



# FAIR AND BALANCED BILLING

## PROPOSED CHANGES TO HOW ALEXRENEW'S BASE CHARGE IS CALCULATED

VIRTUAL MEETING | APRIL 22, 2026

# AlexRenew

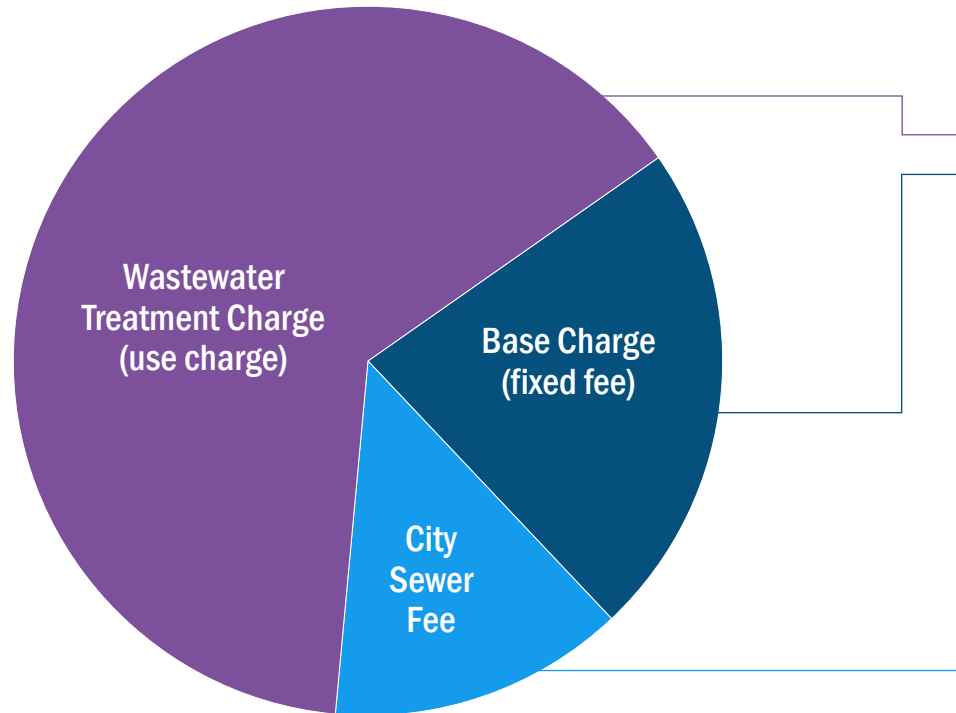
# OVERVIEW


- Purifies 13 billion gallons of wastewater each year
- Serves 300,000 people in Alexandria and portions of Fairfax County
- Established in 1952 as an independent, public authority
- Governed by a 5-member citizen Board
- Sole source of funding is through sewer rates



# Example Wastewater Bill

Your AlexRenew wastewater bill has three charges – a **wastewater treatment charge** (use charge) which is calculated from how much water you use, a **city sewer fee** that AlexRenew collects on behalf of the City of Alexandria, and a **base charge**. The base charge is a fixed monthly fee that pays for the pipes, pumps, and treatment systems that have to be ready and working all the time – no matter how much wastewater is generated.

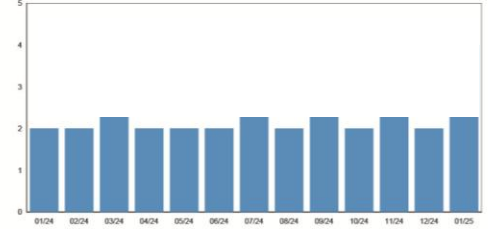



Alexandria's **Wastewater Authority**

Current Charges		Bill Date: 2/25/26
<b>Wastewater Treatment Charge</b>	\$798.31	
<b>Base Charge</b>	\$242.37	
<i>Wastewater Treatment and Base Charges cover equipment, buildings and their major repair and replacement, and the water professionals, energy and other resources to treat wastewater.</i>		
City Sanitary Sewer System Capital Investment and Maintenance Fee	\$159.94	
<b>Current Charges</b>	<b>\$1,200.69</b>	

Find bill details on the back side of your statement

Water Usage
X1000 gallons



Month	Usage (X1000 gallons)
01/24	2.0
02/24	2.0
03/24	2.2
04/24	2.0
05/24	2.0
06/24	2.0
07/24	2.2
08/24	2.0
09/24	2.2
10/24	2.0
11/24	2.2
12/24	2.0
01/25	2.2

