

August 23, 2013

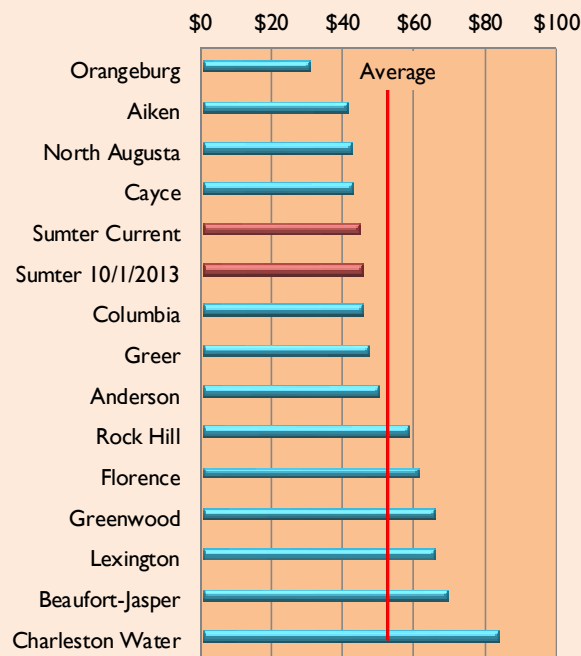
## PROPOSED UTILITY RATE INCREASE

### City of Sumter Considers First Utility Rate Increase Since July 1, 2010

This week, the Sumter City Council gave first reading to an ordinance to increase water and sewer rates to utility customers. The City has not increased its water and sewer rates in over three years.

#### Highlights:

- Rate plan covers a five-year horizon
- Primary effect is to establish a meter-based rate schedule
- The City of Sumter's utility rates are and will remain well below the average of major South Carolina water and sewer utilities
- Annual increases are incrementally phased to avoid significant increases to any class of customers
- On each rate revision date, the typical monthly bill for an inside City residential customer using 6,000 gallons per month will increase by about \$0.75.



Even after the proposed increase, the City's water and sewer rates will be well below the average rates of major water and sewer providers across the State of South Carolina.

The primary purpose of the rate increase is to establish a meter-based rate schedule, under which customers with larger meters pay a higher monthly minimum payment. This structure more fairly reflects the demands placed on the City's water and sewer system by customers with larger meters.

The rate increase will be phased in over a five year horizon to allow customers of the water and sewer utility to budget for the increases well in advance of their effectiveness.

The table to the right shows the proposed percentage increase for sample customers based on meter sizes and monthly consumption (in gallons). Over 95% of the City's customers have 5/8 x 3/4 meters. The chart assumes customers with both water and sewer service. The results will differ for water-only or sewer-only customers.

#### Percentage Increase in Total Monthly Bill

Meter Size	Monthly Consumption	Percentage Increase in Total Monthly Bill				
		10/1/2013	7/1/2014	7/1/2015	7/1/2016	7/1/2017
5/8 x 3/4	6,000	1.60%	1.58%	1.66%	1.63%	1.61%
1.0 Inch	20,000	1.66%	1.64%	1.66%	1.63%	7.97%
1.5 Inch	50,000	1.69%	1.66%	7.65%	7.29%	6.96%
2.0 Inch	100,000	1.86%	5.54%	6.62%	6.36%	6.12%
3.0 Inch	250,000	3.58%	5.92%	5.73%	5.55%	5.37%
4.0 Inch	1,000,000	3.06%	3.41%	3.36%	3.30%	3.24%
6.0 Inch	5,000,000	2.71%	2.74%	2.93%	2.64%	2.59%
8.0 Inch	10,000,000	3.73%	3.70%	3.90%	3.58%	3.53%

#### For More Information:

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