be effective as of July 1, 2021, if approved by Council on June 21, 2021. The notice for the public hearing was advertised in the newspaper during the weeks of May 24, 2021 and May 31, 2021.

Budgetary Impact:

The Utility Funds (water, wastewater, and natural gas) are self-sustaining enterprise funds that are supported by the revenues from customers’ usages. The stormwater fee is based on the impervious surface of the property.

Note: The approval of the utility rates has no impact on the General Fund.

Recommendation:

Staff recommends approval of the proposed rates.

Alternatives:

Maintaining existing rates for water and wastewater would result in a loss within the Water and Wastewater Enterprise Funds. Keeping FY2020 gas rates will also result in a loss within the gas utility. This, in turn, would deplete available fund balances for water, wastewater and natural gas, which would violate the City's long term financial policies by not meeting the working capital requirements. If the utilities are not self-sustaining, the funds would either require subsidies from other City funds to maintain levels-of-service or reduced reliability and performance of the utility systems.

Attachments:

Ordinance
At a Glance
Utilities Operations Overview

**AN ORDINANCE
AMENDING AND REORDAINING CHAPTER 31 (UTILITIES) OF THE CODE
OF THE CITY OF CHARLOTTESVILLE, 1990, AS AMENDED,
TO ESTABLISH NEW UTILITY RATES AND SERVICE FEES
FOR CITY GAS, WATER AND SANITARY SEWER.**

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, that:

1. Sections 31-56, 31-57, 31-60, 31-61, 31-62, 31-153, 31-156 and 31-158 of Chapter 31, of the Code of the City of Charlottesville, 1990, as amended, are hereby amended and reordained as follows:

CHAPTER 31. UTILITIES

ARTICLE II. GAS

DIVISION 2. TYPES OF SERVICE; SERVICE CHARGES

Sec. 31-56. Rates - Generally.

The firm service gas rates based on monthly meter readings shall be as follows:

Basic Monthly Service Charge	\$ 10.00	
First 3,000 cubic feet, per 1,000 cubic feet	\$9.0706	<u>\$8.9908</u>
Next 3,000 cubic feet, per 1,000 cubic feet	\$8.5264	<u>\$8.5198</u>
Next 144,000 cubic feet, per 1,000 cubic feet	\$7.6193	<u>\$8.0489</u>
All over 150,000 cubic feet, per 1,000 cubic feet	\$7.4379	<u>\$7.5779</u>

Sec. 31-57. Air conditioning.

(a) Gas service at the rate specified in this paragraph (“air conditioning rate”) shall be available to customers who request such service in writing and who have installed and use air conditioning equipment operated by natural gas as the principal source of energy. The air conditioning rate will be ~~\$7.4271~~ \$7.3421 per one thousand (1,000) cubic feet of gas used per month.

(b) The director of finance may, when it is impracticable to install a separate meter for air conditioning equipment, permit the use of one (1) meter for all gas delivered to the customer, in which instance the director of finance shall estimate the amount of gas for uses other than air conditioning and shall bill for such gas at the rates provided in applicable sections of this division.

...

Sec. 31-60. Interruptible sales service (IS).

(a) *Conditions. . . .*

(b) *Customer's agreement as to discontinuance of service. . . .*

(c) *Basic monthly service charge.* The basic monthly charge per meter for interruptible sales service (“IS gas”) shall be sixty dollars (\$60.00).

(d) *Rate.* For all gas consumed by interruptible customers the rate shall be ~~\$7.3874~~ \$7.2178 per one thousand (1,000) cubic feet for the first six hundred thousand (600,000) cubic feet, and ~~\$6.5720~~ \$6.6937 per one thousand (1,000) cubic feet for all volumes over six hundred thousand (600,000) cubic feet.

(e) *Annual Minimum Quantity.* Interruptible rate customers shall be obligated to take or pay for a minimum quantity of one million two hundred thousand (1,200,000) cubic feet of gas annually. Each year, as of June 30, the director of finance shall calculate the total consumption of each interruptible customer for the preceding twelve (12) monthly billing periods, and shall bill any customer that has consumed less than the minimum quantity for the deficient amount at the rate of ~~\$7.3874~~ \$7.2178 per one thousand (1,000) cubic feet. Any new customer shall be required to enter into a service agreement with the City prior to the start of service. If an interruptible customer terminates service the annual minimum requirement shall be prorated on the basis of one hundred thousand (100,000) cubic feet per month for each month the customer has received service since the last June 30 adjustment.

