

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

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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.)

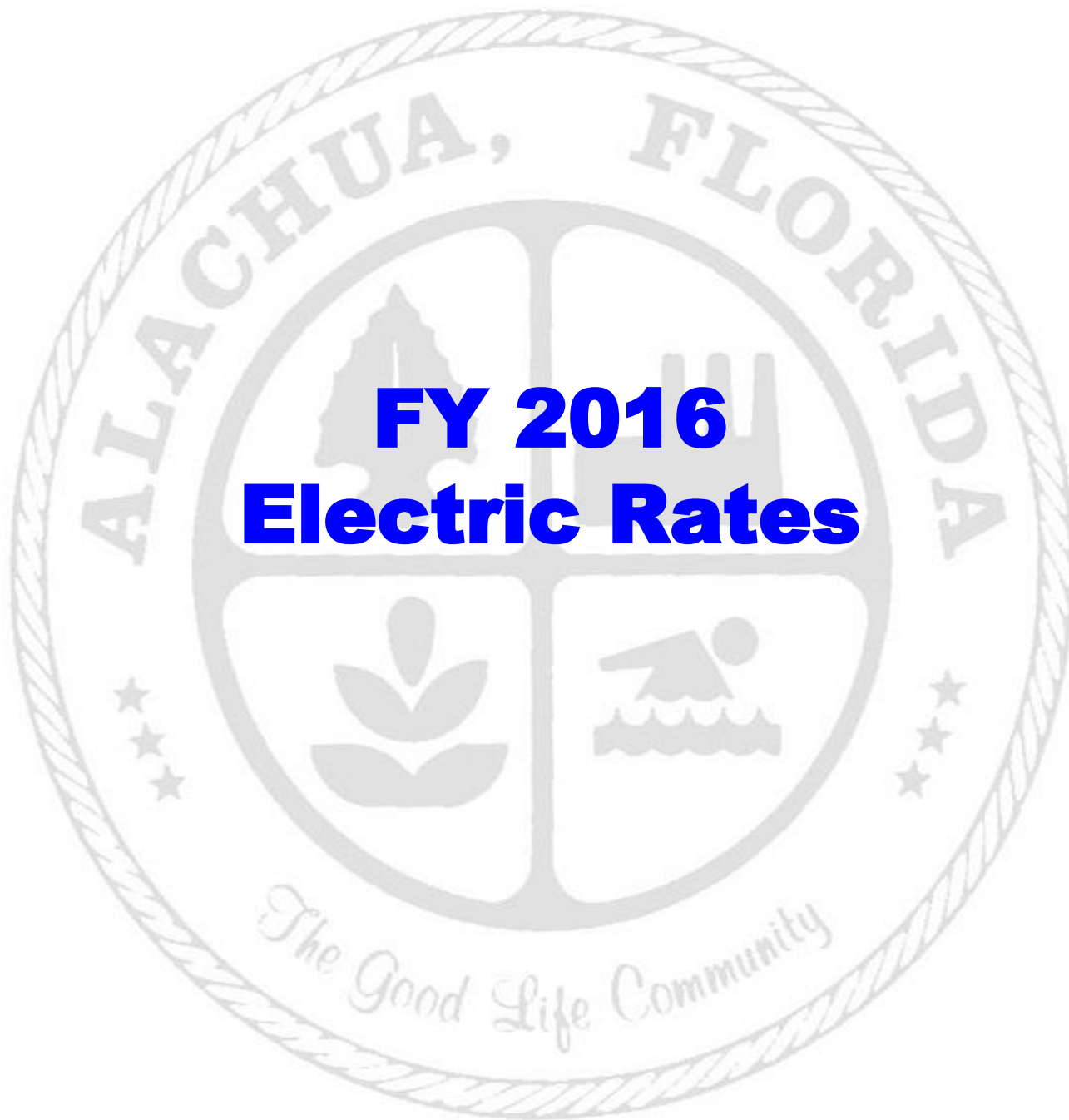
Wastewater: \$ 1.19 /Mo (6,000 Gal/Mo.)

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.



