

# Price of water increases an average of 9% in most U.S. cities

By Brett Walton, Circle of Blue

In the last year, the price of water in 30 U.S. metropolitan areas has increased an average of 9.4 percent for residential customers with medium consumption levels, according to data collected by Circle of Blue. The median increase for medium consumption was 8.6 percent. Water rates for high-volume consumers have increased slightly more than rates for lower consumption—an indication that utilities may be attempting to curb water use by charging higher marginal rates.

The annual survey, which Circle of Blue first conducted in April 2010, charts what residents pay per month for water in the 20 largest U.S. cities, as well as 10 regionally representative cities.\*

Monthly water bills were calculated for a family of four at three consumption levels:

\* Low: 50 gallons per person per day (6,000 total gallons per month)

\* Medium: 100 gallons per person per day (12,000 total gallons per month)

\* High: 150 gallons per person per day (18,000 total gallons per month)

Since the prices depend on cost-of-service factors and revenue decisions unique to each utility, comparisons between cities are somewhat difficult at first glance. However, the broader trend is unmistakable: the price of water is going up.

Over the last year, the largest relative rate increases occurred in Indianapolis (29.3 percent increase at medium consumption), Milwaukee (25.4 percent), and Houston (24.3 percent).

Water prices in two cities – Fresno and Chicago – have not changed since last April. Both cities, however, have already seen their fair share of rate hikes in recent years. From 2007 to 2010, the cost of water doubled in Fresno, while prices increased by half in Chicago.

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