

STAFF REPORT UTILITY MEETING

AGENDA DATE: September 24, 2024

DEPARTMENT: Electric Utility

TITLE:

Resolution No. 41-2024 – establishing the rates and charges for the Electric Utility for Fiscal Year 2025

SUMMARY:

Resolution 41-2024 proposes an 8% Increase in Base Energy Charges, Demand Charges, Minimum Bill, and Customer Service Charges

BACKGROUND AND JUSTIFICATION:

During City's budget process it was determined that an increase in the electric utility's Base Revenues were required to help increase the utility's Working Capital Fund (also referred to as "Reserves") so as to grow Reserves gradually over a period of multiple years to an amount equal to six months of operating and maintenance expenses. Base Revenues include items such as Base Energy Charges, Demand Charges, Minimum Bill, and Customer Service Charges.

If approved, the impact to the electric bill for a residential customer using 1,000 kilowatt-hour of electricity per month will be an increase by \$6.69 per month.

Not included in the proposed increase is the Power Cost Adjustment ("PCA") which is adjusted periodically to reflect costs of power purchases by the electric utility on behalf of its customers. There are no proposed changes to the PCA at this time.

MOTION:

Move to approve/disapprove Resolution No. 41-2024, establishing the rates and charges for the Electric Utility for Fiscal Year 2025.

ATTACHMENT(S):

Resolution 41-2024
Proposed Electric Utility Rate Schedule Effective November 1, 2024
Comparison of Existing to Proposed Electric Rates FY24 to FY25