

# Fairfax Water

FAIRFAX COUNTY WATER AUTHORITY

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To the Editor of Falls Church News-Press:

In his guest commentary of January 5, 2012, "Falls Church Should Let the Water Business Go," Mr. Maller uses incorrect assumptions to reach flawed conclusions regarding Fairfax Water's wholesale customer contracts. As a non-profit public water authority, Fairfax Water is mandated by law to charge only for the actual cost of providing water service to our retail and wholesale customers, and that's what we do.

Because our production capacity is so large, with independent, state-of-the-art water treatment plants on the Potomac River and Occoquan Reservoir, our unit cost to produce water is very low. Our wholesale and retail customers share equally in the benefits derived from our economies of scale. Our wholesale customers do not pay for the cost of distributing water to Fairfax County residents. The wholesale customers pay only their fair share of the cost of producing and transmitting water to their own systems. This is why Fairfax Water's retail commodity rate is so low and why most of our wholesale customers have the next lowest water rates in the entire the Washington Metropolitan Area.

Wholesale customers do not subsidize Fairfax Water's retail customers. Our books are open and are reviewed and audited by our wholesale customers. They send their own representatives to our Board meetings. Our wholesale customers have never once suggested that their rates subsidize Fairfax Water's retail customers. They know that Mr. Maller's assumption is wrong.

The bottom line is that wholesale customers end up paying their fair share of costs that match the volume of water they use. Fairfax Water is in essence a CO-OP that provides equal benefits to all of its members.



Philip W. Allin  
Chairman