



# City of Lawrenceville

## Gas Rate Analysis

Presented by: Todd Hardigree

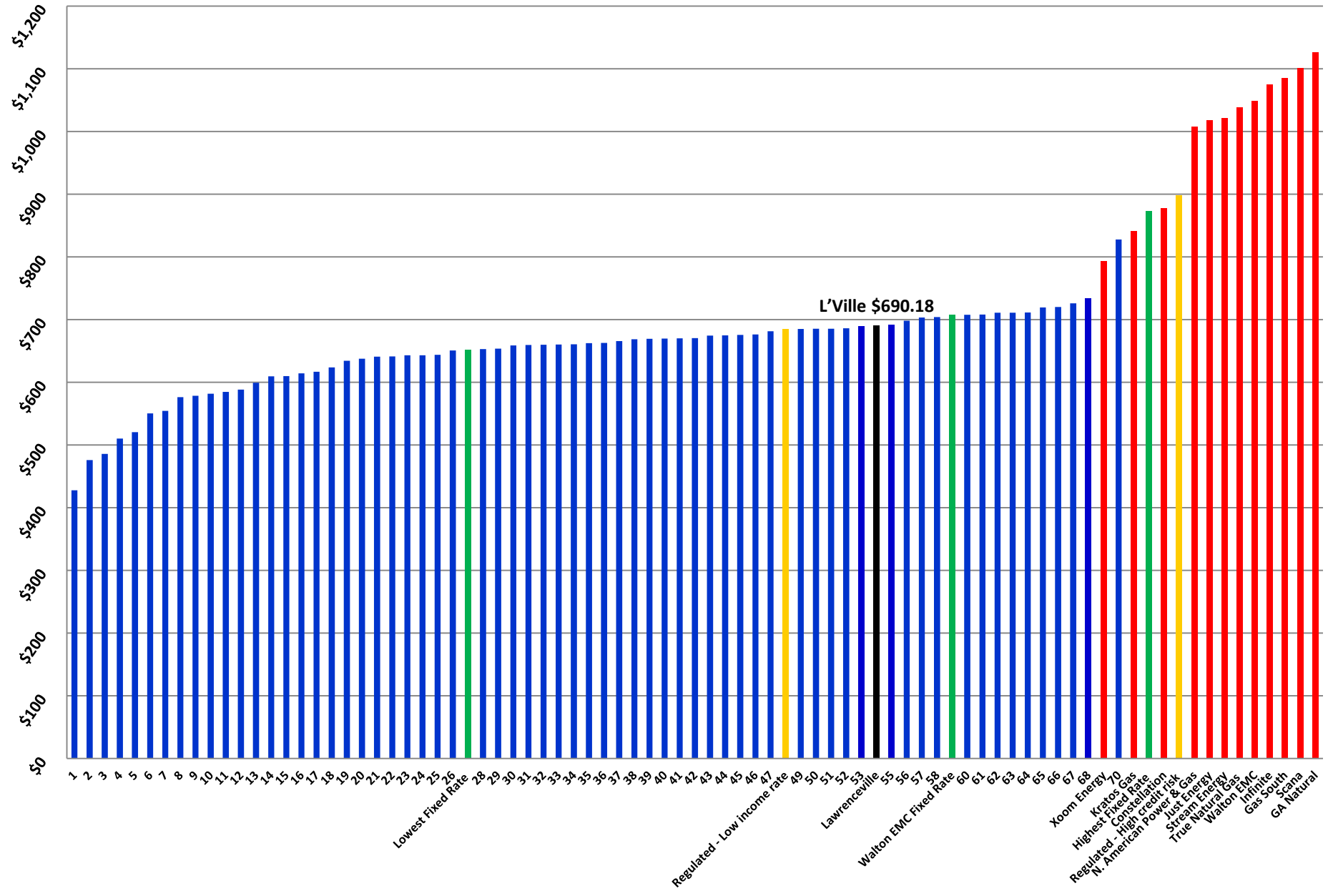


# Where do we stand?

## Residential Rates

<u>Gas Provider</u>	<u>Base Rate</u>	<u>Dist Charge/Mcf</u>	<u>Total Bill 500 Therms</u>
Comparable City	\$17.00	\$1.00	\$485.94
Comparable City	\$11.95	\$3.45	\$578.49
Comparable City	\$12.00	\$3.75	\$634.25
**AGL - Marketer (Lowest 12 Month Fixed)	\$36.48	N/A	\$651.30
Comparable City	\$13.64	\$4.93	\$669.97
<b>Lawrenceville (Current Rates)</b>	<b>\$21.00</b>	<b>\$4.00</b>	<b>\$690.18</b>
**AGL - Marketer (Walton EMC)	\$36.48	N/A	\$707.23
Comparable City	\$22.00	\$5.50	\$726.07
**AGL - Marketer (Highest 12 Month Fixed)	\$36.48	N/A	\$872.80

