

2025 Annual Charges Summary

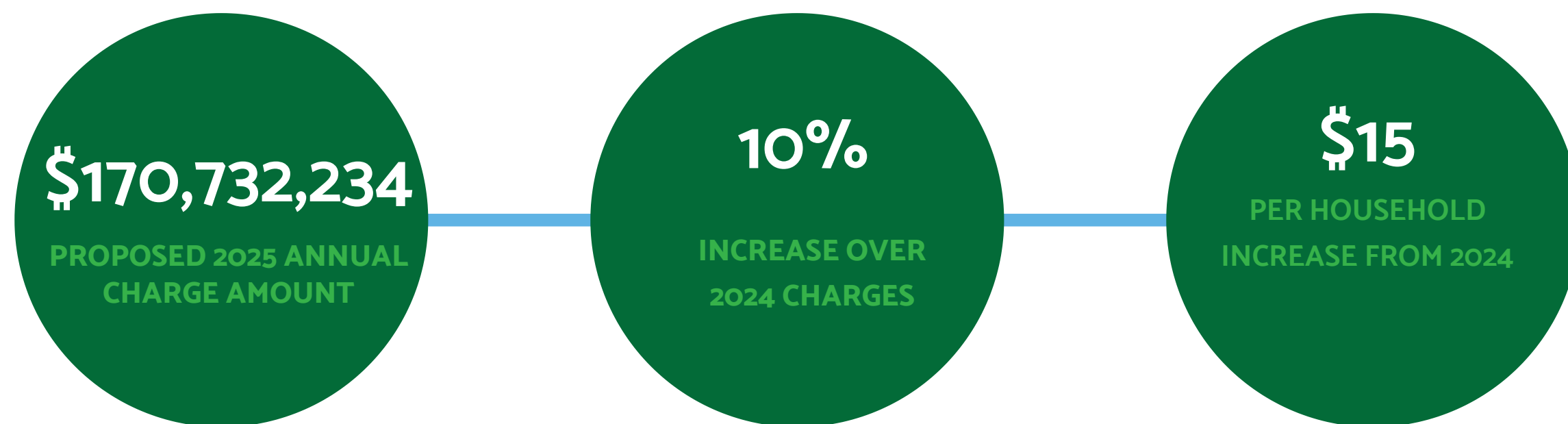
AN OUTLINE OF THE REVENUE USED FOR METRO'S OPERATIONS, DEBT SERVICE, AND CAPITAL REQUIREMENTS

ANNUAL CHARGES

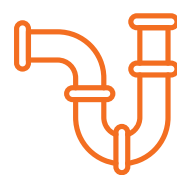
Fees assessed annually to cover the operating costs, debt service, and capital needs of Metro Water Recovery. The annual charge review process is driven by comprehensive cashflow analyses and are governed by state statutes, service agreements, and rules and regulations. Charges are approved by the Metro Board of Directors annually for the following year and are paid by Metro's partner Connectors.

2025 OVERVIEW

The Metro Board of Directors will vote on the 2025 annual charge amount.



Calculations are driven by inflation of operating costs, including cost of wages and benefits, materials and fuel, outside services, and utilities.



The costs associated with necessary short and long term capital improvement projects have dramatically increased.



These projects are essential to meet regulatory, infrastructure rehabilitation and replacement, and capacity requirements for the next twenty years.

OUR RESPONSIBILITY

Metro takes seriously its responsibility as a steward of ratepayer funds, while continuing to achieve its mission of cleaning wastewater and recovering resources for 2.2 million people in the Metro area and will continue to maximize its efforts in doing so in a sustainable way.

For more information about our budget reports visit: <https://www.metrowaterrecovery.com/about-us/budgets-reports/>

HERE TO HELP:

ANNUAL CHARGES

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GENERAL INQUIRIES

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2025 Water Recovery Cost Summary






WHAT ARE CONNECTORS AND RATEPAYERS BUYING?

