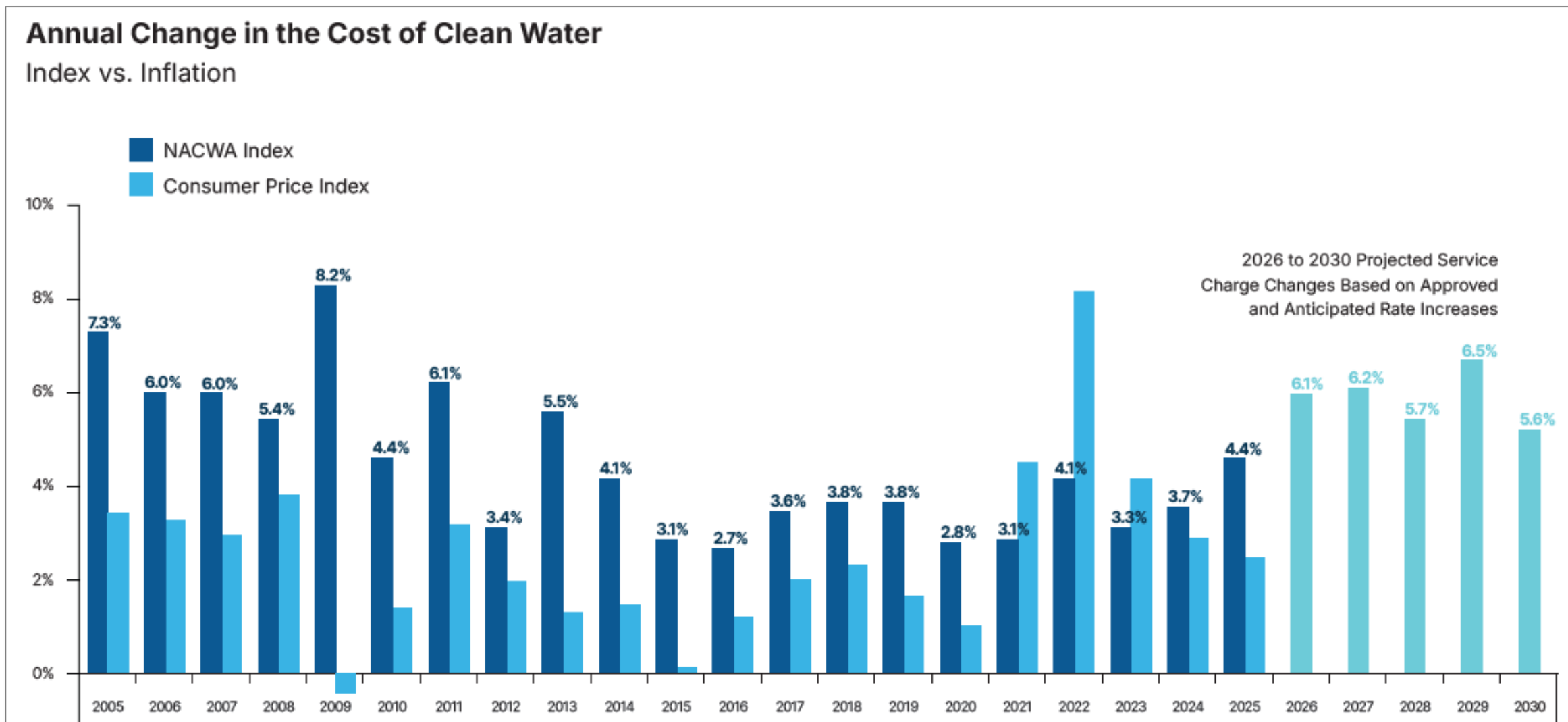


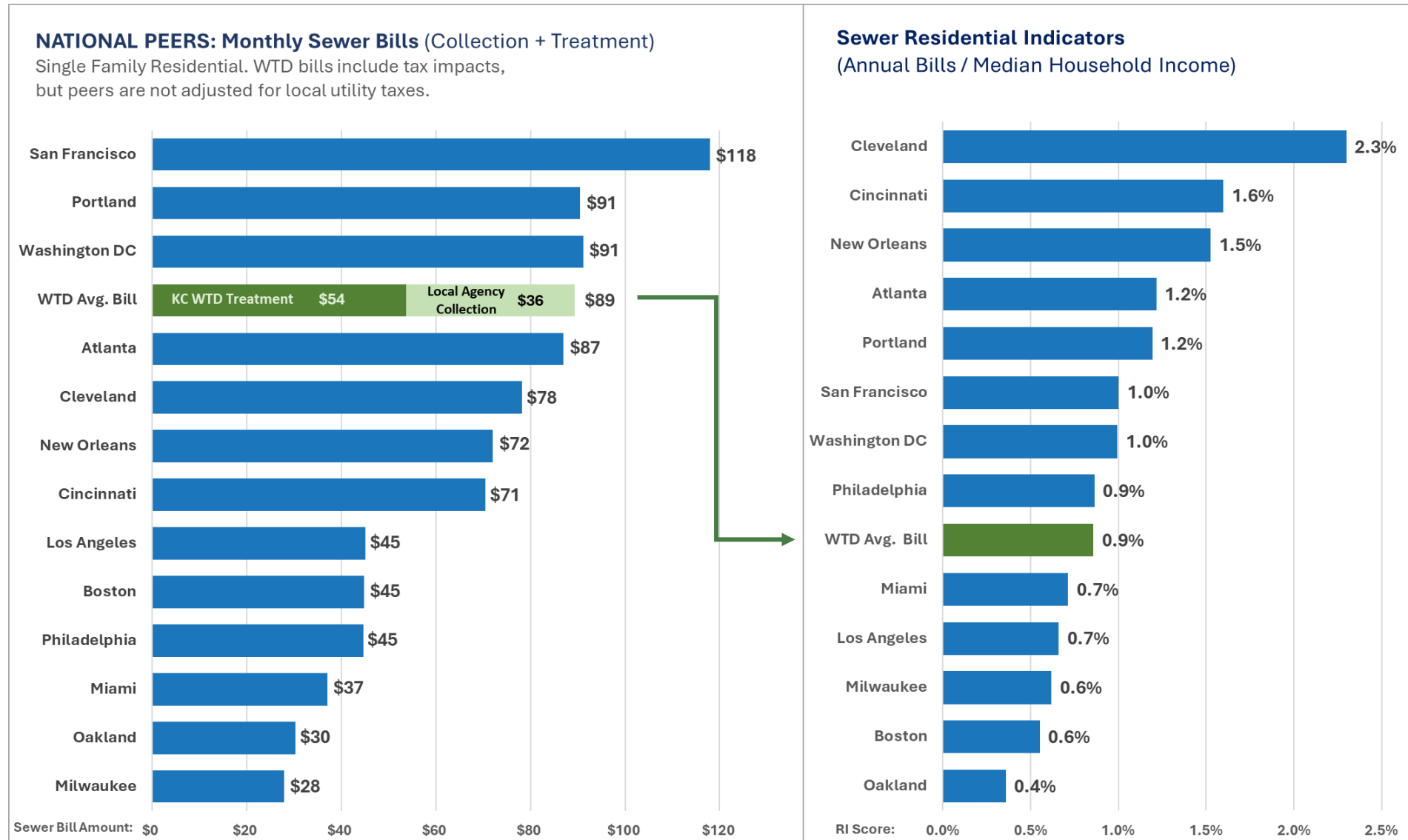
2025 NACWA Cost of Clean Water Index

In the last 20 years, sewer rates across the country have increased significantly faster than inflation, except for the years immediately after the Covid-19 pandemic. In the next 5 years, annual rate increases are projected at 6% on average



