

STAFF REPORT SPECIAL MEETING

AGENDA DATE: September 11, 2025

DEPARTMENT: Electric Utility

TITLE:

Resolution No. 57-2025 – establishing the rates and charges for the Electric Utility for Fiscal Year 2026

SUMMARY:

Resolution 57-2025 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 of 8% in the electric utility's Base Revenues was required to help increase the utility's Working Capital Fund (also referred to at times as "Reserves" or "Electric Utility Enterprise Fund Balance") so as to grow account balance gradually over a period of 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.

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. 57-2025, establishing the rates and charges for the Electric Utility for Fiscal Year 2026.

ATTACHMENT(S):

Resolution 57-2025

Proposed Electric Utility Rate Schedule Effective October 1, 2025