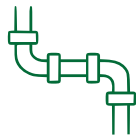
Metro Water Recovery protects public health and the environment by treating wastewater and recovering resources for over 2.2 million people in its service area.

For the \$143 million (rounded) in proposed operating expenses for 2025, connectors and ratepayers will receive fiscally conservative, sustainable clean water services based on 60 years of operations. They will recover the resources estimated below, and more, as outlined in the 2025 Annual Budget.



South Platte River downstream of Metro's Robert W. Hite Treatment Facility

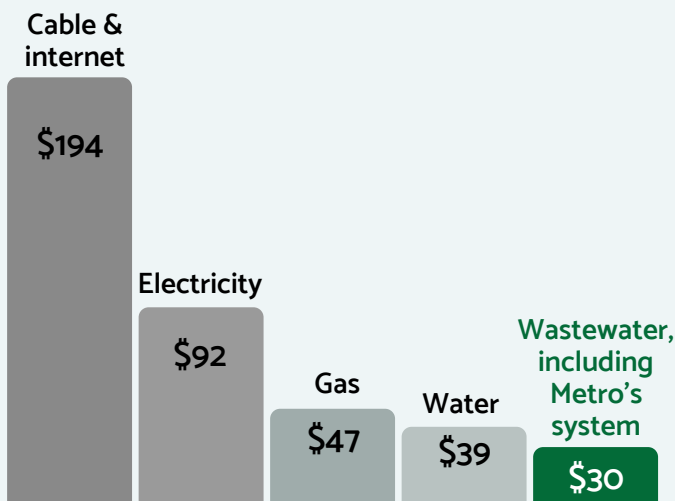
-  **46 billion** gallons of treated wastewater
-  **10 million** tons of Class B biosolids
-  **4 million** kilowatts of heat and power
-  **3 million** pounds of nitrogen
-  **2 million** pounds of phosphorus



HOW DO METRO'S COSTS COMPARE?

Charges to connectors in Metro's system are approximately 70 percent lower than the national average for clean water services. As shown below, the costs for cleaning wastewater—a critical public health function—are very low on average compared to other utilities.

Colorado Estimated Average Monthly Utility Costs

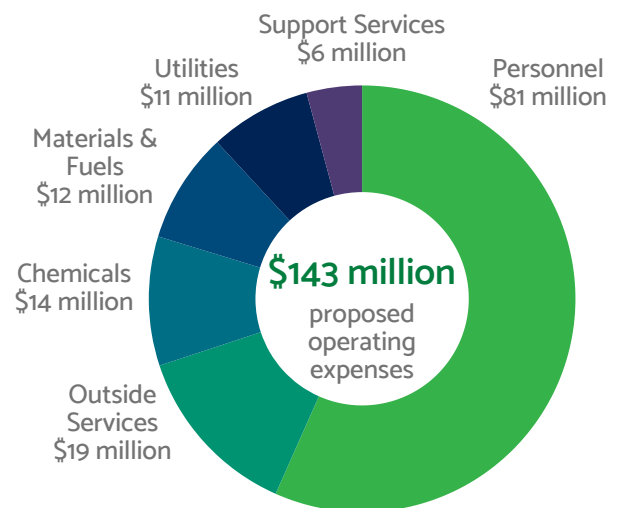


Source: <https://www.forbes.com/home-improvement/living/monthly-utility-costs-by-state/>

HOW DO REGULATIONS AFFECT COSTS?

Environmental regulations and permit requirements are the principal drivers of Metro's costs. Regulations are set primarily by the Colorado Department of Public Health and Environment and are designed to protect public health and waterways in the South Platte River Basin.

Almost all of the expenses reflected in the chart below pertain to these environmental permit requirements.



Metro's capital costs also are driven primarily by current and future environmental regulations. Metro expects to spend over \$1.3 billion on capital projects in the next 10 years to meet environmental regulations.

Future regulations and permits are expected to be even more stringent, which will result in significantly higher costs for Metro's connectors.