



Orange Water Department

16 West Myrtle Street
Orange, Massachusetts 01364
Telephone: 978-544-1115 • Fax: 978-544-1122
watersuper@townoforange.org

Water Commissioners
Michael Hume
Donald Priestley
Carl Sauter

Superintendent
Kenneth R. Wysk

Regular Meetings
2nd Monday
4:00pm

As of September 2, 2022

RE: Recent Updates to Rates & Fees Schedule

Dear Valued Customer:

We are writing to make you aware of recent updates to our Rates & Fees Schedule, as adopted by the Board of Water Commissioners at a publicly advertised Public Hearing on September 2, 2022. The last increase to the rates and fees from the Water Department was in 2015. The primary purpose of the updates was to cover increases in materials & services, along with expenses related to replacement of aging infrastructure in conjunction with our Capital Improvement Plan.

The updated schedule includes a 12.5% increase to the quarterly "Basic Service Fee" (which is the equivalent of a \$2 increase for the majority of customers) and a 5% increase in water rates, increasing the cost from just under 51% of 1 Penny to just over 53% of 1 Penny per gallon for customers of the main system.

For the Tully customers, the 5% increase in water rates increases your cost from 79.6% to 83.6% of 1 Penny per gallon. The Town of Athol has implemented a "Wholesale Water Rate" category. This new category enabled them to increase the rate to customers "outside of the Athol town lines". This rate increase is set for the town of Orange, but only directly affects the water users in the Tully area. This rate increase is currently 20% higher than the rest of the Town of Athol "customers". The reason for this increase is that the original agreement with the Town of Athol for water usage in the Tully area has now expired. Unfortunately, the Town of Athol implemented these rates without consulting or notifying the Orange Water Department until after the fact. With that being said, we are in the process of negotiating a new Inter-municipal agreement with them, but it has been made clear that intent of the expired original agreement to charge Orange "...the same water rate as shall be in effect from time to time for all Athol consumers..." has changed, and we will be charged a rate of their discretion.

One additional fee of \$5.00 per quarter to ALL active customers in a new form has been implemented and shall be in effect through the duration of current State Revolving Fund (SRF) Loan for the Replacement of Aging Infrastructure. The intent is for these funds to be directly targeted to the loan repayments and that the fee will be removed from the bills once the loan has been paid in full.

The projected increase in a typical bill due to these changes for the majority of customers is \$40 per year, or effectively \$10 per quarter or \$3.33 per month, depending on how you want to look at it. These changes will be in effect as of your next billing cycle, so we are sending this notice as an informational courtesy. As always, those suffering from financial hardships are encouraged to contact us before receiving a shutoff notice to arrange a convenient payment plan and avoid becoming delinquent.

OWD works hard to keep water rates and fees as low as possible. The average water bill in Orange is still well below the state average and your tap water continues to cost you less than one penny per gallon.

Respectfully,

Kenneth R. Wysk
Superintendent