



# Single-family residential rate recommendations, impacts

The 2024 Water, Wastewater, Stormwater and Solid Waste Rate Study (Study) analyzed existing and future costs and revenues to determine if changes to rates are needed. This document summarizes recommendations from the Study.

Rate adjustments are necessary to ensure the financial stability of the utility, which involves covering the costs of providing reliable and high-quality water, wastewater and solid waste services and supporting critical capital improvement projects. The recommended rates represent the utility's commitment to maintaining competitive rates while ensuring long-term financial sustainability. For additional information, visit [tempe.gov/UtilityRateStudy](https://tempe.gov/UtilityRateStudy).

## Water rates

### Water fixed monthly service charge

The Study recommends increasing the water fixed monthly service charge. Most single-family residential customers have a 5/8-inch meter.

Meter Size	Current	Proposed
5/8"	\$11.75	\$12.10
3/4"	\$13.20	\$13.60
1"	\$19.30	\$20.10
1.5"	\$39.75	\$41.85
2"	\$75.10	\$79.40

### Water volumetric rates

The Study recommends increasing the water volume usage rates.

Tier	Tier Size (in gallons)	Current Rate (per 1,000 gallons)	Proposed Rate (per 1,000 gallons)
Tier 1	0-8,000	\$2.90	\$3.16
Tier 2	8,001-16,000	\$4.51	\$5.17
Tier 3	16,001-36,000	\$5.74	\$6.62
Tier 4	36,001+	\$6.64	\$7.88

Last year, 57% of single-family residential customers used less than 8,000 gallons of water.

## Wastewater rates

### Wastewater fixed monthly service charge

The Study recommends increasing the wastewater fixed monthly service charge. Most single-family residential customers have a 5/8-inch meter.

Meter Size	Current	Proposed
5/8"	\$9.90	\$10.90
3/4"	\$11.40	\$12.50
1"	\$17.70	\$19.25
1.5"	\$39.00	\$42.00
2"	\$75.75	\$81.30

### Wastewater volumetric rates

The Study recommends increasing the wastewater volume usage calculated at 70% of the three-month winter average of water usage to 80%, with a cap of 12,000 gallons.

The Study recommends updating the wastewater volume rate from \$2.25 to \$2.48 per 1,000 gallons.

## Stormwater/Environmental fee

The stormwater/environmental fee will remain at \$3 per account.

## Solid waste rates

The Study recommends increasing the residential solid waste service charges. There are no recommended rate adjustments for an additional garbage or recycling container or for the green organics container.

Container Size	Current	Proposed
96-gallon or shared 300-gallon garbage and 96-gallon recycling	\$31.84	\$33.02
65-gallon garbage and 96-gallon recycling	\$29.11	\$29.93
48-gallon garbage and 96-gallon recycling	\$27.62	\$28.23
Each additional 96-gallon garbage container (curbside customers only)	\$21.18	\$21.18
Each additional 96-gallon recycling container	\$14.68	\$14.68
96-gallon green organics	\$6.24	\$6.24

## Customer utility bill impacts

With these recommendations, the typical single-family residential customer would see an increase of \$7.87 on its total monthly utility bill.

Customers who use a large amount of water (less than 1%) would see an increase of \$48.58 per month.

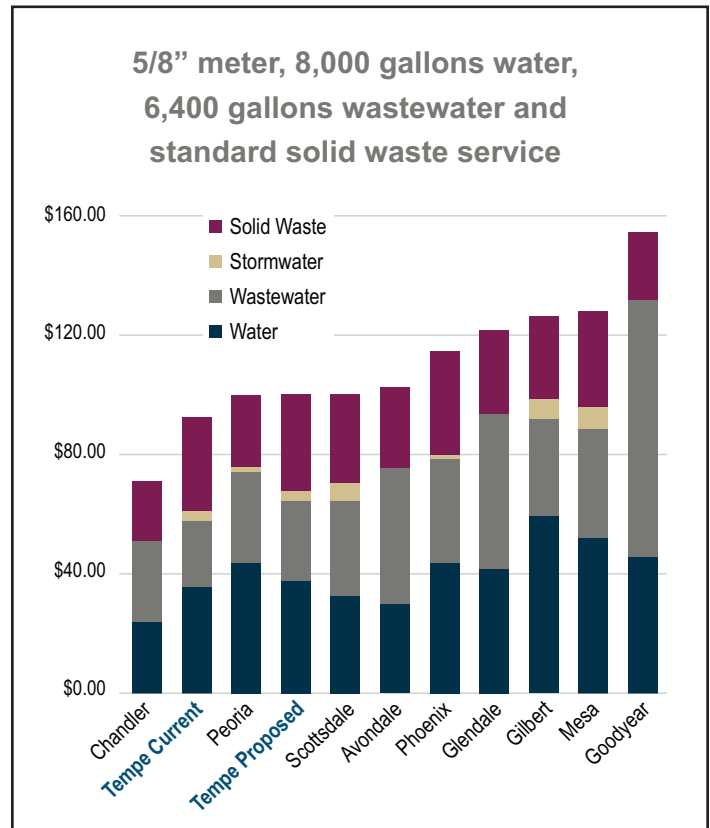
Typical User	Current	Proposed
<b>Water</b> (5/8" meter, 8,000 gallons)	\$34.95	\$37.38
<b>Wastewater</b> (6,400 gallons)	\$22.51	\$26.77
<b>Stormwater</b>	\$3.00	\$3.00
<b>Solid Waste</b> (96-gallon)	\$31.84	\$33.02
<b>Total</b>	<b>\$92.30</b>	<b>\$100.17</b>
Change compared with current rates		\$7.87

Above Average User	Current	Proposed
<b>Water</b> (5/8" meter, 15,000 gallons)	\$66.52	\$73.57
<b>Wastewater</b> (7,500 gallons)	\$24.68	\$29.50
<b>Stormwater</b>	\$3.00	\$3.00
<b>Solid Waste</b> (96-gallon)	\$31.84	\$33.02
<b>Total</b>	<b>\$126.04</b>	<b>\$139.09</b>
Change compared with current rates		\$13.05

Large User	Current	Proposed
<b>Water</b> (1" meter, 50,000 gallons)	\$286.34	\$329.46
<b>Wastewater</b> (capped at 12,000 gallons)	\$44.73	\$49.01
<b>Stormwater</b>	\$3.00	\$3.00
<b>Solid Waste</b> (96-gallon)	\$31.84	\$33.02
<b>Total</b>	<b>\$365.91</b>	<b>\$414.49</b>
Change compared with current rates		\$48.58

## Comparison to neighboring utilities

Compared with neighboring municipalities, Tempe has among the lowest combined water, wastewater, stormwater and solid waste rates.



For the full Rate Study Report and additional information, visit [tempe.gov/UtilityRateStudy](https://tempe.gov/UtilityRateStudy).