City of Alachua

FY 2015 – 2016 Electric, Water, Wastewater and Reclaimed Water Utility Rates

Marcus Collins, Director of Public Services

July 27, 2015

Proposed Rates

- Typical residential customer will see overall monthly billing increase:

Electric:	**$ 1.45/Mo**	**(1,000 kWh/ Mo.)**
Water:	**$ 0.56 /Mo**	**(6,000 Gal/Mo.)**
Wastewater:	**$ 1.19 /Mo**	**(6,000 Gal/Mo.)**
Total Monthly Increase:	**$ 3.20**	

- Proposed rate changes have been properly noticed to customers (via utility billing) in accordance with **Florida Statute 180.136**

Proposed Rates

- Propose total Electric Revenue increase of 1.5%; due to capital expansion and increase of bulk power costs. This is 0.07 % less than the PSC Price Index.

- Propose total Water Revenue increase of 3.0%; due to decreased sales and need for capital improvement projects.

- Propose total Wastewater and Reclaimed Water Revenue increase of 3%; due to decreased sales (flow) and increased debt service.

FY 2016
Electric Rates

Proposed Electric Rates

- Typical residential electric customer will see overall monthly billing increase:

Electric: $ 1.45/Mo (1,000 kWh/Mo)

Electric Rate Classes

- Residential
- Non-Residential -Non-Demand
  (smaller commercial customers)
- Non-Residential -Demand
  (larger commercial customers)
- Non-Residential Large Demand
  (very large commercial customer

Customers

Electric System Customers:

- 3,656 Residential Customers
- 582 Non Residential-Non Demand Customers
- 140 Non Residential-Demand Customers
- 1 Non Residential-Large Demand Customer

4,379 Total

Electric Residential Rates

Charge Type	Current Rates	Proposed Rates
Customer Charge: $/Mo.	$9.00	$9.14
Energy Charge: Tier 1: <1,000 kWh/Mo Tier 2: > 1,000 KWh/Mo	$0.0920 $0.1020	$0.0934 $0.1036
BPCA Charge: $/kWh/Mo. (Bulk Power Cost Adjustment)	Varies ($0.02500)	Varies ($0.02500)
Typical Bill: $/Month **Consumption 1,000 kWh/Mo.**	$126.00	$127.45

Typical Residential Rates Increase per Month: $1.45

Number of Customers: 3,656

Electric Non-Residential (Non-Demand) Rate

Small Commercial Customer

Charge Type	Current Rates	Proposed Rates
Customer Charge: $/Mo	$11.50	$11.68
Energy Charge: $/kWh/Mo.	$0.0970	$0.0985
BPCA Charge: $/kWh/Mo. (Bulk Power Cost Adjustment)	Varies ($0.02500)	Varies ($0.02500)
Typical Bill: $/Mo. **Consumption 1,500 kWh/Mo.**	$194.50	$196.93

Typical Non-Demand Rate Increase per Month: $ 2.43

Number of Customers: 582

Electric Non-Residential (Demand) Rate

Large Commercial Customer

Charge Type	Current Rates	Proposed Rates
Customer Charge: $/Mo.	$45.00	$45.71
Energy Charge: $/kWh/Mo.	$0.0690	$0.0701
Demand Charge: $/kW	$7.25	$7.36
BPCA Charge: $/kWh/Mo. (Bulk Power Cost Adjustment)	Varies ($0.02500)	Varies ($0.02500)
Typical Bill: $/Mo **60,000 kWh/Mo -150 kW**	$6,772.50	$6,855.71

Typical Demand Rate Increase per Month: $ 83.21

Number of Customers: 140

Electric Non-Residential, (Large Demand) Rate

Very Large Commercial Customer

Charge Type	Current Rates	Proposed Rates
Customer Charge: $/Mo	$45.00	$45.71
Energy Charge: $/kWh/Mo.	$0.0660	$0.0670
Demand Charge: $/kW	$7.25	$7.36
BPCA Charge: $/kWh/Mo. (Bulk Power Cost Adjustment)	Varies ($0.02500)	Varies ($0.02500)
Typical Bill: $/Mo. **400,000 kWh/ Mo- 1,000 kW Demand**	$43,695.00	$44,205.71

