

## **Flat rate vs. metered billing**

Some wastewater utilities bill customers on a metered volumetric basis depending on how much water the customer has used. Others charge a flat rate. Customers frequently ask why those utilities can do so.

- With most sewer utilities, most costs- including the cost of wastewater collection treatment- do not vary appreciably over time. Any cost that might vary would be minimal and would balance out over time. In most cases involving metered wastewater rates, a large portion of the bill is set as a consistent amount and (flat administrative rate or construction payback) and then the metered water usage is added in to come up with the final bill.
- If a customer receives water and sewer utility service from a different provider and the sewer utility wants to charge based on water usage, then the sewer utility must generally purchase the metered usage from the water utility, leading to higher administrative costs that are passed on to the customers
- Currently over 20% of Old Lycoming Township sewer customers operate off of a privately owned well with no public water utility offered.