



**TOWN OF MEDWAY**  
**COMMONWEALTH OF MASSACHUSETTS**  
**DEPARTMENT OF PUBLIC WORKS**

Medway DPW Office  
45B Holliston Street  
Medway, MA 02053  
Phone (508) 533-3275  
Fax (508) 321-4985  
dps@townofmedway.org

DPW Director

*Peter Pelletier*

Deputy Director

*Sean Harrington*

Subject: Water Billing Correction

To clearly explain the water billing we thought it would be helpful to provide a more detailed explanation of how the events unfolded.

After the second quarter bills went out, we detected an error in the tier 1 bill rate. This affected all customers in Tier 1, Tier 2, and Tier 3 usage levels. To correct this error, we adjusted the Tier 1 rate to capture the underbilling that occurred in the first two quarters and that correction is reflected in the third quarter bills. In an effort to try and explain this clearly please see the bullets below.

- For usage from 0-499 cubic ft there is a flat charge of \$53.29 for residential and \$57.67 for commercial.
- Once a customer uses 500 cubic feet, they enter Tier 1 at a rate of \$13.13/100 cubic ft for residential and \$13.95/100 cubic ft for commercial.
  - The first two billings in FY23 for residential customers were billed \$24.71 for the first 501 cubic feet instead of \$65.78 (501 x 13.13/100), a shortage of \$41.06.
  - For the first two (2) billings In FY23, commercial customers were billed \$24.16 for the first 501 cubic ft, instead of \$69.89 (501 x 13.95/100), a shortage of \$45.73.
- To correct this error, we are adjusting the rates for the 3<sup>rd</sup> and 4<sup>th</sup> quarter bills on the residential and commercial billings.
  - The adjustment on residential customers were/will be billed \$106.84 for the first 501 cubic ft which is the \$65.78 for the usage 0-501, plus \$41.06 for the billing error catch-up amount.
  - The adjustment on the commercial customers were/will be billed \$115.62 for the first 501 cubic-ft, plus \$45.73 for the billing error catch-up amount.

HOWEVER, we are also aware that this solution MAY NOT work for all customers. We have identified that some minimal Tier 1 consumers may need a further adjustment to their 4<sup>th</sup> quarter billing in instances where they were originally undercharged less than the \$41.06 figure. We are continuing to review this group of users and will adjust accordingly. We will inform the Community on our findings as soon as a plan is identified. Again, we appreciate your patience with us in this regard.

We truly hope that this helps to make sense of the error and we are extremely sorry for the original error, and that we did not communicate our corrective plan in advance of this 3<sup>rd</sup> quarter billing. Please know that we are working diligently to make sure this is avoided in the future. As always please feel free to call the office if you have further questions.

Thank you.

A handwritten signature in blue ink that reads "Peter Pelletier".

Peter Pelletier