






# 2027 Water Recovery Cost Summary

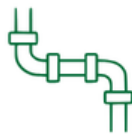


## WHAT ARE CONNECTORS AND RATEPAYERS BUYING?

Metro Water Recovery (Metro) protects public health and the environment by treating wastewater and recovering resources for over 2 million people in its service area.

For the \$162 million (rounded) in proposed operating expenses for 2027, 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 2027 Annual Budget.

-  **50 billion** gallons of treated wastewater
-  **70 million** pounds of Class B biosolids
-  **5 million** watts of heat and power
-  **3 million** pounds of nitrogen
-  **2 million** pounds of phosphorus



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

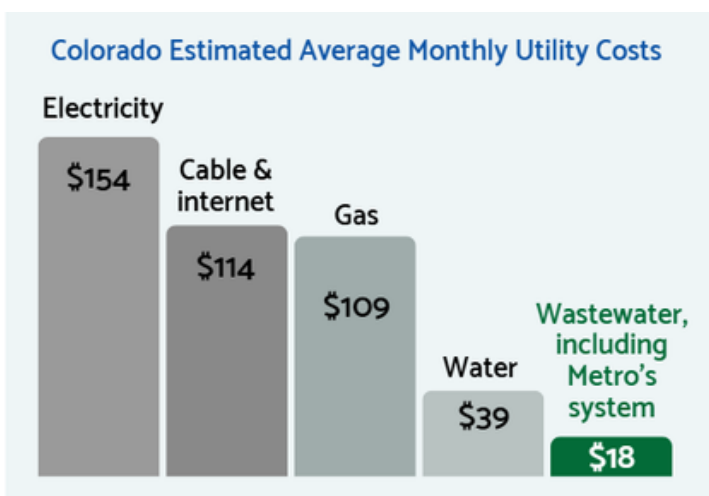
## HOW DO REGULATIONS AFFECT COSTS?

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 (CDPHE) and are designed to protect public health and waterways in the South Platte River Basin.

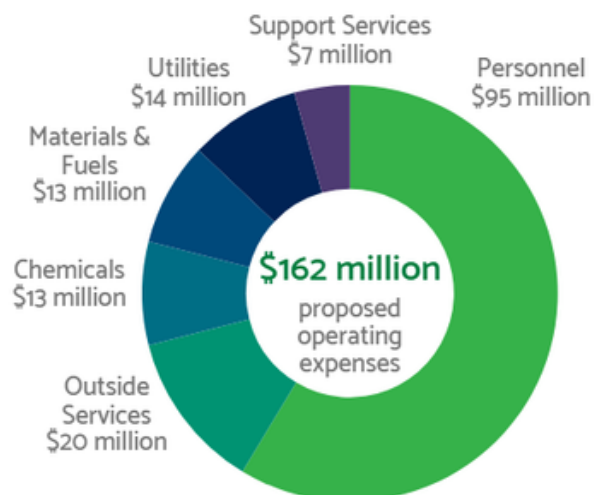
Almost all of the expenses reflected in the chart below pertain to these environmental permit requirements.

## 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.



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



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.