

Norman Utilities Authority

OKC Water Contract and 2060 Strategic Water Supply Plan



October 2015

A Quick Refresher: Portfolio 14

	Lake Thunderbird Allocation	Existing Groundwater Wells	New Groundwater Wells	Conservation & Non-potable Reuse	Lake Thunderbird Augmentation
P14 Wells + TBird Aug.	6	8	2	2	11

Values are 2060 Annual Avg. Use (mgd)

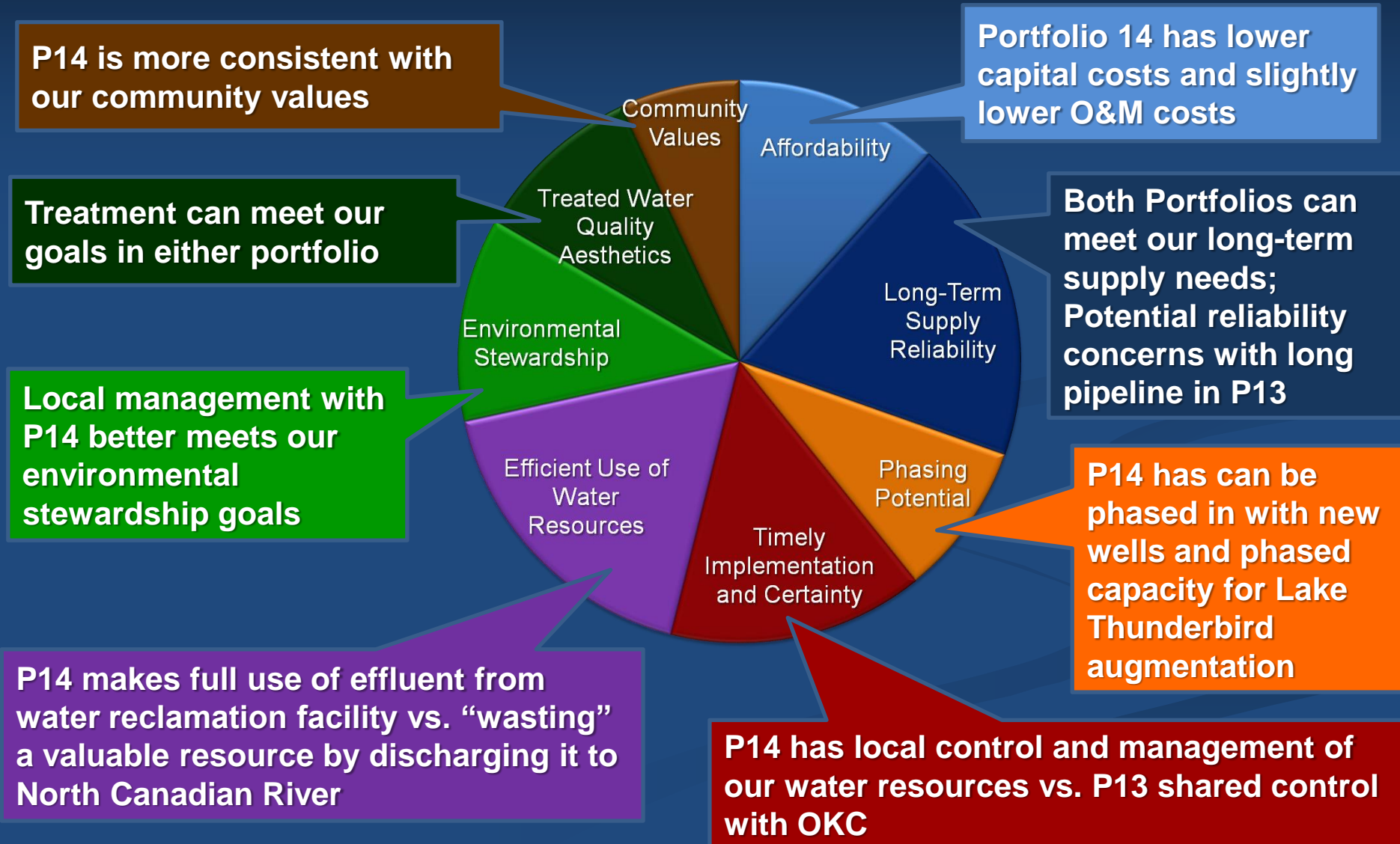
Ad-hoc Committee and Public Meeting Feedback

PORTFOLIO 14:

New Wells and Lake Thunderbird Augmentation

- Provides local control of supply
- Efficient use of resources
- Better phasing potential
- Downstream water right impacts
- Public acceptance & outreach
- Uncertainty in discharge water quality requirements
- Concerns about impacts of reuse on Lake Thunderbird (capacity and water quality)
- Potential Midwest City and Del City water quality concerns

Ad-Hoc Committee + Public Feedback Suggest Portfolio 14 May be Best Fit for Norman



OKC 2014 Rate Study

- Affects all users & rates
- Cost recovery for wholesale customers (incl. Atoka pipeline)
- Proposing new wholesale rate structures