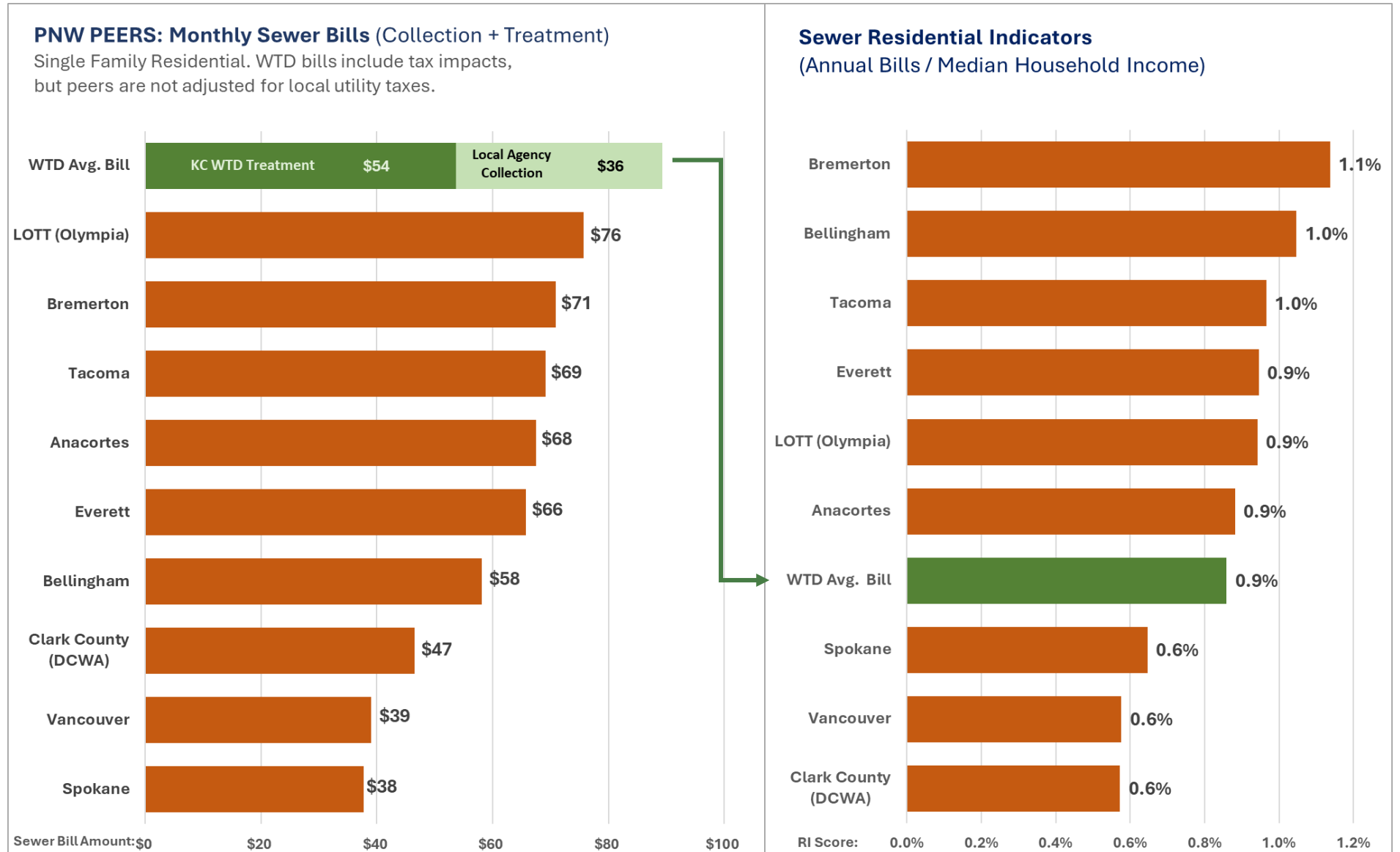
WTD Sewer Rates vs National Peer Agencies

- Sewer rates among WTD peers vary widely
- Differences in rates across agencies are influenced by a range of local conditions: system complexity, size, and age, local costs, timing of regulation compliance, discharge type, etc.
- In dollar terms, WTD is among those with the highest rates
- Relative to local incomes, WTD's rates are below the peer average
- Sewer rates as a percentage of household income is a more accurate way to compare rate affordability between agencies when there are significant cost of living differences



WTD Sewer Rates vs Regional Agencies

- Bill comparisons without accounting for local context can be misleading
- For example: high sewer bills could be caused by higher costs of living and offset by higher local wages
- In dollar terms, WTD has the highest sewer rate in the region
- Relative to local incomes, WTD's rates are below the region's average



Selected Peer Agencies Sewer Bill Increases

WTD is not alone in experiencing large rate increases. Los Angeles, Philadelphia, and San Francisco are all going through multiple years of double digit increases in their sewer rates

National Peer	Historical				Forecast		
	2022	2023	2024	2025	2026	2027	2028
Atlanta	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Boston	1.7%	0.3%	-19.0%	0.2%			
Cincinnati	0.0%	3.0%	3.0%	3.8%			
Cleveland				4.2%	4.2%		
Los Angeles	0.0%	0.0%	22.1%	19.8%	19.5%	8.7%	8.6%
Miami				6.0%			
Milwaukee	1.6%	3.0%	1.9%	4.0%			
New Orleans				0.0%			
Oakland				0.6%	7.7%	8.4%	
Philadelphia	11.4%	3.2%	15.9%	11.6%	6.2%		
Portland	8.3%	5.4%	-1.9%	8.5%			
San Francisco	8.5%	5.3%	5.4%	5.3%	11.0%	10.3%	
Washington DC	8.5%	9.7%	7.1%	-1.6%	3.5%	2.8%	3.4%

250% increases between 2002 and 2012 due to CSOs and now ~30% of their funding comes from sales tax

In 2024 Boston separated sewer and stormwater bills

Due to the Covid-19 pandemic, Los Angeles didn't increase rates between 2020 and 2023