

FOR DISCUSSION PURPOSES ONLY

**Brazos G RWPG
Regional Policy on 'Retail Customer Water Pricing'; Issue #12
Member Assignment: Terry Kelley**

Recommended Policy Statement: Brazos G Regional Water Planning Group recognizes that water management strategy planning includes having the most positive effect on retail water customer pricing balanced with maintaining a long-term reliable plan. Optimizing retail water pricing with a long-term source may include an interbasin transfer when it is determined to be in the best interest of the ratepayers.

Brazos G RWPG encourages retail water providers to seriously consider implementing an inclining block rate structure that would be consistent with best management practices for conserving water. By using this methodology, a properly designed rate allows a consistent price signal to the ratepayer, without overearnings to the utility. This increasingly favored approach heightens the interest in water conservation to the end users.