Current Options

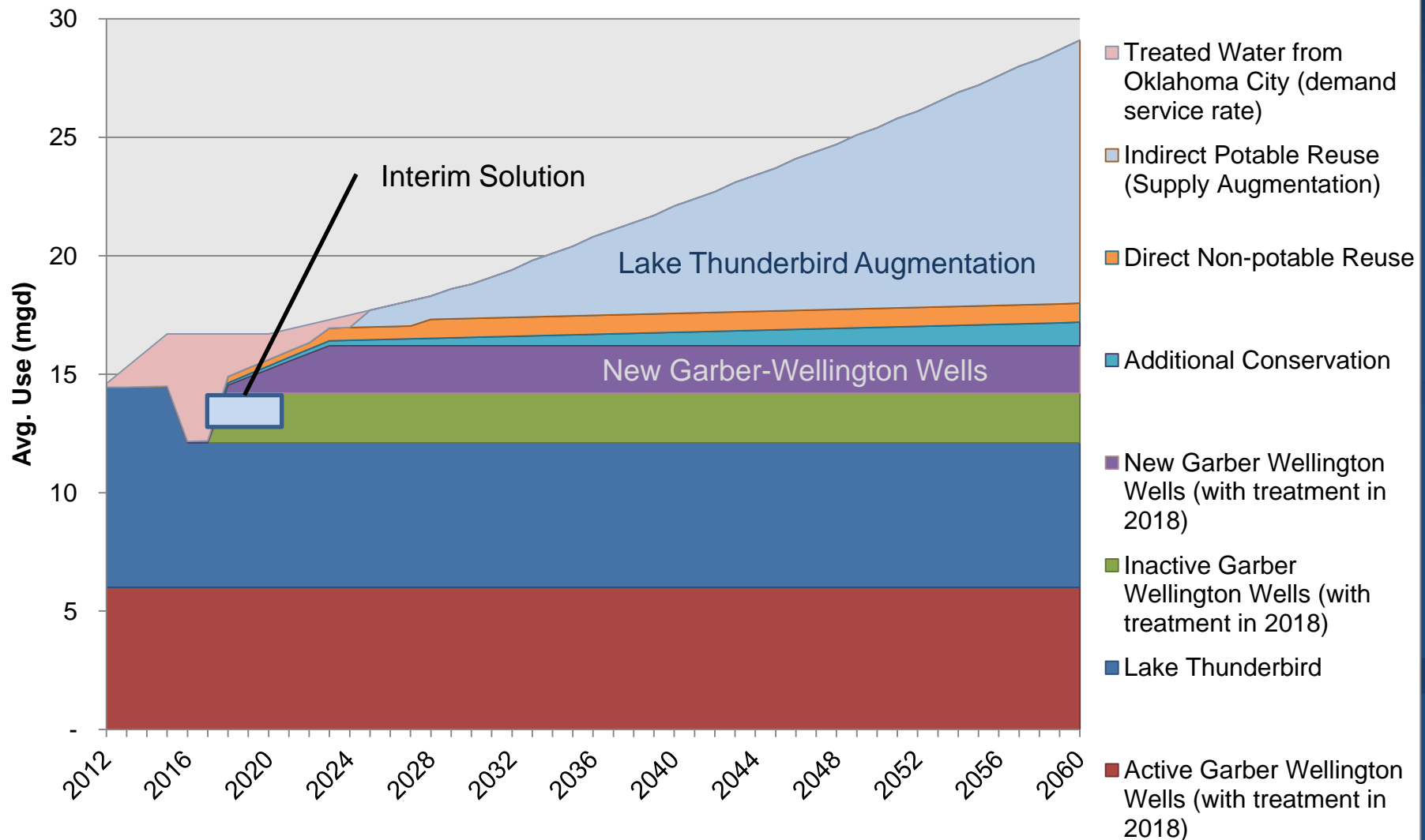
- Service availability (consistent use)
- Take or pay (seasonal use)
- On demand



Proposed Options

- Service availability
- Time of day (rates based on average day, peak day, and peak hour use)

Phased Capacity Increases to Meet Demand: Portfolio 14



Del City Contract COMCD

- Existing contract with Del City for 300 million gallons per year; raw water, part of unused allocation

OKC Water Contract

- Purchase 1 MGD from OKC (30.4 Million Gallons per Month)
 - Treated water
 - Take or pay contract
 - 10 year agreement
 - Can increase usage – Cannot decrease

OKC Water Contract

Treated Water Usage - Outside City, Wholesale, Service Availability

- 3 year Transition Period
- Contract for 30.4 Million Gallons per Month
- Can subscribe for a higher volume
- Can terminate contract with written notice after first 3 year period
- Must adopt OKC conservation or greater
- Greater reliability than previous 'emergency water'

OKC Water Contract

Treated Water Usage - Outside City,
Wholesale, Service Availability

- January review of previous year's monthly usage
New subscription rate = 90% of previous
year maximum month
- Future may switch to new subscription of 90%
maximum month the following month

OKC Water Contract

Treated Water Usage - Outside City, Wholesale, Service Availability

	10/1/2015 to 9/30/2016 (Cost / 1,000 gal)	10/1/2016 and after (Cost / 1,000 gal)	New rate structure 10/1/17
Service Availability Reservation Rate	\$1.36	\$1.56	
Commodity Rate	\$0.41	\$0.43	
Total	\$1.77	\$1.99	
Excess of volume reserved	\$5.45	\$5.57	

OKC Water Contract

Treated Water Usage - Outside City,
Wholesale, Service Availability

	10/1/2015 to 9/30/2016	10/1/2016 to 9/30/2017	New Rates After 9/30/2017
Norman Annual \$	\$646,050	\$726,350	
Based on 30.4 MG per Month			

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