



April 1, 2022

Dear Customer:

City Ordinances require certain automatic annual adjustments to the water and wastewater rates based on inflationary indices. The one-year inflationary index for our area is 4.3%. The City of Houston population increased by 1.3%. The inflationary index of 4.3% when combined with the population increase of 1.3% results in an automatic annual water and wastewater rate increase of 5.6% on April 1, 2022.

This year, in addition to the 5.6% automatic annual rate adjustment, Ordinance No. 2021-515 adopted the 2021 Water & Wastewater Cost of Service Rate Study, which allows for new annual rates over a 5-year period. These rate adjustments are necessary to pay increases in the cost of operating, maintaining, and repairing the combined water and wastewater utility system, debt service on the utility system's bonds and other obligations of the utility system, protect the financial integrity of the utility system, and comply with certain bond covenants and all other applicable law. New Rates and Charges specific to Treated and Untreated Water accounts are as follows:

Classification	Rate
Contract – Treated Water	
Airgap	P x \$3.91 plus (P-M) x \$0.95*
Non-Airgap	P x \$4.44 plus (P-M) x \$0.95*
Contract – Untreated Water	\$0.90 per 1,000 gallons
Untreated Water (Non-contract)	
0 - 10,000,000 gallons	\$2.000698 per 1,000 gallons
11,000,000 - 20,000,000 gallons	\$1.797734 per 1,000 gallons
21,000,000 - 50,000,000 gallons	\$1.695514 per 1,000 gallons
51,000,000 -150,000,000 gallons	\$1.593082 per 1,000 gallons
151,000,000 & up gallons	\$1.541971 per 1,000 gallons

* Note:

P = Total water delivery during the month in thousand gallons, except if the minimum monthly specified in the customer's contract is greater than P, P shall equal M.
M = Minimum monthly amount of water specified in the customer's contract expressed in units of one thousand gallons.

Additional information may be found in the Rates and Prices or Billing and Payment sections of your contract or you may visit <http://www.houstontx.gov/codes/> (Sections 47-61 and 47-84 et seq.). Please contact Maria Carrillo at Customer Account Services at (832) 395-6220 if you have specific questions about your bill.