

Tiered Budget Frequently Asked Questions

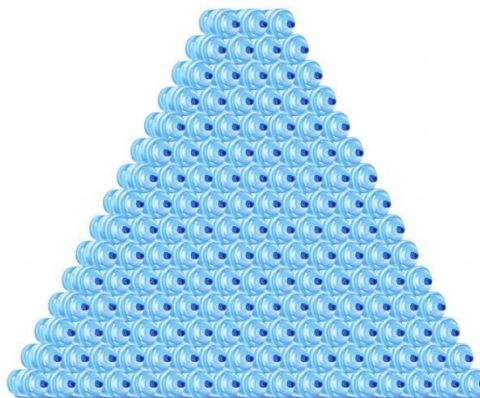
Q: How much water is in a billing unit?

A: Billing units are expressed in Hundred Cubic Feet (HCF). One HCF is equal to 748 gallons of water.

Q: 748 gallons seems like a lot of water. How much water is that?

A: 748 gallons (or 1 HCF) is equivalent to 150 five (5) gallon water bottles:

1 HCF =



Q: How is the budget for each tier determined?

A: A water budget is comprised of 4 tiers:

Tier 1 (Base Tier / Indoor Tier) - All single family residential customers are provided with an indoor water budget to accommodate a minimum of 3 people per household. Customers receive 55 gallons of water per person per day times the number of days in the billing period. A variance for additional residents can be requested by completing a [Residential Variance Form](#).

Tier 2 (Outdoor Efficient Tier) - All single family residential customers are provided with an appropriate outdoor water budget to accommodate the efficient irrigation of their landscaped areas (grass, trees, shrubs, groundcover, etc.). The factors used to calculate the budget for this tier include landscape area square feet and real time weather conditions specific to the property's geographic location. Landscape square footage is determined by measurements taken of each property's landscape area using detailed aerial imagery and a highly accurate Geographic Information System (GIS). **NOTE: Tier 2 budgets are currently reduced by 30% per Stage 4a of the District's [Water Shortage Contingency Plan](#) (WSCP).**

Tier 3 (Outdoor Inefficient Tier) – Tier 3 provides a budget for additional outdoor water use that exceeds efficient watering needs. Tier 3 is 50% of the sum of Tiers 1 and 2. **NOTE: Tier 3 budgets have been eliminated per Stage 4a of the District's [Water Shortage Contingency Plan](#) (WSCP).**

Tier 4 (Wasteful Tier) – All water use above the Tier 3 budget falls into Tier 4.

**** Remember, water budgets are not fixed – they will vary based on the factors above.**

Q: How does Rancho California Water District (RCWD/District) know how much water I need?

A: Indoor water allocations are based on information from the State of California that establishes 55 gallons per person per day as a provisional standard ([SBx 7-7, 2009](#)). The factors used to determine the outdoor water budget are based on a property's actual planted landscape area and real time weather factors. Customers can track their daily water budgets and water use online using the District's [MyWaterTracker](#).

Q: Will I get a larger water budget in hotter months?

A: Yes. The formula that is used to determine your monthly budget includes factors for actual weather conditions. You will receive a larger water budget in the hotter months, so if you are watering efficiently you should be able to stay within your budget.

Q: What if I need more water than my budget gives me?

A: Customers may apply for a variance to their water budget to adjust the number of people in a household, large animals over 100 pounds or for a special circumstance such as medical needs. Requests for variance can be submitted by completing a [Residential Variance Form](#).

Q: Why do I have to pay a higher rate for my Tier 2/outdoor water use?

A: Indoor water is essential for public health and safety. The vast majority of outdoor watering is not. Rancho California Water District is fortunate to have groundwater, which is less expensive and more reliable than import water. The first tier is less expensive because it is provided substantially by this local water. The cost of providing outdoor water is tied to the higher cost of import water that is purchased from Metropolitan Water District (MWD).

Q: How does the District develop water rates?

A: RCWD sets its rates and charges to recover the cost of providing service. Additional information about rate development can be found in RCWD's [Rate Development Guide](#).

Q: My property is five times bigger than my neighbor's property. Why should I get the same amount of water that they do?