**Account Summary**

Customer Name \_\_\_\_\_

Account Number \_\_\_\_\_

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Previous Bill Amount                   \$1,050.85

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Payments Received                       \$1,050.85

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Total Current Charges                   \$1,200.69

**Amount Due**
**\$1,200.69**

Your current charges are due on 3/15/26

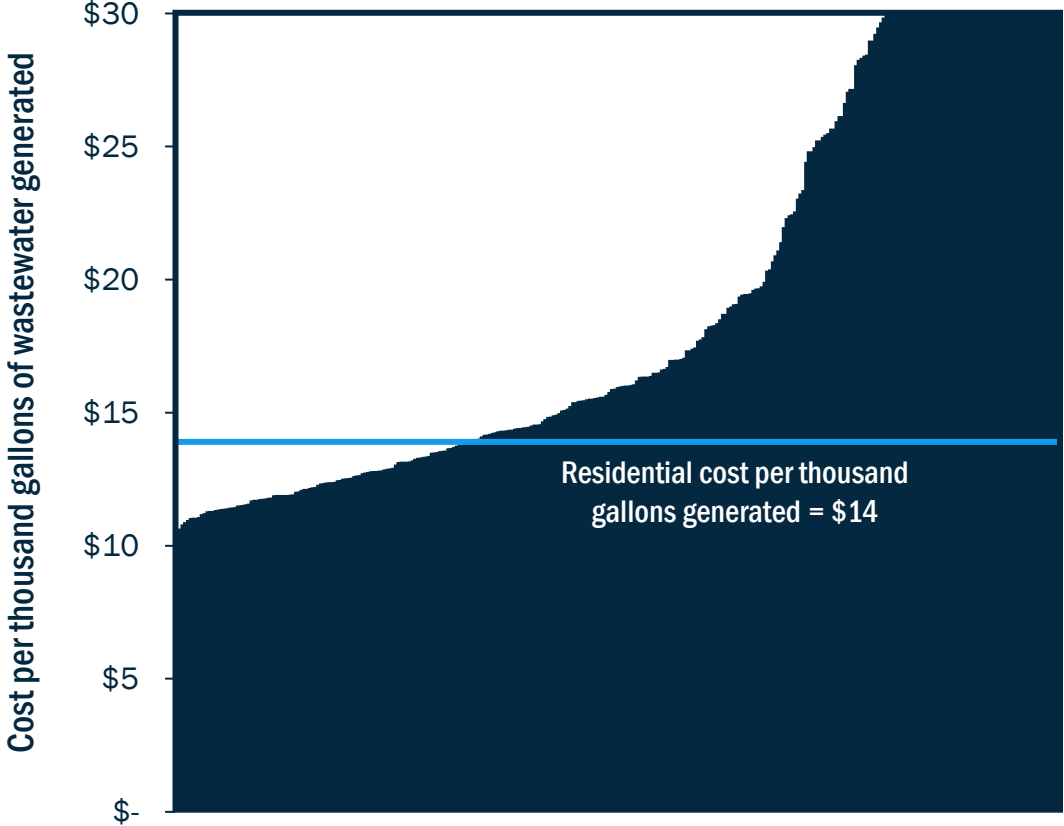
Each year, AlexRenew processes approximately 13 billion gallons of wastewater from area homes, schools, and businesses before safely returning it to local waterways.

Water usage data is provided to AlexRenew by Virginia American Water

# Current Base Charge – Meter Size

Currently, a customer’s base charge is determined by the size of their meter using the table below. This approach is a common method used by utilities to estimate how much water could be used but does not reflect how much was actually used.

Meter size	Monthly Cost
5/8 inch	\$45.87
3/4 inch	\$45.87
1 inch	\$114.68
1-1/2 inch	\$229.35
2 inch	\$366.96
3 inch	\$688.05
4 inch	\$1,146.75
6 inch	\$2,293.50
8 inch	\$3,669.60



