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From: Meagan Smith

Sent: Friday, June 20, 2025 4:27 PM

To: [REDACTED]

Cc: Nic Redavid <redavidni@wellingtoncolorado.gov>; Patti Garcia <garciapa@wellingtoncolorado.gov>; [REDACTED]

Subject: Rate Advisory Group Meeting #2

Good afternoon, Rate Advisory Group.

Ahead of our upcoming meeting on Tuesday, June 24, I am sharing the presentation slide deck we'll use to guide our discussion. Please take a few moments to review it beforehand.

At the meeting, we will also step through an interactive dashboard designed to assess the bill impacts of various rate structure changes. This tool will allow us to explore a few scenarios together and better understand how proposed adjustments could affect customers.

I've also included three reference articles to support your continued learning. While some of these are several years old, the fundamentals they cover remain highly relevant—even if rate setting is not quite as top of mind in the water world these days, with PFAS and other issues dominating the spotlight:

1. **Water Rates: Past, Present, and New Challenges** (Journal AWWA, 2014 – Corssmit)
Discusses emerging trends in rate structures and the importance of pricing objectives.
2. **Base-Extra Capacity Water Rate Design** (Journal AWWA, 1983 – Banker)
Offers a detailed explanation of the base-extra capacity methodology we use.
3. **Sustainable Water Pricing** (1999 - Beecher and Shanaghan)
Introduces core economic principles of rate setting. Beecher, now retired from the University of Michigan, was a leading expert in water utility policy.

Please reach out with any questions before the meeting.

I look forward to seeing everyone **next Tuesday, June 24 at the Leeper Center at 6 pm.**

Best,

Meagan



Meagan Smith

Deputy Director of Public Works

Phone: (970) 217-5749

Email: smithme@wellingtoncolorado.gov

Web: www.wellingtoncolorado.gov

8225 Third Street

