

# WATER RATE MODIFICATIONS

## Frequently Asked Questions



February 2026

### Why are rate increases necessary?

Rate increases are necessary to cover costs and to keep pace with the growth of Medford and other cities we serve. Our rates pay for:

- Inflationary increases in operating costs (such as electricity, water meters, and treatment chemicals)
- Replacement of aging infrastructure (parts of our system are over 100 years old)
- Maintenance and expansion of existing facilities
- Construction of new resilient facilities that store, treat, and transport water to our approximately 150,000 customers

We consistently work to minimize increases and implement cost saving programs whenever possible.

### How are rate increases calculated?

We conduct annual third-party studies to determine the revenue necessary to fund upcoming projects and keep up with increases in operating costs. These studies also help ensure that costs are allocated fairly across all customer groups so that each group is responsible for the growth, operations, and maintenance of the parts of the system that they use. Our last study showed that rate modifications are required to meet our revenue needs for the necessary projects that are planned in our Capital Improvement Plan—a roadmap for the future planning of facilities that will be needed in 10–20 years so that they are ready to serve customers and our system can keep up with our community's growth—and to keep up with inflationary increases in operational costs.

### How are rate changes approved?

The Board of Water Commissioners hold a public hearing in December each year to consider any proposed rate modifications for the next year. These public hearings are advertised in the Rogue Valley Times newspaper and on our website. The public is welcome to attend public hearings and any board meeting to speak on an issue; upcoming meeting details can be found at [medfordwater.org/agendas](https://medfordwater.org/agendas) when available. Notice of approved rate modifications are posted on our website, on the monthly bill, and in our quarterly newsletter.

### What are the rate increases that will go into effect March 1, 2026?

They average 13.6% for single-family residential customers in Medford with a ¾" meter. For average monthly usage of 10,000 gallons, these customers will see their monthly bill change from \$37.58 to \$42.67. Charges both before and after the modifications remain low compared with water providers locally and across the region. For a non-inclusive summary of all rate modifications as well as full rate schedules taking effect March 1, 2026, go to [medfordwater.org/rates](https://medfordwater.org/rates).

**More Information:**  
[medfordwater.org/rates](https://medfordwater.org/rates)

**Ask Questions:**  
541-774-2430

## **Doesn't Medford Water receive money from taxes?**

Medford Water does not receive any support from local taxes. To reduce impacts to customers, we have sought out federal funding sources to reduce impacts to customers, such as Water Infrastructure Finance and Innovation Act funding (\$97M of low-interest rate loan terms awarded in 2022). Our revenues do not support other city work; revenue from water rates and other fees stay with us to be invested into the water system.

## **What type of projects do rates help pay for?**

Water rates and other fees help pay for infrastructure improvements such as the Table Rock Road 42" Transmission Line Project (completed in 2024), the Robert A. Duff Water Treatment Plant 65MGD Expansion (completed in 2025), the new Medford Water Operation Center (a seismically resilient facility to support rapid responses to system failures; construction began in 2025), and the Capital Hill Reservoir Replacement (beginning in 2026), in addition to the construction of new storage and transmission facilities. Our annual studies align with the projects in our Capital Improvement Plan; see the graphic below for more information on how much of each dollar we receive goes to the Capital Plan and other primary budgetary categories. This work is spread out over time but must be funded early to reduce debt costs and allow for efficient project management.

## **Why are the rates charged to Partner Cities going up differently than City of Medford customers?**

Medford Water's annual rate studies help ensure that costs are fairly allocated to all customer groups. Partner Cities that buy water from Medford Water pay a proportionate amount for the water they use and treatment and transmission costs, about 25%. Changes depend on consumption and capital projects being completed and put into use, such as the Robert A. Duff Water Treatment Plant expansion, which was completed in 2025. Please note that the rates that each Partner City charges their customers may differ from the wholesale water rate Medford Water charges these cities; it likely includes other fees not related to Medford Water.

## **Why do I have duplicate charges on my water bill for March?**

Your March billing has been prorated to reflect the rate modifications effective March 1, 2026. This means it will have some charges that apply prior to the change, and some that apply after the change. These charges are listed separately, but you are not being double charged. If you have any questions about your billing, please call us at 541-774-2430.

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# WHERE DOES YOUR DOLLAR GO?

The cost of delivering water to your tap in 2026



MEDFORD  
WATER

*Water for the Next Century.*