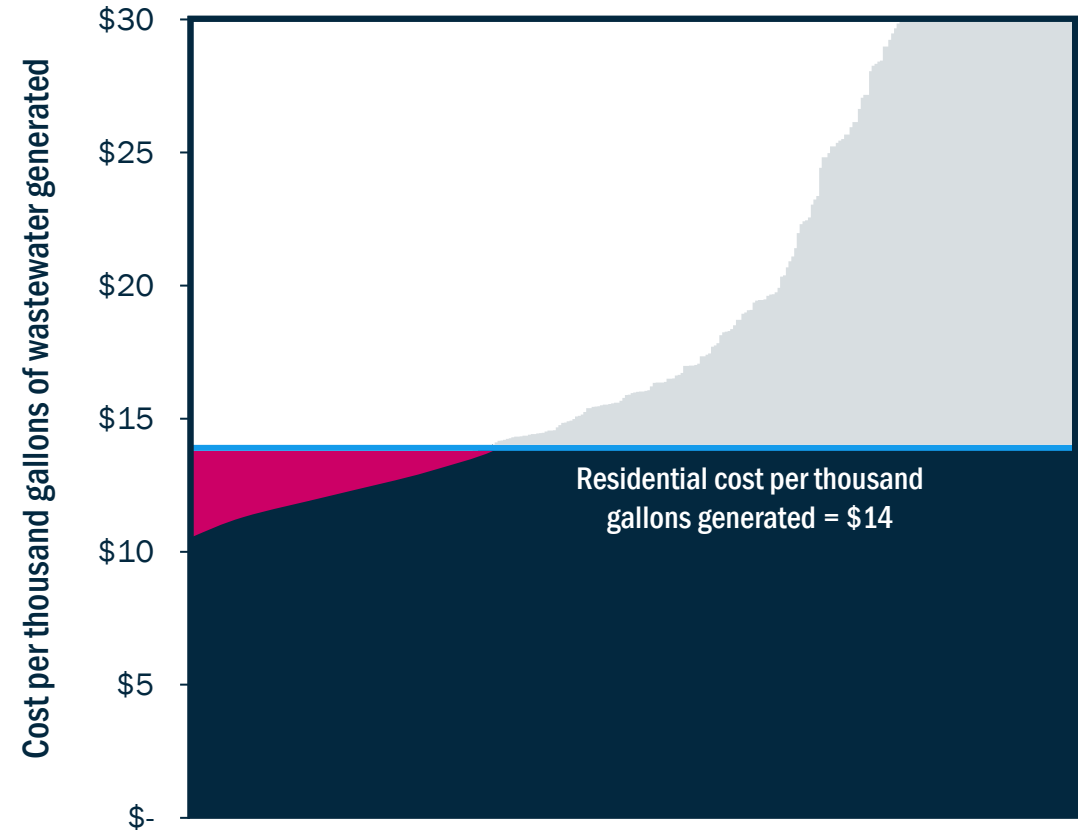
**Commercial, industrial, and other public agency accounts**

As illustrated by this graph, customers within the commercial, industrial, and other public agency class currently pay between \$10 and \$30 per thousand gallons of wastewater generated.

# Proposed Base Charge Change

Starting July 1, 2026, AlexRenew is proposing an update to how the base charge is calculated:

- The base charge will be calculated using a customer's average monthly water use compared to the use of a typical household
- Proposed change helps to ensure that customers are charged more equitably based on how much wastewater they generate
- New metering and billing software make it possible to calculate this charge more accurately
- All single-family residential and 75% of commercial, industrial, and other public agency customers will see a decrease in their base charge
- About 25% of customers (approximately 790) in the commercial, industrial, and other public agency classes will see an increase in their base charge



## Commercial, industrial, and other public agency accounts

Calculating the base charge based on a customer's water usage will ensure that everyone is billed the same amount per gallon of wastewater generated.

# Proposed Base Charge – Water Usage

AlexRenew is proposing to use a customer’s average monthly water usage to set the base charge. For a single-family home, this represents 3,500 gallons per month or 1 unit. For commercial, industrial, and other public agency customers, the average monthly volume used will be converted to units in relation to a single-family home’s usage to set the base charge.

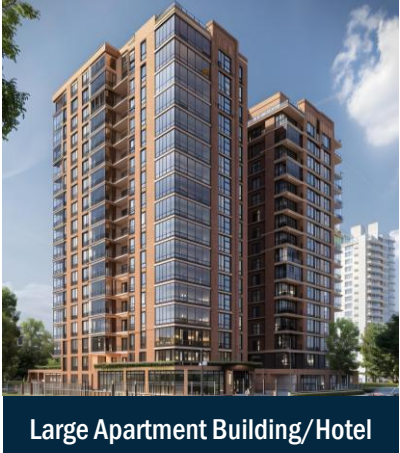
AlexRenew is proposing to set its base charge using a customer’s average monthly volume used in relation to a single-family home (1 unit = 3,500 gallons)