A: A property that is five times as large as another property, under ordinary circumstances, receives a proportionately larger water budget. This is because the District uses irrigated area (in square feet) for each property as a basis for water budgets. The District caps the allowable landscape budget area to 75,000 square feet.

Q: I have a pool. Does this give me more irrigated area square footage?

A: Each property's landscape calculations include the square footage for the surface area of your pool and is included in your landscape budget.

Q: What if I think I'm going to go over my budget?

A: Customers may take advantage of a variety of programs and rebates such as a home water audit or rebates for water-efficient devices and turf removal (when available). Visit www.ranchowater.com for more information.

Q: I've heard about Evapotranspiration, or ET. What is it?

A: ET is the loss of water from a vegetated surface through the combined processes of soil evaporation and plant transpiration. In short, this is the amount of water that plants lose that needs to be replaced. It is expressed in inches of water needed to replace what was lost to the atmosphere in a given time period. RCWD tracks ET for 319 microzones within the District on a

daily basis as a factor in determining an outdoor water budget specific to your property. Customers can use the [Online ET History](#) page to get the ET data for their specific property.

Q: What is ETAF?

A: ETAF adjusts evapotranspiration (ET) values used to calculate the maximum amount of water that should be applied to a landscape. It is expressed in inches of water. The scale below is used to determine ETAF for residential accounts:

| <u>Irrigated Square Feet</u> | <u>ETAF</u> |
|------------------------------|-------------|
| 1 to 30,000 | 75% |
| 30,001 to 75,000 | 60% |

Q: What is an Allocation Surcharge?

A: On January 17, 2014, Governor Jerry Brown issued a drought state of emergency declaration in response to record-low water levels in California’s rivers and reservoirs as well as an abnormally low snowpack. On April 1, 2015, Governor Brown issued an Executive Order calling for statewide mandatory water reductions in urban water use of up to 25%. On May 5, 2015, the State Water Resources Control Board (“SWRCB”) approved regulations, based on Governor Brown’s Executive Order, mandating the District to reduce its water consumption by 36% percent for June 2015 through February 2016 as compared to the same months in 2013.

Pursuant to State law, the District is required to adopt a [water shortage contingency plan](#) to address specific “stages” of action to be undertaken in response to water supply shortages such as the current emergency. A water shortage contingency plan generally will include within each stage specified levels of reduction in the use of water that are appropriate under the circumstances. Recognizing that water is our most vital resource, the District’s Water Shortage Contingency Plan (the “Plan”) establishes 5 water shortage stages (each a “Stage”). The Plan also includes Stage specific water conservation mandates to reduce unreasonable and wasteful water use to help preserve the District’s water supply. As the District moves into moves to higher stages, the Plan requires reductions in customers’ assigned Water Budgets. Currently, the District is in a declared Stage 4a shortage.

The District’s imported water wholesaler, the Metropolitan Water District of Southern California (“MWD”), has adopted a water shortage contingency plan that places a restricted limit on the amount of water that each of its member agencies may use during certain water shortage conditions. Pursuant to that plan, MWD will assess surcharges (“MWD Surcharges”) on the District for any water that it uses in excess of the amount of water that has been allocated to the District for the year (i.e., its annual water allocation).

The District is also authorized under its Plan to impose an Allocation Surcharge during shortage Stages 3, 4, and 5. The Allocation Surcharge is a volume based penalty imposed on any customer whose monthly water use exceeds his/her designated monthly Water Budget in violation of the restrictions then in place under declared Stage of the Plan. The penalty is established at a rate that is equivalent to the MWD Surcharge.

For District customers, during the current Stage 4a, any water usage in a billing period that is between 1-15% above a customer’s assigned Water Budget will be charged an additional \$3.40 per HCF (Billing Unit) and any usage beyond the 15% will be charged an additional \$6.80 per HCF. Efficient Water Budgets are equal to: (1) the total of Tier 1 (Indoor) and Tier 2 (Outdoor) Water Budgets for residential, landscape, and multi-unit customers; and (2) the Tier 1 Water Budget for Agricultural and Commercial customers. Customers with usage above their monthly



Water Budget should expect to begin seeing the Allocation Surcharge on bills received in August for water used in July. A copy of the District Plan may be obtained on its website at www.ranchowater.com/WSCP.