



## 2022 Planned Rate Increases Frequently Asked Questions

### Why are water rates increasing?

Central Oregon Irrigation District is planning a series of rate increases over a 5-year period between 2022 and 2026 to help pay for operation and maintenance costs and cover the administrative costs of servicing patron accounts.

Since 2012 the District has been using hydropower to supplement increasing operations and maintenance costs and offset patron charges by as much as 40%.

Revenue for the hydropower industry has declined as companies shift renewable energy incentives and focus on wind and solar power. Our existing hydropower contract expired in 2020 with a five-year rate reduction. By 2026, the District is anticipating a 60% revenue loss from hydropower. The lost hydropower funds that have been supplementing operations and maintenance need to be replaced by patron assessments.

### When will the rate increase go into effect?

The new rate schedule will become effective January 1, 2022, and every January 1 from 2022 to 2026.

### What will the money be used for?

The annual base charge, operations and maintenance fee, and service charge help pay for District operations, maintenance, and the administrative costs of servicing a patron account. The Habitat Conservation Plan fee covers the cost to implement the Plan to protect, restore, and enhance fish and wildlife habitat throughout the Deschutes Basin. The Habitat Conservation Plan is a collaborative strategy to share water resources in the Deschutes Basin, covering irrigation and related water management operations while enhancing fish and wildlife habitat. The Plan protects habitat for three species of fish and one amphibian (steelhead trout, bull trout, sockeye salmon, and Oregon spotted frog) for the next 30 years that may be affected by traditional and routine irrigation District activities.

### When was the last water rates increase?

Rates were last increased in 2020.

### Is the money being used for conservation and piping projects?

No



## What was the process for determining the rate increase?

COID hired FCS Group, an independent consulting firm, to conduct a rate study and provide a pricing structure and plan that meets COID's long-term obligations.

## How do COID's rates compare to other districts?

The Deschutes Basin comprises eight irrigation Districts, and they all deliver water and assess their patrons differently, making an accurate comparison nearly impossible.

## How is my irrigation bill calculated?

As a water rights landowner with COID, patrons do not pay for water; patrons pay for the right to use the water. Assessments are in two basic parts and are set each January by the COID Board of Directors. The assessment is not based on a quantity of water delivered, but on the costs to operate and maintain the delivery system and the District. Rates are calculated on Base and Habitat Conservation Plan fees and a per-acre fee (operations and maintenance).

Your bill is based on the following:

- **Base Charges** cover the cost of record-keeping, scheduling, insurance, office facilities, general administration, and overhead.
- **Operations and Maintenance** covers repairs and cleaning of the delivery system and the distribution of water
- **Service Charge** covers the increased cost to deliver water to small acreages
- **Habitat Conservation Plan Fee** covers the cost-share of the Habitat Conservation Plan, as well as conservation and implementation measures to improve fish and wildlife habitat in the Deschutes Basin.

## What if I quit using irrigation water, so I don't have to pay the bill?

Unfortunately, if your property has water rights, you will still be assessed for services, and you will still have to pay the bill.

## What is the billing schedule?

Bills are mailed out in early January and are due April 1<sup>st</sup> for the 1<sup>st</sup> half and July 1<sup>st</sup> for the 2<sup>nd</sup> half.

## Who do I contact if I don't understand my bill?

Call the main office, 541-548-6047.