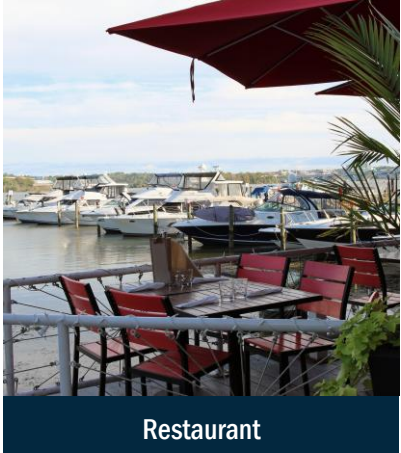
Residential Single-family



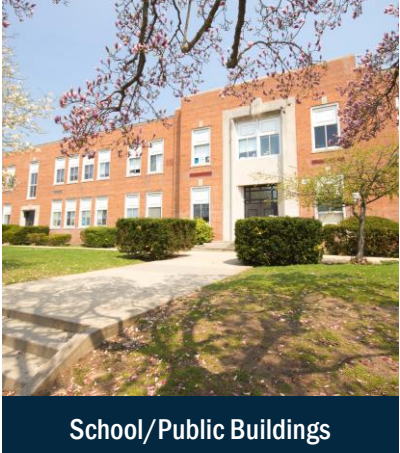
Small Apartment Building



Large Apartment Building/Hotel



Restaurant



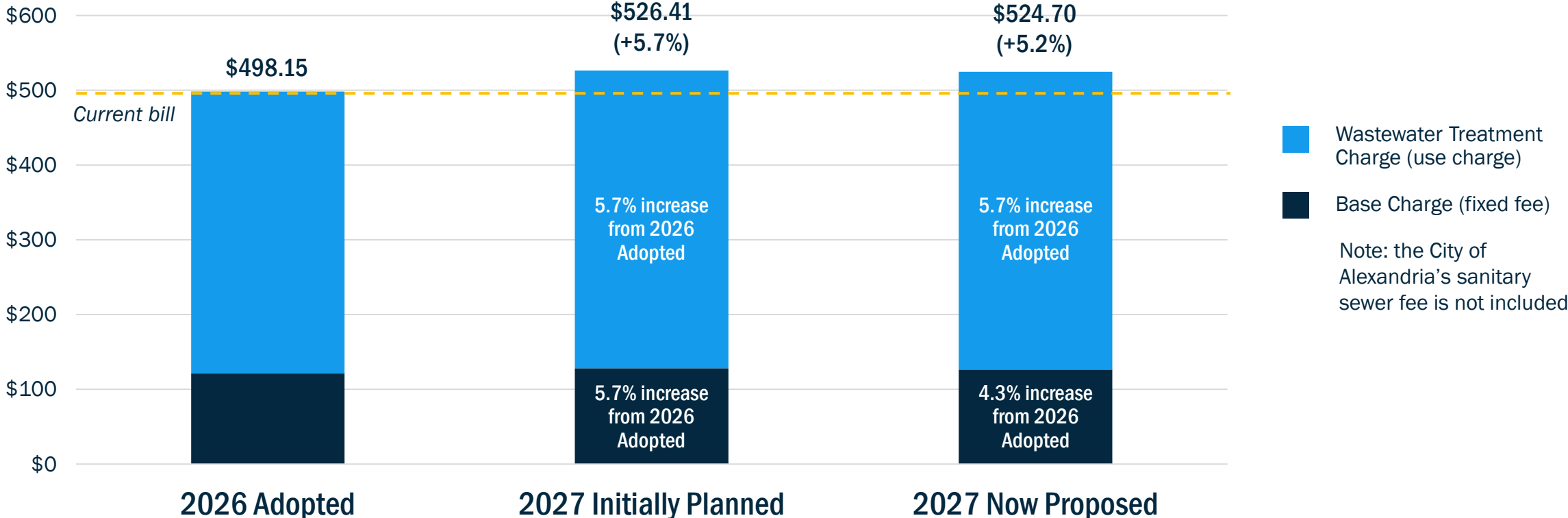
School/Public Buildings

Average monthly use	3,500 gallons	35,000 gallons	175,000 gallons	59,500 gallons	91,000 gallons
# of units	1	10	50	17	26
Base charge per unit	\$14.48	\$14.72	\$14.72	\$14.72	\$14.72
<b>New base charge</b>	<b>\$14.48</b>	<b>\$147.20</b>	<b>\$736.00</b>	<b>\$250.24</b>	<b>\$382.72</b>