(f) *Contract required. . . .*

Section 31-61. Interruptible Transportation Service (TS).

(a) *Generally. ...*

(b) *Rates.* The rates for interruptible transportation service (“TS gas”) shall be as follows:

(1) ~~\$3.2293~~ \$2.6462 per decatherm for a customer receiving only TS gas, and

(2) ~~\$1.8842~~ \$1.5877 per decatherm, for customers who transport 35,000 or more decatherms per month (“large volume transportation customers”), regardless of whether such large volume transportation customer receives only TS gas, or also receives IS service.

(c) *Basic Monthly Service Charges. ...*

(d) *Special terms and conditions. ...*

- (e) *Extension of facilities. . . .*
- (f) *Billing month. . . .*
- (g) *Lost and unaccounted-for gas. . . .*
- (h) *Combined IS and TS customer using more than provided or scheduled by customer....*
- (i) *TS Customer providing more gas, or less gas, than customer's usage. ...*
- (j) *Other terms and conditions. . . .*

Section 31-62. Purchased gas adjustment.

In computing gas customer billings, the basic rate charges established under sections 31-56, 31-57, 31-60 and 31-61 shall be adjusted to reflect increases and decreases in the cost of gas supplied to the city. Such increases or decreases shall be computed as follows:

(1) For the purpose of computations herein, the costs and charges for determining the base unit costs of gas are:

- a. Pipeline tariffs;
- b. Contract quantities; and
- c. Costs of natural gas, in effect or proposed as of ~~March 1, 2019~~ April 1, 2021.

(2) Such base unit costs are \$4.2810 per one thousand (1,000) cubic feet for firm gas service and \$2.8498 per one thousand (1,000) cubic feet for interruptible gas service.

(3) In the event of any changes in pipeline tariffs, contract quantities or costs of scheduled natural gas, the unit costs shall be recomputed on the basis of such change in accordance with procedures approved by the city manager. The difference between the unit costs so computed and the base unit costs shall represent the purchased gas adjustment to be applied to all customer bills issued beginning the first billing month after each such change.

ARTICLE IV. WATER AND SEWER SERVICE CHARGES

...

Sec. 31-153. Water rates generally.

(a) Water rates shall be as follows:

(1) Monthly service charge.

Water Meter Size (inches)	Fee
5/8	\$5.00 \$5.50
3/4	\$5.00 \$5.50
1	\$12.50 \$13.75
1 1/2	\$25.00 \$27.50
2	\$40.00 \$44.00
3	\$80.00 \$88.00
4	\$125.00 \$137.50
6	\$250.00 \$275.00
14	\$1637.50 \$1801.25

	<u>May-September</u>	<u>October-April</u>
(2) Metered water consumption, per 1,000 cu. ft.	\$65.31 \$70.08	\$50.24 \$53.91

(b) This section shall not apply to special contracts for the consumption of water which have been authorized by the city council.

...

Sec. 31-156. Sewer service charges generally.

(a) Any person having a connection directly or indirectly, to the city sewer system shall pay therefor a monthly charge as follows:

(1) Monthly service charge

Water Meter Size (inches)	Fee
5/8	\$5.00 \$5.50
3/4	\$5.00 \$5.50
1	\$12.50 \$13.75
1 1/2	\$25.00 \$27.50
2	\$40.00 \$44.00
3	\$80.00 \$88.00
4	\$125.00 \$137.50
6	\$250.00 \$275.00
14	\$1637.50 \$1801.25

(2) An additional charge of ~~eighty dollars and fourteen cents (\$80.14)~~ eighty one dollars and thirty-four cents (\$81.34) per one thousand (1,000) cubic feet, of metered water consumption.

(b) Any water customer not discharging the entire volume of water used into the city's sanitary sewer system shall be allowed a reduction in the charges imposed under this section, provided such person installs, at his expense, a separate, City-approved water connection to record water which will not reach the City sewer system. The cost and other terms of City Code

section 31-102 shall apply. For customers with monthly water consumption in excess of thirty thousand (30,000) cubic feet, where the director of finance considers the installation of a separate meter to be impracticable, the director may establish a formula which will be calculated to require such person to pay the sewer charge only on that part of the water used by such person which ultimately reaches the city sewers.

