



**SANTA ANA  
WATERSHED  
PROJECT  
AUTHORITY**

SAWPA

Water budgets are tailored to customers' individual indoor and outdoor water needs. Those who stay within budget pay the lowest rates.

## CONSERVATION-BASED RATES: FAIR TO ALL CUSTOMERS?

This approach recognizes that customers have different water demands based on the size of their household and yard. No matter the budget, everyone is expected to be efficient with their water use.



### Ensuring Equity

This rate structure isn't intended to benefit customers with small families or no lawn. Conservation-based rates reward those who use water efficiently, no matter the size of their household or yard. The lowest priced water is in the first two tiers, for indoor and outdoor use, which consider the number of residents and landscaped area of a home. The rates in the third tier and beyond – considered inefficient use – reflect the higher price of acquiring additional water supplies.



When it comes to debating the fairness of conservation-based rates, much of the discussion centers on the second tier, which represents **OUTDOOR WATER** use.

**TIER 1  
INDOOR BUDGET**



**TIER 2  
OUTDOOR BUDGET**



**TIER 3  
INEFFICIENT USE**



**TIER 4  
EXCESSIVE USE**





## Setting Outdoor Budgets

Larger lots tend to have landscaping with more vegetation, such as turf grass. When these property owners exceed their outdoor budgets, they pay more because the volume of water they are using for irrigation is more than a small lot owner.

This rate structure often depends on State conservation standards such as weather data and evapotranspiration for setting outdoor budgets. The standards recognize that more vegetation requires more water, particularly in arid regions.

## Reducing Hardships

Switching from traditional tiered water rates to conservation-based rates rewards low-income customers who are efficient because the water in efficient tiers is always billed at the lowest price.

Efficient low-income customers do not subsidize higher water users and do not fund local conservation programs.

## Working with Local Government

One of the principles of conservation-based rates is consideration of irrigable area on a residential lot. It is important for water providers to respect lot sizes set and zoned by local planning departments and budget enough water to serve those parcels.



To hear a discussion about conservation-based rates, visit: [https://youtu.be/mZdoL\\_5qdac](https://youtu.be/mZdoL_5qdac)