# Fiscal Year 2027 Rate Adjustment

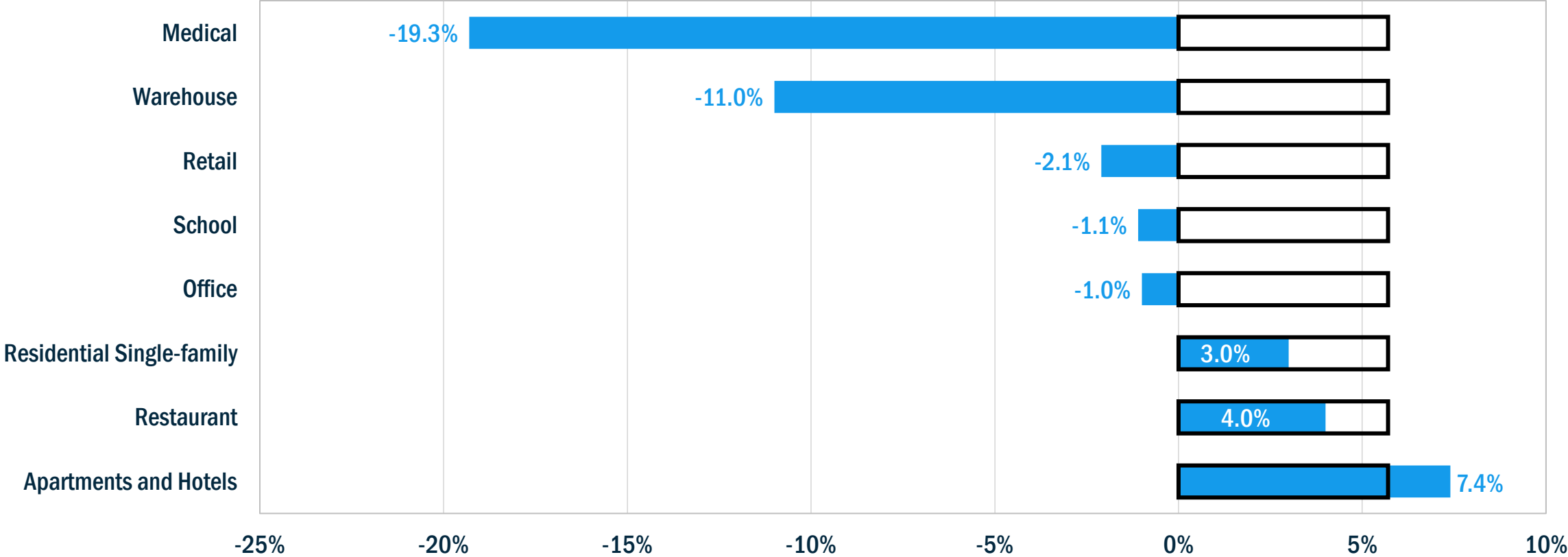
AlexRenew approved a 5.7% rate increase for Fiscal Year 2027 to fund ongoing investments in the RiverRenew program. Because we're also proposing an update to the base charge, this rate increase may look a little different on your bill starting July 1, 2026. This chart shows an example of the proposed 2027 rate adjustment in comparison to the previously approved 2027 rate increase and current bill.

Commercial customer with a 1-inch meter using 35,000 gallons per month, on average