2. The foregoing amendments shall become effective July 1, 2021.

At A Glance City of Charlottesville

FY2022



Utility Rate Report

The following material provides a brief summary of the rate and fee recommendations for water, wastewater, stormwater, and natural gas for FY2022. All rates will go into effect July 1, 2021. For a thorough explanation and details of the recommendations, please consult the Utility Rate Report FY2022.

The table below illustrates the monthly impact on an average City residential customer using 400 cubic feet (cf) of water and wastewater, owning a property with approximately 2,440 square feet of impervious surface, and using 4,600 cf of gas. This information is based on utility rates and charges adopted July 1, 2019 and proposed FY 2022 rates and charges. There was no rate increase for any utilities July 1, 2020. Specific changes to each utility's rate are discussed in this report.

	Current Based on rates adopted 7/1/19	Proposed Effective 7/1/21	Change	Percent
Water ¹	\$27.61	\$29.76	\$2.15	7.79%
Wastewater ¹	\$37.06	\$38.04	\$0.98	2.64%
Gas ¹	\$50.85	\$50.60	(\$0.25)	-0.49%
Stormwater ²	\$5.86	\$5.86	\$0	0%
Total	\$121.38	\$124.26	\$2.88	2.37%

(1) Rates include monthly service charge

(2) The budget impact shown reflects a residential monthly average fee and provides consistency with other utilities. Stormwater fees are rounded to the next whole billing unit and are billed to property owners biannually.

Water Rates

Where your Water Dollar goes ...



Usage Rate

Water rates are proposed to increase by \$4.13 per 1,000 cf based on the amount of water used which is a 7.30% increase



Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on water customers at different amounts of usage.

	Water Used/Month (cf)	Current Composite Water Rate/1,000 cf	Current Water Usage Charge/month	Proposed Composite Water Rate/1,000 cf	Proposed Water Usage Charge/month	\$ Change	% Change
Minimal User (10 th Percentile)	140	\$56.52	\$7.91	\$60.65	\$8.49	\$0.58	7.31%
Small User (25 th Percentile)	250	\$56.52	\$14.13	\$60.65	\$15.16	\$1.03	7.29%
Median User (50 th Percentile)	400	\$56.52	\$22.61	\$60.65	\$24.26	\$1.65	7.30%
Large User (75 th Percentile)	610	\$56.52	\$34.48	\$60.65	\$37.00	\$2.52	7.31%
High Volume User (90 th Percentile)	880	\$56.52	\$49.74	\$60.65	\$53.37	\$3.63	7.30%

Wastewater Rates

Where your Wastewater Dollar goes ...



\$0.56

RWSA (PURCHASE OF WASTEWATER TREATMENT)



\$0.23

CITY OPERATIONS AND MAINTENANCE



\$0.19

CITY DEBT SERVICE (INFRASTRUCTURE)



\$0.02

CUSTOMER SERVICE & BILLING

FY' 22 Budget

\$16,059,081

Usage Rate

Wastewater usage rates are proposed to increase by \$1.20 per 1,000 cf based on the amount of water used which is a 1.50% increase.



Impact on the Customer

The impact on a customer's bill will depend on how much water is consumed. The average single-family household uses 400 cf/month (2,992 gallons/month; approximately 100 gallons/day). To the extent an individual customer's usage differs from the average will determine the impact of the proposed rate on their bill. The table below shows the monthly impact on wastewater customers at different amounts of usage.

