

Letter: Explaining tiered water rates

To the community,

Regarding the successful challenge of tiered rates in San Juan Capistrano, I wanted to share the district's perspective with you. We feel that the challenge was successful on the grounds that the extremely high top tiers at SJC were unsupported by any expense analysis, and were, by SJC's own admission, purely punitive in nature in order to financially coerce high water using customers to reduce their usage.

At the district, we only have two tiers, and that's for residential customers only. The second tier is 50 percent higher than the first tier, and only is used when the customer exceeds the average residential use in the district by approximately 73 percent for the quarter. Last year, the district only collected about \$33,000 from the differential pricing for the use in this second tier.

Our water conservation program expenses, geared largely to reduce the landscape watering causing these higher use amounts virtually always occurring in the summer quarters, were approximately \$180,000.

The district is not concerned about defending our current pricing structure, given the expenses of running our water conservation program.

Richard Solbrig, South Tahoe Public Utility District general manager