

## 7 Things to Consider When Comparing Water Rates

<b>1. Water supply sources</b>	Where water comes from (wells or reservoirs), and how hilly the terrain is, determines variability in water pumping and treatment costs.
<b>2. Water rates versus true service cost</b>	Some communities partially cover water costs under the umbrella of their municipal budgets, while others do not.
<b>3. Customer base</b>	Water systems with many customers, and/or large commercial users, can spread costs out over a larger customer base to keep rates lower.
<b>4. Water consumption</b>	Differences in the amount of water that communities consume impact water rates (\$/gallon).
<b>5. Asset Management</b>	Communities that invest in water system upgrades to ensure water quality and system reliability tomorrow, can have higher rates than those that defer maintenance on aging infrastructure to keep rates down today.
<b>6. Fire protection</b>	Communities that supply a network of firefighting pipelines and hydrants have higher costs than those that do not.
<b>7. Public versus private ownership</b>	Public and private rates can vary for many reasons. One significant difference is that private utilities typically pay local property taxes, and state and federal income taxes.