	Water Used/Month (cf)	Current Wastewater Rate/1,000 cf	Current Wastewater Usage	Proposed Wastewater Rate/1,000 cf	Proposed Wastewater Usage	\$ Change	% Change
Minimal User (10 th Percentile)	140	\$80.14	\$11.22	\$81.34	\$11.39	\$0.17	1.50%
Small User (25 th Percentile)	250	\$80.14	\$20.04	\$81.34	\$20.34	\$0.30	1.50%
Median User (50 th Percentile)	400	\$80.14	\$32.06	\$81.34	\$32.54	\$0.48	1.5%
Large User (75 th Percentile)	610	\$80.14	\$48.89	\$81.34	\$49.62	\$0.73	1.49%
High Volume User (90 th Percentile)	880	\$80.14	\$70.52	\$81.34	\$71.58	\$1.06	1.50%

Water & Wastewater

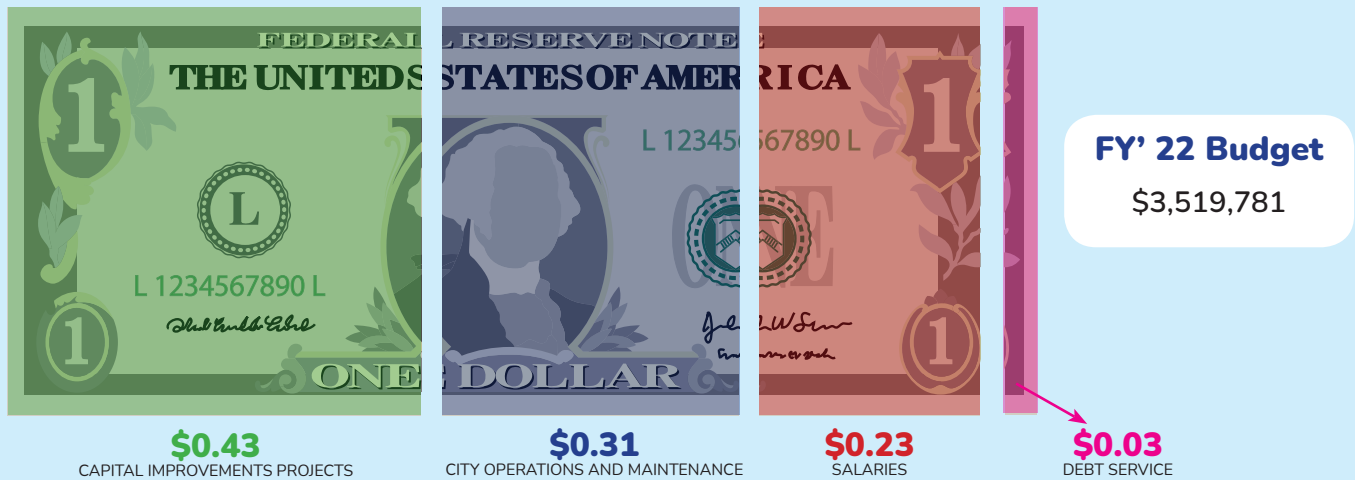
Monthly Service Charge

The monthly service charge for water and wastewater is proposed to change. The monthly service charge will increase to \$5.50 for water and \$5.50 for wastewater for a 5/8" meter. The proposed combined monthly service charges for water and sewer are as follows:

Water Meter Size (in inches)	Current	Proposed	\$ Change
5/8	\$ 10.00	\$ 11.00	\$1.00
1	\$ 25.00	\$ 27.50	\$2.50
1 1/2	\$ 50.00	\$ 55.00	\$5.00
2	\$ 80.00	\$ 88.00	\$8.00
3	\$ 160.00	\$176.00	\$16.00
4	\$ 250.00	\$ 275.00	\$25.00
6	\$ 500.00	\$ 550.00	\$50.00
14	\$ 3,267.00	\$ 3,602.50	\$335.50

Stormwater Rates

Where your Stormwater Dollar goes ...



Stormwater rates are proposed to remain constant for the coming year at \$1.20 per 500 square feet of impervious surface (or part thereof) per month. Stormwater fees are billed concurrently with real estate tax assessments and are due in June and December.

Modernize and maintain infrastructure integrity while pursuing environmental stewardship.

As part of the larger Water Resources Protection Program (WRPP), the City has adopted a stormwater utility fee to provide a dedicated and stable source of funding for stormwater management activities. Funds received are used to help the City comply with federal and state stormwater regulations, rehabilitate the City's aging stormwater infrastructure, address drainage and flooding problems, and pursue environmental stewardship.

Impact on the Customer

The stormwater utility fee is charged to property owners based on the amount of impervious area on their property (areas covered by hard surfaces, such as: buildings, concrete, gravel, etc.).