Typical Demand Rate Increase per Month: $ 510.71

Number of Customers: 1

Electric Rate Recommendation

Approve Ordinance 15-10 on:

- First Reading: (July 27, 2015)
- Final Reading: (August 10, 2015)

Submit proposed rate increase to Florida Public Service Commission for review

Implement new rates effective: **October 2015**

FY 2016
Water Rates

Proposed Water Rates

- Typical residential water customer will see overall monthly billing increase:

Water: $ 0.56 /Mo (6,000 Gal/Mo.)

- Typical residential consumption: 6,000 gallons per month.

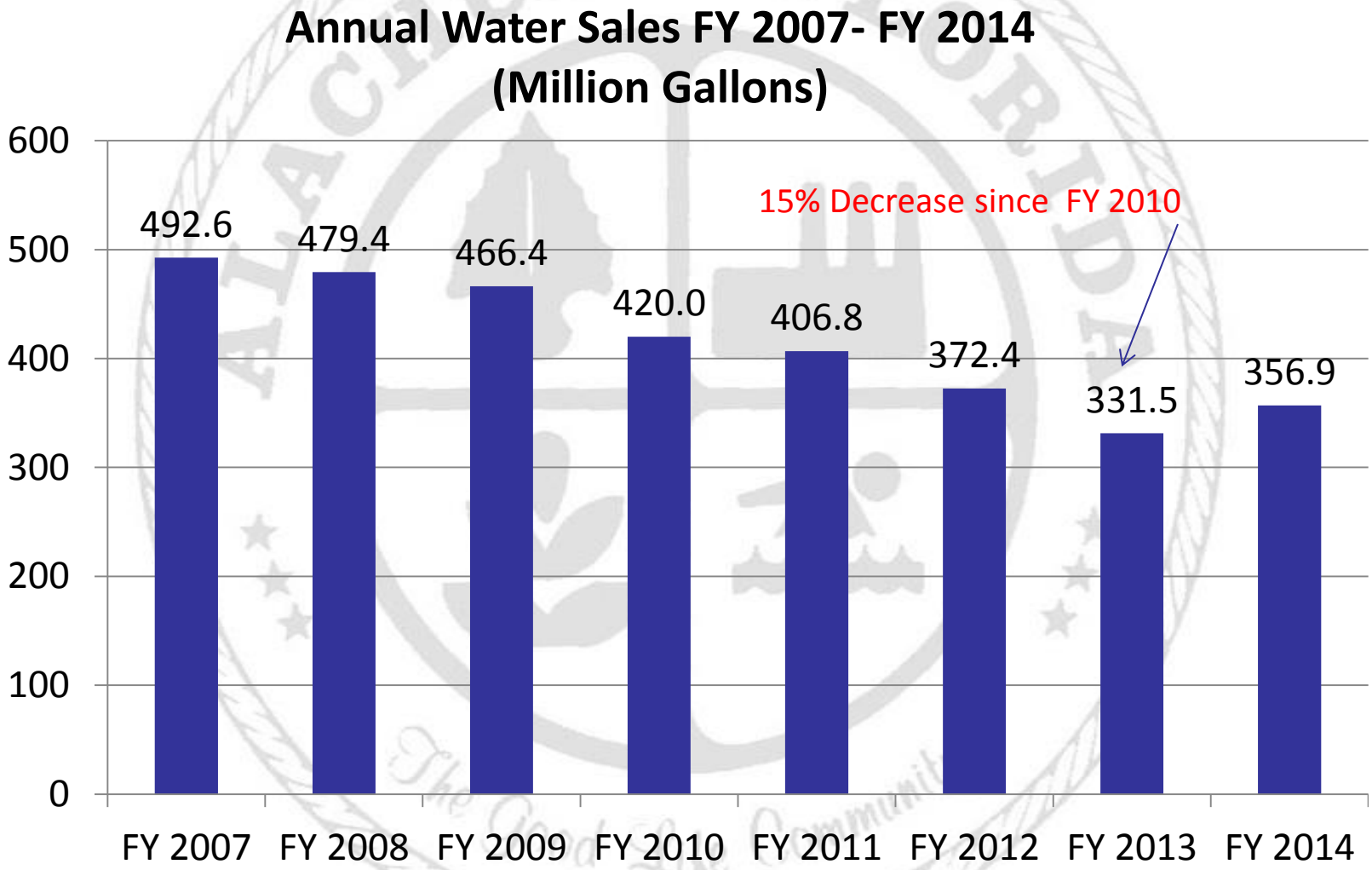
Customers

Water System Customers:

- 2,951 Residential water customers
- 397 Commercial water customers
- 459 Irrigation customers

3,807 Total

Water Sales Trends



Proposed Water Rates

Residential Rates		
Rate Component	**Existing**	**Proposed**
Customer Charge ($ per month)	$7.44	$7.66
Availability Charge ($ per month)	Varies	3 %
Consumption Charge ($ per 1,000 gallons)		
0 – 4,000 gallons	$1.76	$1.81
4,001 – 8,000 gallons	$2.29	$2.36
above 8,001 gallons	$3.44	$3.54

Typical Residential rate increase per month of $ 0.56 for a customer using 6,000 gallons.

Number of Customers: 2,951

Proposed Water Rates

Non-Residential Rates		
Rate Component	**Existing**	**Proposed**
Customer Charge ($ per month)	$7.44	$7.66
Availability Charge ($ per month)	Varies	3%
Consumption Charge ($ per 1,000 gallons)	$2.29	$2.36

Typical Non-Residential rate increase per month of $1.62 for a customer using 20,000 gallons.

Number of Customers: 397

Proposed Water Rates

Irrigation Rates		
Rate Component	**Existing**	**Proposed**
Customer Charge ($ per month)	$7.44	$7.66
Availability Charge ($ per month)	Varies	No change
Consumption Charge ($ per 1,000 gallons)	$3.44	$3.54

Typical Irrigation rate increase per month of $1.22 for a customer using 10,000 gallons.

Number of Customers: 459

FY 2015
Wastewater Rates

Proposed Wastewater Rates

- Typical wastewater residential customer will see overall monthly billing increase:

Wastewater: $ 1.19 /Mo (6,000 Gal/Mo)

- Typical residential wastewater customer generates 6,000 gallons per month usage.

Customers

Wastewater Customers:

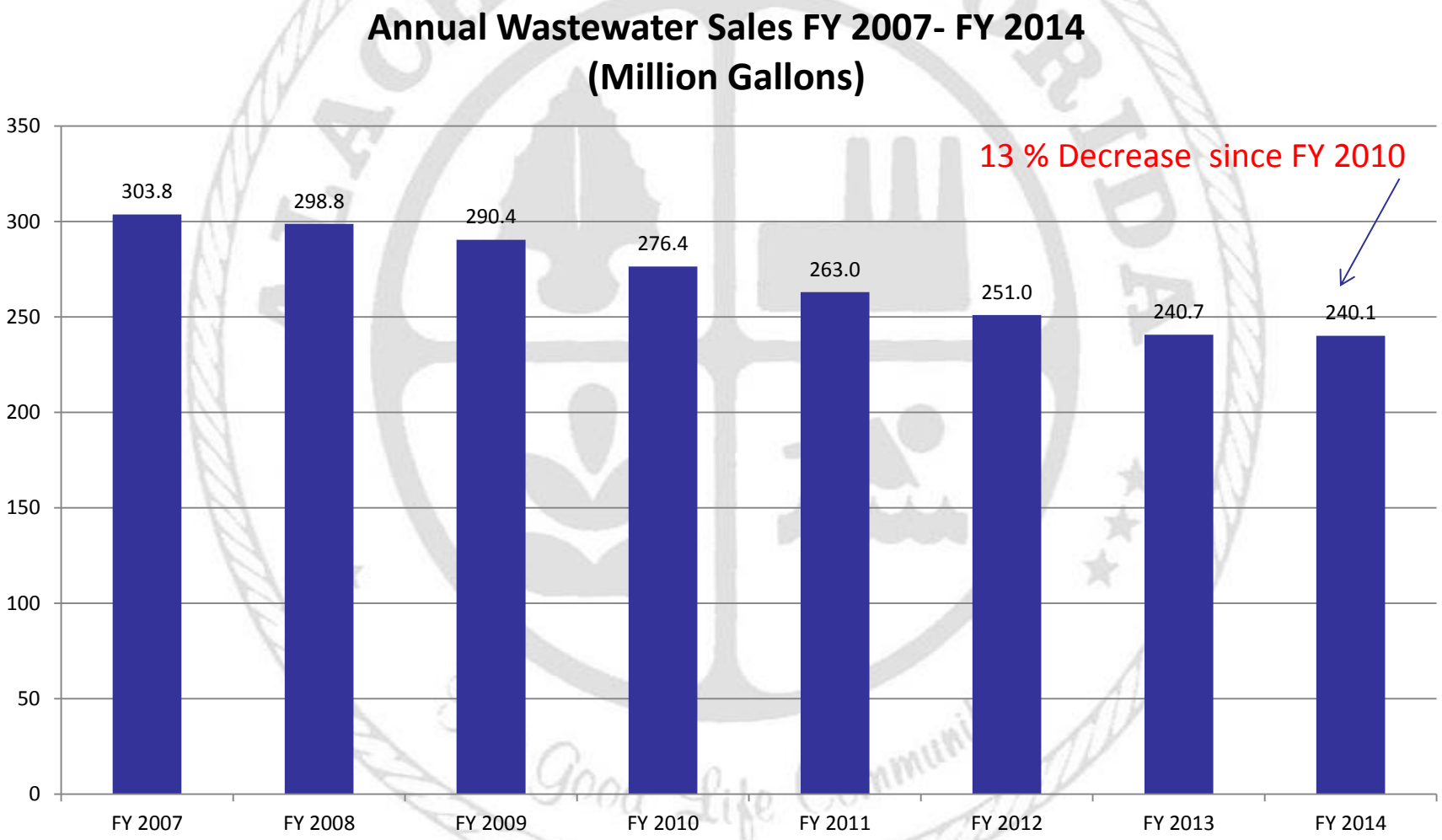
- 2,501 Residential wastewater customers
- 313 Non-residential wastewater customers

2,814 Total

HISTORICAL- Projected & Actual Increase

Fiscal Year	FY- Projected	Actual
2013	5.6%	Actual 5.6%
2014	5.0%	Actual 3.3%
2015	5.0%	Actual 3.0%
2016	3.0%	Proposed 3.0%
2017 and after	Price index adjustment only if feasible.	Price index adjustment only if feasible.

Annual Wastewater Sales Trends



Proposed Wastewater Rates

Residential Rates		
Rate Component	**Existing**	**Proposed**
Customer Charge ($ per month)	$9.75	$10.04
Consumption Charge ($ per 1,000 gallons)	$5.12	$5.27

Typical Residential rate increase per month of $1.19 for a customer generating 6,000 gallons usage.

Number of Customers: 2501

Proposed Wastewater Rates

Non-Residential Rates		
Rate Component	**Existing**	**Proposed**
Customer Charge ($ per month)	$9.75	$10.04
Consumption Charge ($ per 1,000 gallons)	$7.12	$7.33

Typical Non-Residential rate increase per month of $4.49 for a customer generating 20,000 gallons usage.

Number of Customers: 313

Proposed Wastewater Rates

Reclaimed Rates		
Rate Component	**Existing**	**Proposed**
Customer Charge ($ per month)	$7.32	$7.54
Consumption Charge ($ per 1,000 gallons)	$0.67	$0.69

Typical Reclaimed rate increase per month of $120.22 for a customer generating 6,000,000 gallons usage.

Number of Customers: 1

Water & Wastewater Rate Recommendation

Adopt Ordinance 15-09 on:

- **First Reading (July 27, 2015)**
- **Final Reading (August 10, 2015)**

- Implement new rates effective: **October 2015**

Summary – All Proposed Rates

- Typical residential customer will see overall monthly billing increase:

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Questions & Comments