

STAFF REPORT UTILITY MEETING

AGENDA DATE: September 26, 2023

DEPARTMENT: Electric Utility

TITLE:

Resolution No. 43-2023 – Establishing the rates and charges for the Electric Utility for Fiscal Year 2024

SUMMARY:

Resolution 43-2023 proposes a 5% Increase in Base Energy Charges, Demand Charges, Minimum Bill, and Customer Service Charges

BACKGROUND AND JUSTIFICATION:

Base Energy Charges, Demand Charges, and Customer Service Charges have remained unchanged since January 2021. 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 \$3.98 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. 43-2023 – Establishing the rates and charges for the Electric Utility for Fiscal Year 2024.

ATTACHMENT(S):

Fiscal Impact Analysis

Resolution 43-2023

Electric Utility Rate Schedule Effective June 1, 2023

Proposed Electric Utility Rate Schedule Effective October 1, 2023

Comparison of Existing to Proposed Rates

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Inflows					
Current Appropriation	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows					
Current Appropriation	0	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0