An example fee calculation is provided below:

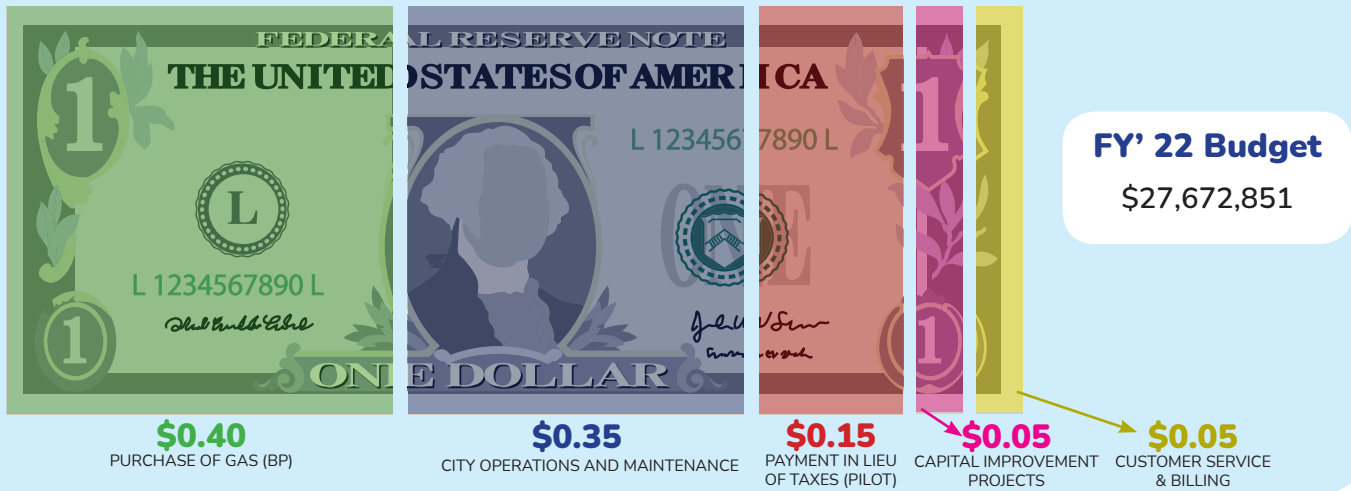


Example Fee Calculation

- Total impervious area (house and driveway): 2,100 SF
- Divide by 500 square feet: $2,100 / 500 = 4.2$ billing units
- Round to the next whole number: 4.2 rounds to 5 billing units
- Multiply the number of billing units by the rate (\$1.20 per billing unit per month) to determine annual fee: $5 \times \$1.20 \times 12 = \72 annual fee, billed \$36 due in June and December

Gas Rates

Where your Natural Gas Dollar goes ...



Usage Rate

Gas rates are proposed to slightly decrease for the minimal and average residential natural gas customer. However, large and high volume residential rates are proposed to increase by 3.4% and 4.85% respectively.



Impact on the Customer

The impact on a customer's bill will depend on the volume of gas that the customer uses. The average single family household uses 4,600 cubic feet of natural gas per month. The table below shows the monthly impact on gas customers at different amounts of usage.

	Gas Used (cf per month)	Current Monthly Gas Bill based on rates adopted 7/1/20	Proposed Monthly Gas Bill	\$ Change	% Change
Minimal User	4,000	\$45.74	\$45.49	(\$0.25)	-0.55%
Average User	4,600	\$50.85	\$50.60	(\$0.25)	-0.49%
Large User	20,000	\$169.46	\$175.23	\$5.77	3.40%
High Volume User	60,000	\$474.21	\$497.23	\$23.02	4.85%

The base rate is set on July 1st each year. This base rate is calculated using the cost of gas at that time. However, gas is purchased throughout the year and the cost per cubic foot of natural gas varies by month due to various factors (weather, economics, etc) which are hard to predict. The purchased gas adjustment (PGA) acts as a "true up" to account for the differences between the current market cost of gas and the base rate. This ensures that customers are not over or underpaying and that the City is not over or under collecting.