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

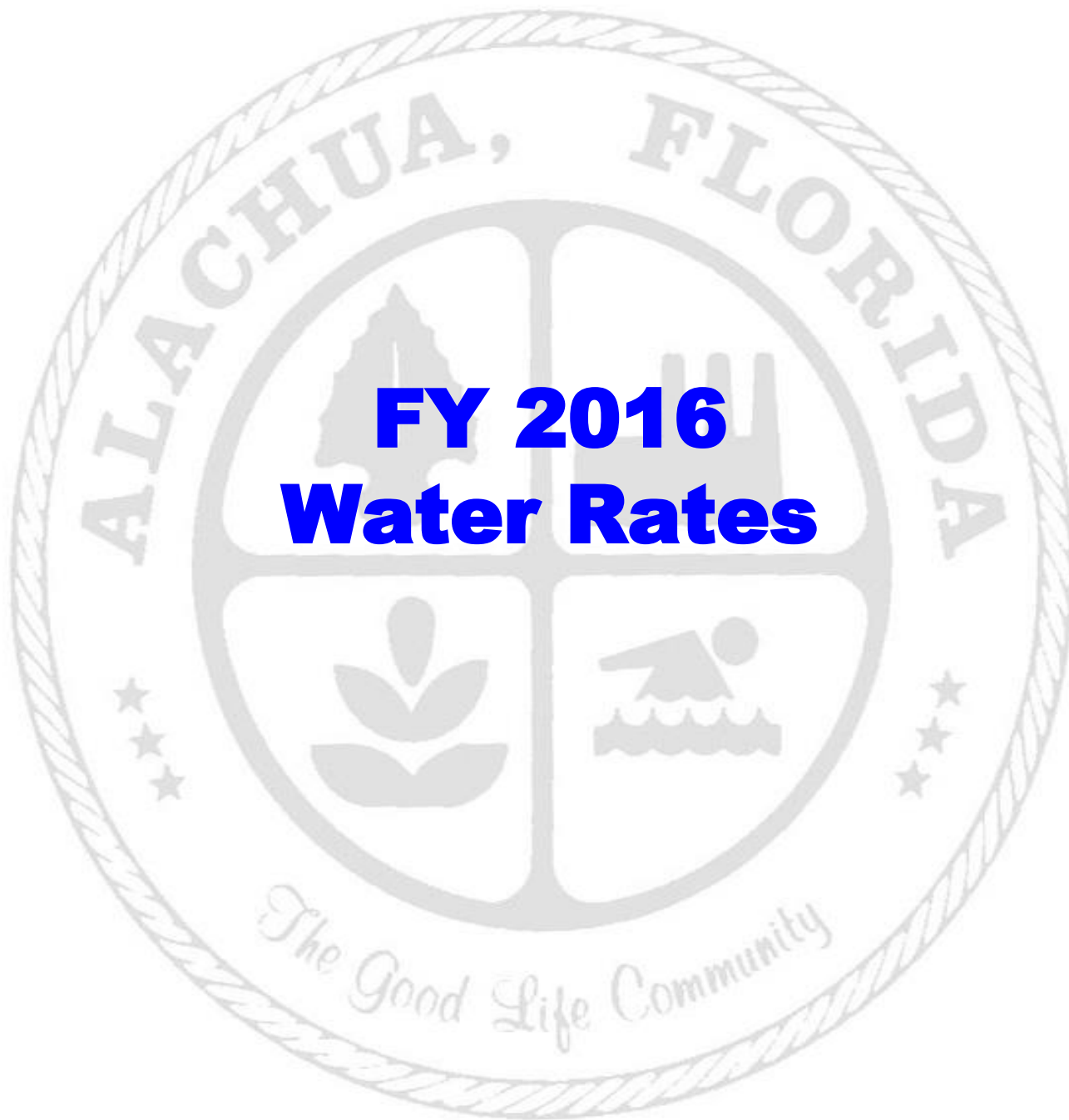
Electric Rate Recommendation

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**



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.