# 2019 Average Residential Bill (500 Therms) Municipals and Marketers (Current Rate Structure)





# On Our Website for Direct Comparison Versus Marketers

## LAWRENCEVILLE VARIABLE GAS RATE/BILL COMPARISON (12 MONTH AVERAGE)

*\*Based on Dec18-Nov19 Period Using PSC/AGL Consumption of 717 Therms)(Lawrenceville bills in CCF and numbers have been converted to match "therm")\**

Monthly Base Charge Total and Average		Average Marketer Variable Rates (Price/Therm)		Marketer Variable Rates (Customer Charge)		Total Bill	
AGL Customer Base Charge (1.3 DDDC) Total	\$ 356.44	True Natural Gas	\$ 1.21	True Natural Gas	\$ 5.95	True Natural Gas	\$ 1,316.95
Average	\$ 29.70	Walton EMC	\$ 1.24	Walton EMC	\$ 5.83	Walton EMC	\$ 1,333.84
		Stream Energy	\$ 1.19	Stream Energy	\$ 6.37	Stream Energy	\$ 1,284.64
		Constellation	\$ 0.90	Constellation	\$ 5.95	Constellation	\$ 1,072.42
Lawrenceville Total	\$ 252.00	Scana Energy	\$ 1.34	Scana Energy	\$ 5.95	Scana Energy	\$ 1,398.13
Average	\$ 21.00	Gas South	\$ 1.31	Gas South	\$ 9.95	Gas South	\$ 1,423.13
		Infinite Energy	\$ 1.29	Infinite Energy	\$ 5.95	Infinite Energy	\$ 1,352.09
		Georgia Natural	\$ 1.41	Georgia Natural	\$ 6.99	Georgia Natural	\$ 1,478.70
		Just Energy	\$ 1.18	Just Energy	\$ 5.95	Just Energy	\$ 1,273.90
		Kratos Gas and Power	\$ 0.83	Kratos Gas and Power	\$ 5.95	Kratos Gas and Power	\$ 1,014.14
		North American	\$ 1.16	North American	\$ 5.95	North American	\$ 1,258.84
		Xoom Energy	\$ 0.76	Xoom Energy	\$ 5.85	Xoom Energy	\$ 980.13
		Average	\$ 1.15	Average	\$ 6.39	Average	\$ 1,265.58
		Lawrenceville	\$ 0.91	Lawrenceville	N/A	Lawrenceville	\$ 788.86



# Where Do We Need To Be?

- Based on current market (AGL has an approved increase of around 4% or \$30-\$45 per customer per year), increased costs of system maintenance, improvements and contract pricing (up over 10% since last rate increase in 2017)
- Proposing a \$1.00 increase to the base rate per year over the next three years and a \$0 to the mcf/ccf distribution charge
- Recommending an increase to the base rate for customers with large rotary style meters over 1500 CFH (on next slide), due to the costs of installation, proper maintenance and yearly testing, to include contract customers
- If approved, this would take place on July 1, 2020
- This keeps our gas competitive, allows us to give the best customer service field experience at an excellent level and sustain the gas system to cover increasing costs

# Where Do We Need To Be? Commercial Rates



## **\*PROPOSED NEW BASE RATE FOR LARGE METER CUSTOMERS**

METER SIZE	TOTAL (ACTIVE IN SYSTEM)	NEW RATE ANALYSIS		
		NEW	OLD BASE RATE	NEW NET REVENUE PER YEAR
1.5M	34	\$38.00	\$27.00	\$4,488.00
2M	71	\$38.00	\$27.00	\$9,372.00
3M	100	\$40.00	\$27.00	\$15,600.00
5M	70	\$65.00	\$27.00	\$31,920.00
7M	24	\$65.00	\$27.00	\$10,944.00
11M	14	\$65.00	\$27.00	\$6,384.00
16M	0	\$200.00	\$27.00	\$0.00
23M	3	\$225.00	\$27.00	\$7,128.00
TOTAL	316	\$188,220.00	\$102,384.00	\$85,836.00