	Gas Used (cf per month)	Recent Monthly Gas Bill with April 2021 PGA	Proposed Monthly Gas Bill with April 2021 PGA	\$ Change	% Change
Minimal User	4,000	\$47.35	\$47.10	(\$0.25)	-0.53%
Average User	4,600	\$52.71	\$52.45	(\$0.26)	-0.49%
Large User	20,000	\$177.51	\$183.25	\$5.74	3.23%
High Volume User	60,000	\$498.37	\$521.26	\$22.89	4.59%

Utilities Operations Overview



FY22

The Charlottesville Department of Utilities provides the Charlottesville community with safe and reliable natural gas, drinking water, and wastewater services at a reasonable cost in an environmentally responsible manner.

Core Programs & Services

Department-Wide

- **Utility Location Oversight**
Protecting infrastructure & critical facilities, including utility locating: **15,968** tickets in 2020.
- **24/7 Utilities Call Center**
The Utilities Call Center handles approximately **25,000** calls per year.
- **Customer Service**
Last year, we processed **7,435** Move-ins and **7,220** Move-outs.
- **Development Site Plan Review**
Our engineers reviewed and followed the implementation of **158** site plans in 2020.
- **Emergency Operations**
Emergency response to water and gas leaks as well as sewer backups. Over **550** leaks checked per year.
- **GIS Mapping and Maintenance**
209,695 feet of utility lines entered or updated and **1,033** CCTV videos cataloged last year.
- **Meter Reading and Maintenance**
We performed **439,253** meter readings including **2,334** implausible meter readings and **1,204** ERT replacements in 2020.

Customer Satisfaction

Customer Ratings

Experience Interacting with Utilities Department Staff (% Satisfied)*

Politeness & courtesyness of staff



Staff knowledge and technical competence



Overall responsiveness to your requests, questions, or concerns



*Department of Utilities Customer Satisfaction Survey - SurveyMonkey – February, 2021



Water Distribution & Wastewater Collection



Water & Wastewater by numbers



14,800
CUSTOMERS
SERVED



4.54 million
GALLONS OF WATER
SOLD DAILY



184 miles
OF WATER
MAINS



172 miles
OF WASTEWATER
MAINS

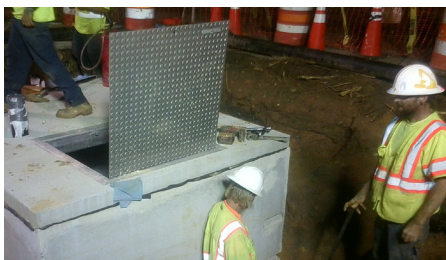


9,193*
WORK ORDERS
COMPLETED

* BASED ON 2020 CALENDAR YEAR

Water Quality Highlights

- The quality of our drinking water meets and exceeds all regulatory requirements and expectations for safety and reliability.
- Cross-contamination:
 - The situation in which water flows in a direction that is opposite from the intended flow is called backflow and presents a serious hazard to our water supply.
 - The City's Department of Utilities currently maintains inspection records for **850 backflow devices** in an effort to protect and provide the highest quality water to the City residents.



Water Loss Prevention Highlights

- Meter testing and replacement program:
 - **48 large water meters** have been replaced in 2020 and over **323** since the program's inception.
- Annual system-wide leak detection survey:
 - In 2020, **6 leaks** totalling **141,120 GPD** were detected and repaired.
- "Low Flow" ultrasonic meter installation:
 - Accurately measures low flow rates.

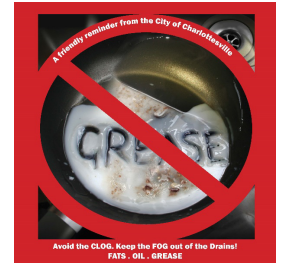
Water & Wastewater Asset Management Highlights

- Water main replacement program:
 - **5,915 linear feet** in 2020 and **92,213 linear feet** of water mains have been replaced since 2010 or **9.5%** of the entire water system.
- Water service line replacement:
 - **3,245 linear feet** in 2020 and **42,240 linear feet** of water services have been replaced since 2010 or **15%** of the City-owned water services.
- Wastewater main rehabilitation program:
 - **4,213 linear feet** of wastewater main were rehabilitated or replaced in 2020 and over **245,500 linear feet** of main have been rehabilitated or replaced since the program's inception in 2009 or **27%** of the wastewater system.
- Manhole rehabilitation or replacement:
 - **1,145 manholes** have been rehabilitated or replaced since the program's inception or **19%** of the City's wastewater manholes.