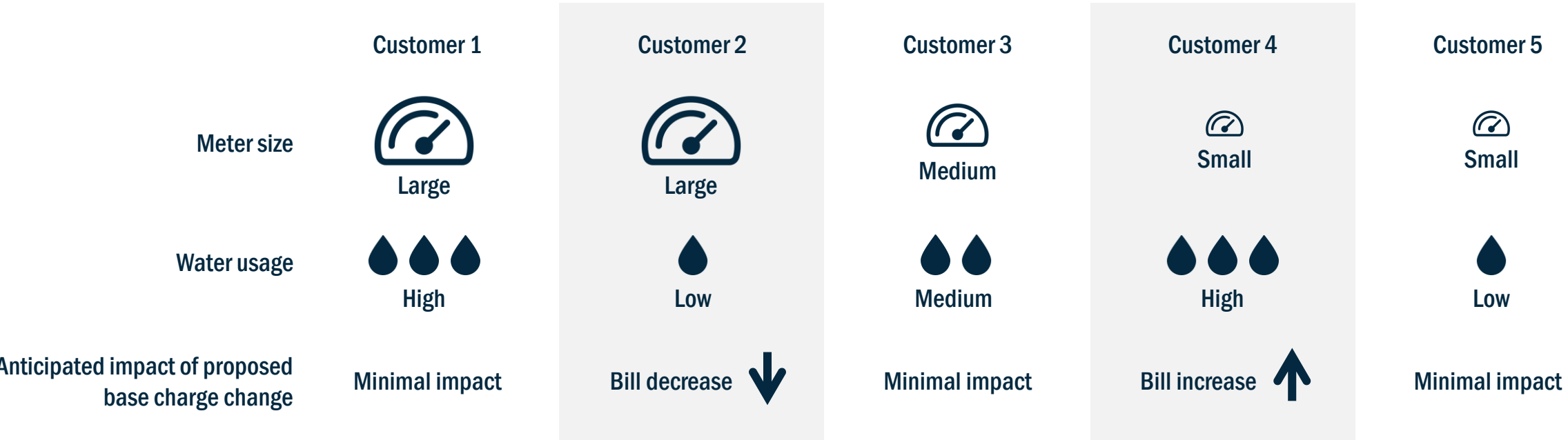
# Fiscal Year 2027 Rate Adjustment by Customer Type

For most customers, the new base charge change will result in a lower rate increase or rate decrease. In the graph below, the dark outlined box represents the original 5.7% rate increase, while the solid box represents the estimated rate adjustment incorporating the base charge change.



# Why do some customers see a bill decrease, while others see an increase?

AlexRenew currently uses water meter size to establish a base charge. Water meter size is determined by the water utility based on the estimated water demand for a specific property. Under the proposed base charge change, customers with a large meter and low water use will see an overall bill decrease, while those with a small meter and high water use will see a bill increase. This is because a customer's water meter may not be sized appropriately for their actual use.



# Fiscal Year 2027 Rate Tables

The rate tables below provide the anticipated charges for AlexRenew customers and represent the adopted 5.7% rate increase as well as the proposed change to how the base charge is assessed.

## Current Base Charge Methodology Being Phased Out Over 5-years

Base charge based on meter size (Commercial, Industrial, and Other Public Agency Classes only)

Meter size	Proposed Monthly Cost
5/8 inch	\$48.48
3/4 inch	\$48.48
1 inch	\$121.20
1-1/2 inch	\$242.40
2 inch	\$387.84
3 inch	\$727.20
4 inch	\$1,212.00
6 inch	\$2,424.00
8 inch	\$3,878.40