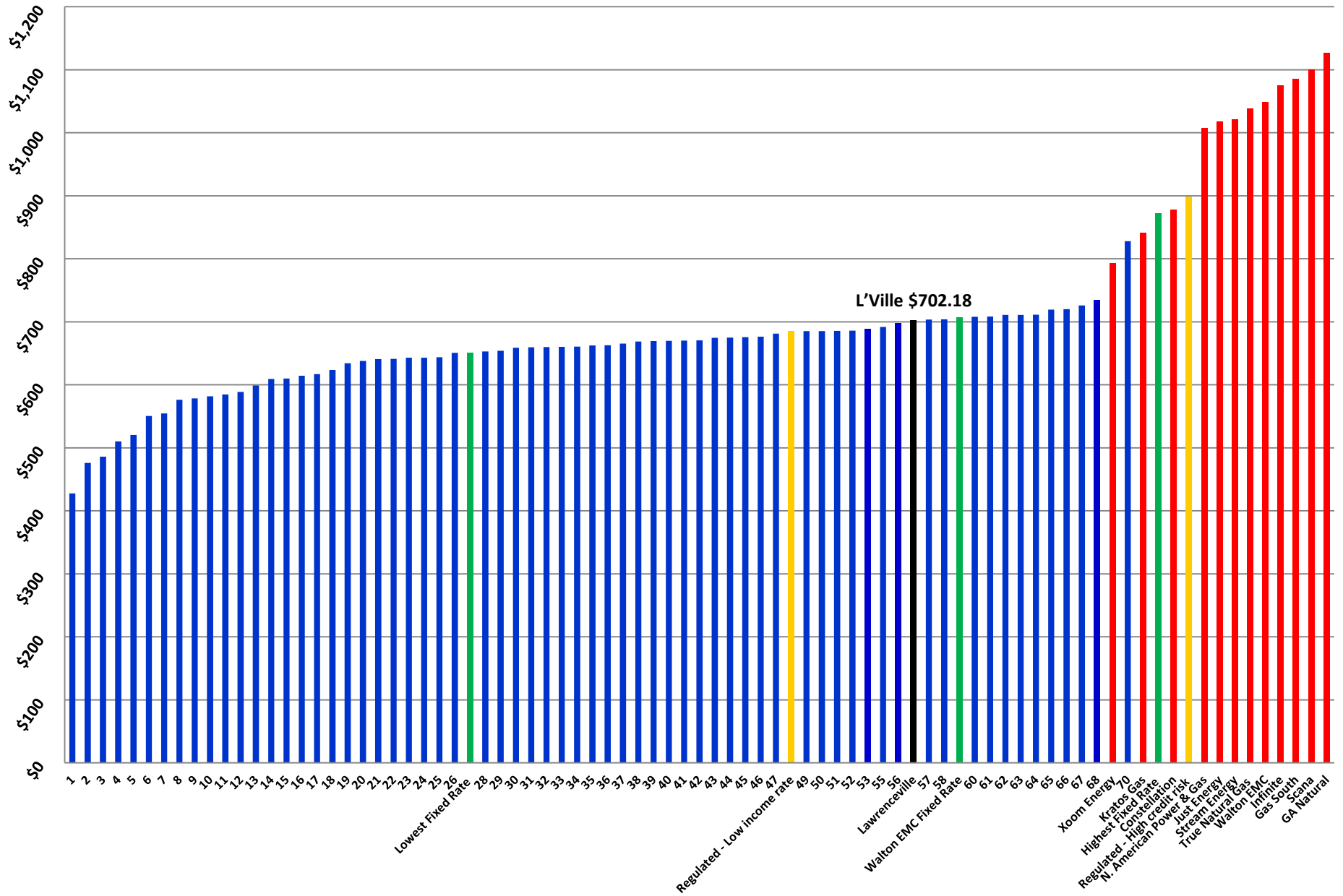
- ❖ This will include our contract customers (Ricoh, Publix, Hospital)



# Comparison With New Rate 2020 Residential and Commercial

<u>Gas Provider</u>	<u>Residential</u>		<u>Small Commercial</u>	
	<u>Base Rate</u>	<u>Dist Charge/Mcf</u>	<u>Base Rate</u>	<u>Dist Charge/Mcf</u>
Comparable City	\$17.00	\$1.00	\$17.00	\$1.00
Comparable City	\$11.95	\$3.45	\$13.50	\$3.45
Comparable City	\$12.00	\$3.75	\$20.00	\$3.75
**AGL - Marketer (Lowest 12 Month Fixed)	\$36.48	N/A		
Comparable City	\$13.64	\$4.93	\$14.65	\$4.93
<b>Lawrenceville (Current Rates)</b>	<b>\$21.00</b>	<b>\$4.00</b>	<b>\$27.00</b>	<b>\$4.00</b>
<b>Lawrenceville (\$1.00/month Base Rate Increase)</b>	<b>\$22.00</b>	<b>\$4.00</b>	<b>\$28.00</b>	<b>\$4.00</b>
**AGL - Marketer (Walton EMC)	\$36.48	N/A		
Comparable City	\$22.00	\$5.50	\$26.00	\$5.50
**AGL - Marketer (Highest 12 Month Fixed)	\$36.48	N/A		

# 2019 Average Residential Bill (500 Therms) Municipals and Marketers With \$1/month increase





# Gas Budget Forecast with \$1 Base Rate Increase (Based on “Warm” Winter Forecast)

Customer Class	Customer Count	Base Rate	Distribution Margin/Mcf	Avg Annual Cust Bill	Additional Margin From Current Base Rates	Proposed Monthly Increase Per Cust/Per Year
Residential	46,500	\$ 22.00	\$ 4.00	\$672	\$558,000.00	\$1
Small Com/Ind	2,714	\$ 28.00	\$ 4.00	\$2,430	\$32,568.00	\$1
Large Meter	316	\$38-\$225	\$4.00/Variable		\$85,836.00	Stays On Proposed Schedule
<b>Total FY21</b>	<b>49,530</b>				<b>\$676,404.00</b>	
<b>Total FY22</b>	<b>50,355</b>				<b>\$1,286,772.00</b>	
<b>Total FY23</b>	<b>51,180</b>				<b>\$1,916,940.00</b>	