Fats, Oils, and Grease Program Highlights

- The City of Charlottesville prohibits the discharge of fats, oils, and grease (FOG) down the drain into the City's wastewater system.
- The City of Charlottesville maintains an active FOG program that routinely inspects and advises best management practices to over **300 city food service establishments** on an annual basis on how to properly dispose of FOG.
- We provide FOG Kits to residents to help properly dispose fats, oils, and grease from cooking.



Customer Satisfaction

In our recent Utilities Customer Satisfaction Survey, our customers show high levels of satisfaction with the dependability of our services.

Reliability of water service to your home

Reliability of your sanitary sewer service



Rate the value that you pay for your water service

Rate the value that you pay for your sewer service



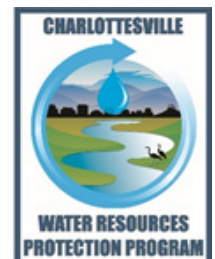
Also in this survey, the vast majority of our customers rated the value of their water and sewer service as fair and above (good and excellent).



Stormwater CIP

Stormwater Improvements Highlights

- Utilities has had an active Stormwater Conveyance System Rehabilitation Program since 2010.
- Stormwater rehabilitation program:
 - **5,235 linear feet** of stormwater main rehabilitated or replaced in 2020 and **65,000 linear feet** rehabilitated or replaced or **9.1%** of the system since the program's inception.
- Structure rehabilitation or replacement:
 - **433** structures rehabilitated or replaced since the program's inception or **5%** of the system's storm structures.





Gas System

Natural Gas by numbers



20,900
CUSTOMERS
SERVED



340 miles
GAS MAIN
LINES



298 miles
GAS SERVICE
LINES



36
REGULATOR
STATIONS



12,164*
WORK ORDERS
COMPLETED

* BASED ON 2020 CALENDAR YEAR

Greenhouse Gas Reduction Strategy

Adoption of a two-pronged strategy to help reduce greenhouse gas emissions (GHG) in our community due to natural gas usage:

- Energy-efficiency programs to reduce natural gas usage per household.
- Carbon offset program invests in environmental improvement projects that help counterbalance our greenhouse gas emissions.

Energy-efficiency programs:

- Popular energy-efficiency rebates includes **\$100 Programmable Thermostat**, **\$200 Tankless Water Heater** and **\$200 Attic Insulation Rebates**.
- Charlottesville Gas Energy Efficiency Program (CGEEP) program offering energy efficiency upgrades at no cost to income-qualified households.
 - Since its launch, **84** gas customers have benefited from the program. Of the total CGEEP recipients, **70%** were Charlottesville homeowners, and **75%** had at least one family member age 60 years or older living in the same household.
 - To date, the Charlottesville Department of Utilities has invested **\$112,636** in the CGEEP program.

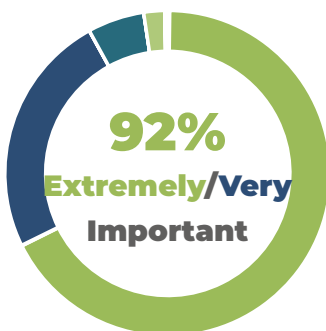


Carbon offset program:

- This program allows Utilities to invest in various carbon sequestration projects all around the world.
 - From reforestation projects in the Peruvian Amazon to capturing agricultural methane on large farms in the Midwest, this program allows Utilities to move toward carbon neutrality by 2050.

In our recent Utilities Customer Satisfaction Survey, our customers show high levels of satisfaction with access to gas service, value of natural gas and support of the implementation of carbon offset programs.

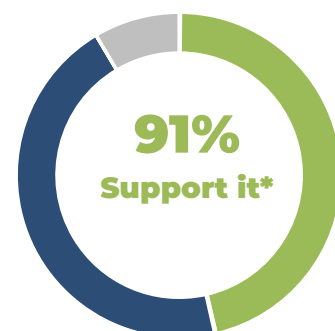
How important is it to have gas available to your home?



Rate the value that you pay for your gas service



Would you support the implementation of Carbon Offset programs for your gas service?



*46% of respondents support the implementation without reservation, and 45% would support carbon offset programs as long as they do not increase gas rates.

