



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** December 17, 2025

**AGENDA ITEM:** Consider a motion to ratify the 2026 electric, water, and wastewater rates per the 2022 adopted cost of service rate studies.

**PREPARED BY:** Julie Kennedy, General Manager

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## **BACKGROUND:**

Attached are the 2025 electric, water, and wastewater rates as established in the approved 2022 cost-of-service rate studies. The 2022 studies provided a comprehensive evaluation of utility costs and rate structures and formed the basis of the current five-year rate plan. Since that time, changes in operational priorities including the addition of water system disinfection, enhanced staffing and resource allocation, and updates to the Capital Improvement Plan (CIP) have necessitated an updated financial forecast to maintain rate stability and ensure alignment with long-term operational and infrastructure needs.

In July 2025, GRPU engaged Dave Berg Consulting to complete updated cost-of-service studies for the electric, water, and wastewater utilities. These studies will assess the equity and adequacy of existing rates under current operating assumptions and develop an updated rate forecast. The resulting reports will also support transparent communication with stakeholders, regulatory and funding agencies, and the public regarding future rate needs. The electric study is scheduled for completion by April 2026, with the water and wastewater studies to follow by July 2026.

Until the updated studies are completed, GRPU proposes to continue using the rates established in the 2022 cost-of-service studies.

## **RECOMMENDATION:**

Approve a motion to ratify the 2026 electric, water, and wastewater rates per the 2022 adopted cost of service rate studies.