## Proposed Base Charge Methodology Being Phased In Over 5-years

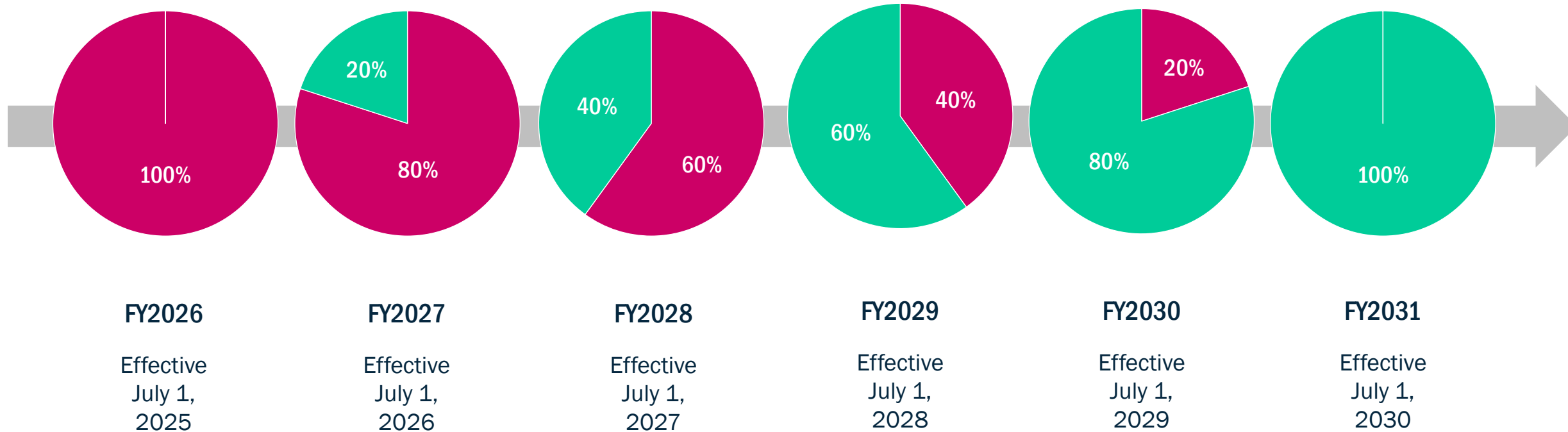
Charges based on usage

Charge	Unit	Proposed Monthly Cost
Residential Base	per unit	\$14.48
Commercial, Industrial, and Other Public Agency Base	per unit	\$14.72
Wastewater Treatment	per 1,000 gallons	\$11.38

# Base Charge Phasing Plan

To minimize impacts to the **commercial, other public agency, and industrial customers** that have a bill increase associated with the base charge change, AlexRenew will phase-in the new base charge over a five (5) year period. Over the phase-in period, the base charge will be calculated using the existing meter base charge and the new usage base charge.

- Base charge based on use – being phased in
- Base charge based on meter size – being phased out



# Example Base Charge Calculation

For commercial, industrial, and other public agency customers, the Fiscal Year 2027 base charge will be calculated based on 20% of your meter base charge plus 80% of your new usage base charge. This example is for a commercial customer using 35,000 gallons per month, on average.

## Calculate usage base charge

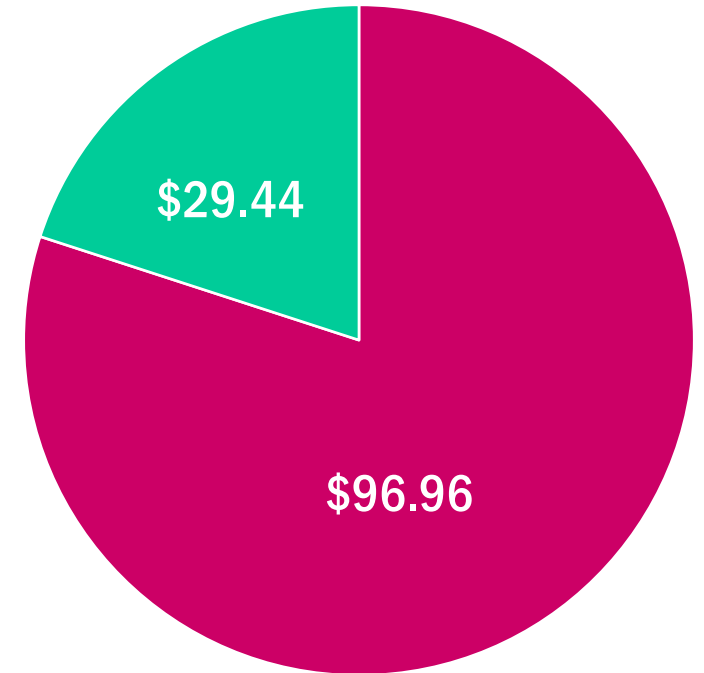
1	Determine 12-month rolling average water use	35,000 gallons	
2	Calculate the number of units	$35,000 \div 3,500$ gallons	10 units
3	Calculate total usage base charge	$\$14.72 \times 10$ units	\$147.20
4	Multiply total usage base charge by 20%	$\$147.20 \times 0.2$	<b>\$29.44</b>

## Calculate meter base charge

5	Use meter table to look up charge for 1-inch meter	1-inch meter charge	\$121.20
6	Multiply meter base charge by 80%	$\$121.20 \times 0.8$	<b>\$96.96</b>

## Calculate FY2027 base charge

7	Add usage and meter base charges	$\$29.44 + \$96.96$	<b>\$126.40</b>
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**\$126.40** – FY2027 base charge for a commercial customer using 35,000 gallons per month, on average (10 units)

# LEAP

**LIFELINE EMERGENCY  
ASSISTANCE PROGRAM**



AlexRenew's Lifeline Emergency Assistance Program (LEAP) is designed to help customers having trouble paying their wastewater bill.

Starting July 1, 2026, LEAP will be available to eligible multi-family buildings in the commercial customer class to assist with changes to the base charge.

Enroll by calling (703) 721-3500 or emailing [billing@alexrenew.com](mailto:billing@alexrenew.com)



# Learn More at [alexRenew.com/basecharge](http://alexRenew.com/basecharge)

- Understanding how your base charge will be calculated
- The timing of the base charge change
- FAQs about the base charge and rates

## Virtual Meetings

For commercial, industrial, and other public agency customers

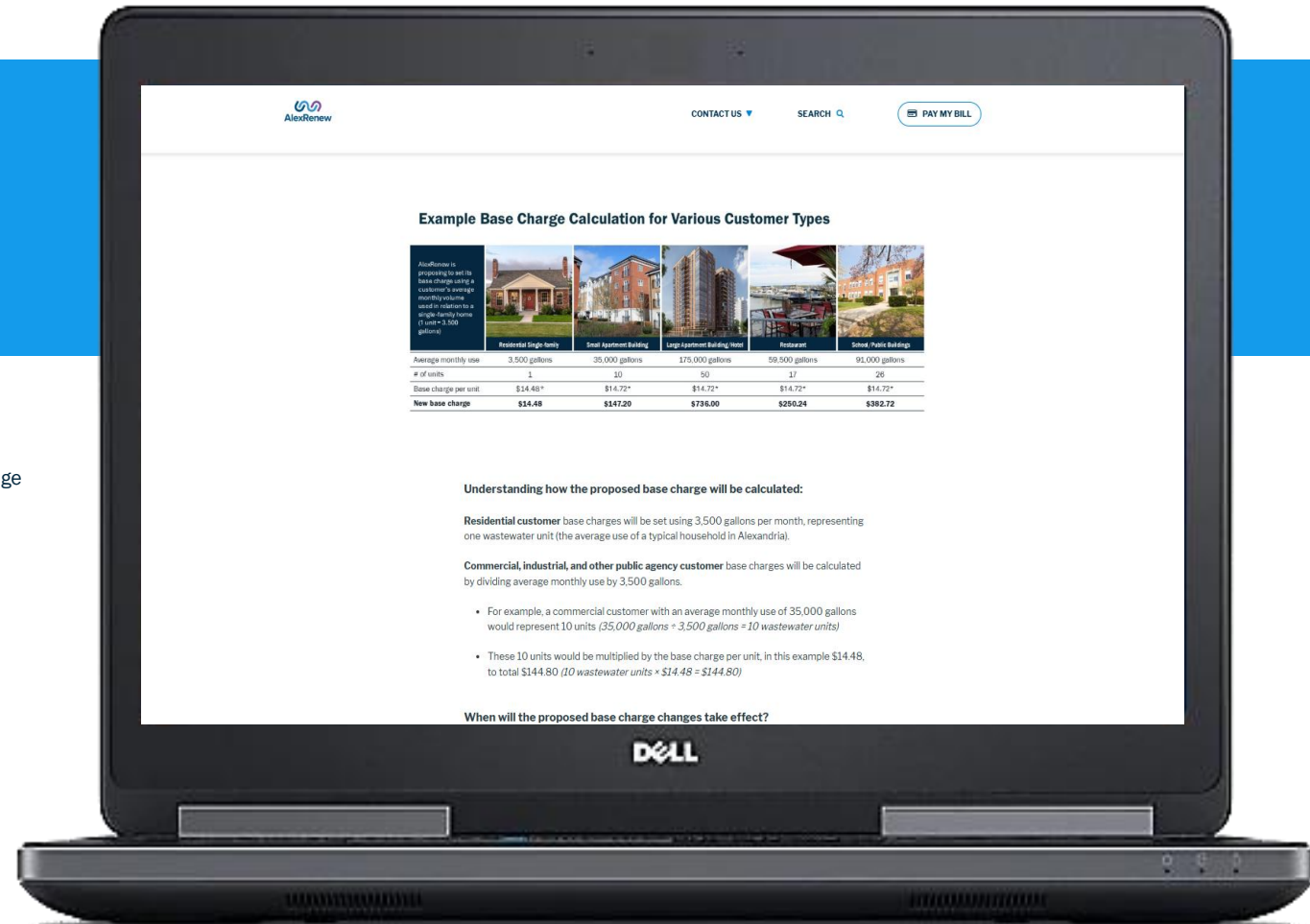


## Public Hearing

Annual budget, rate increase, and base charge change



**Additional Questions?** Call (703) 721-3500 or email [billing@alexrenew.com](mailto:billing@alexrenew.com)





**AlexRenew**