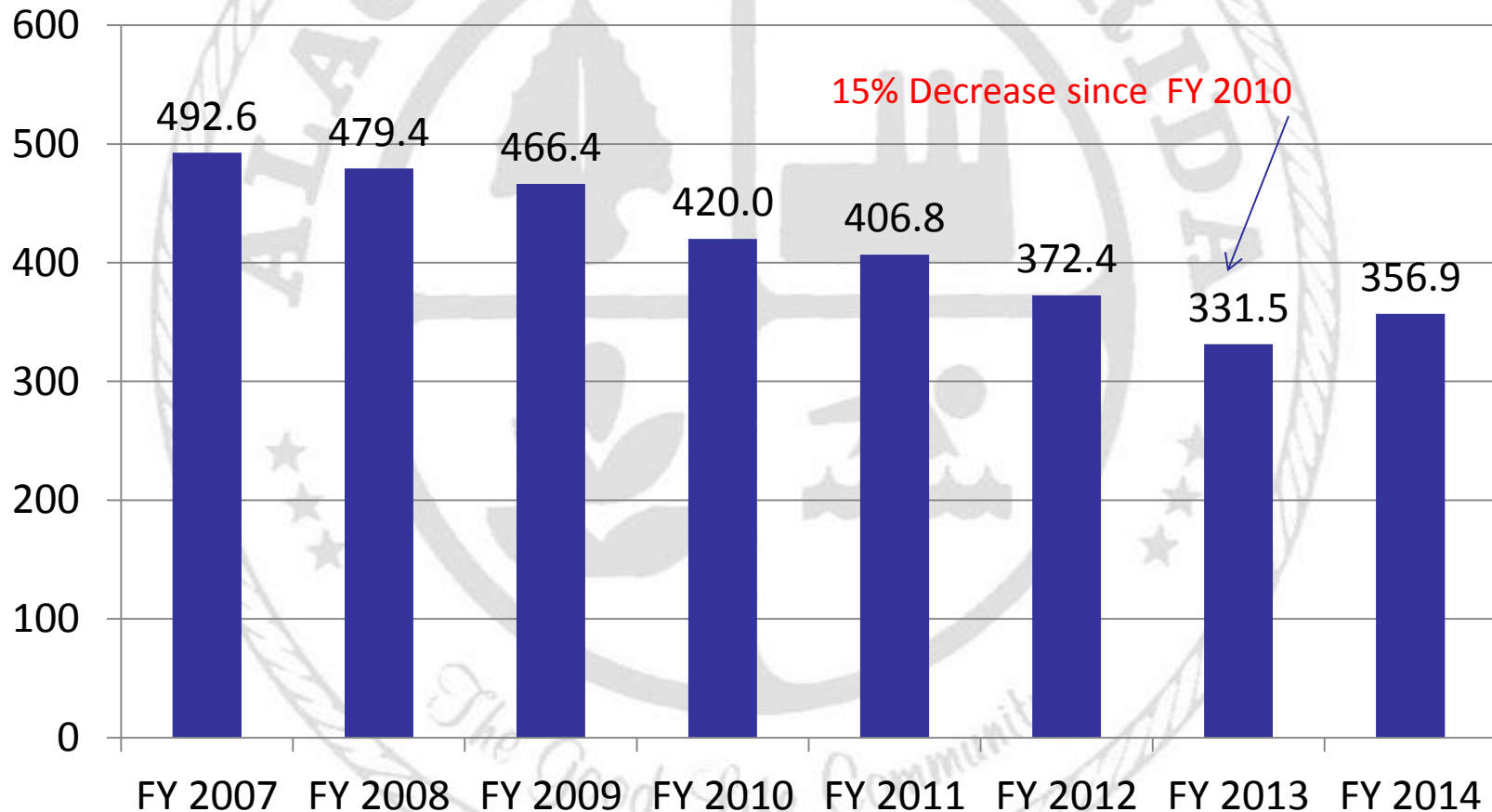
Customers

Water System Customers:

- 2,951 Residential water customers
- 397 Commercial water customers
- 459 Irrigation customers
- 3,807 Total

Water Sales Trends

**Annual Water Sales FY 2007- FY 2014
(Million Gallons)**



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



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:

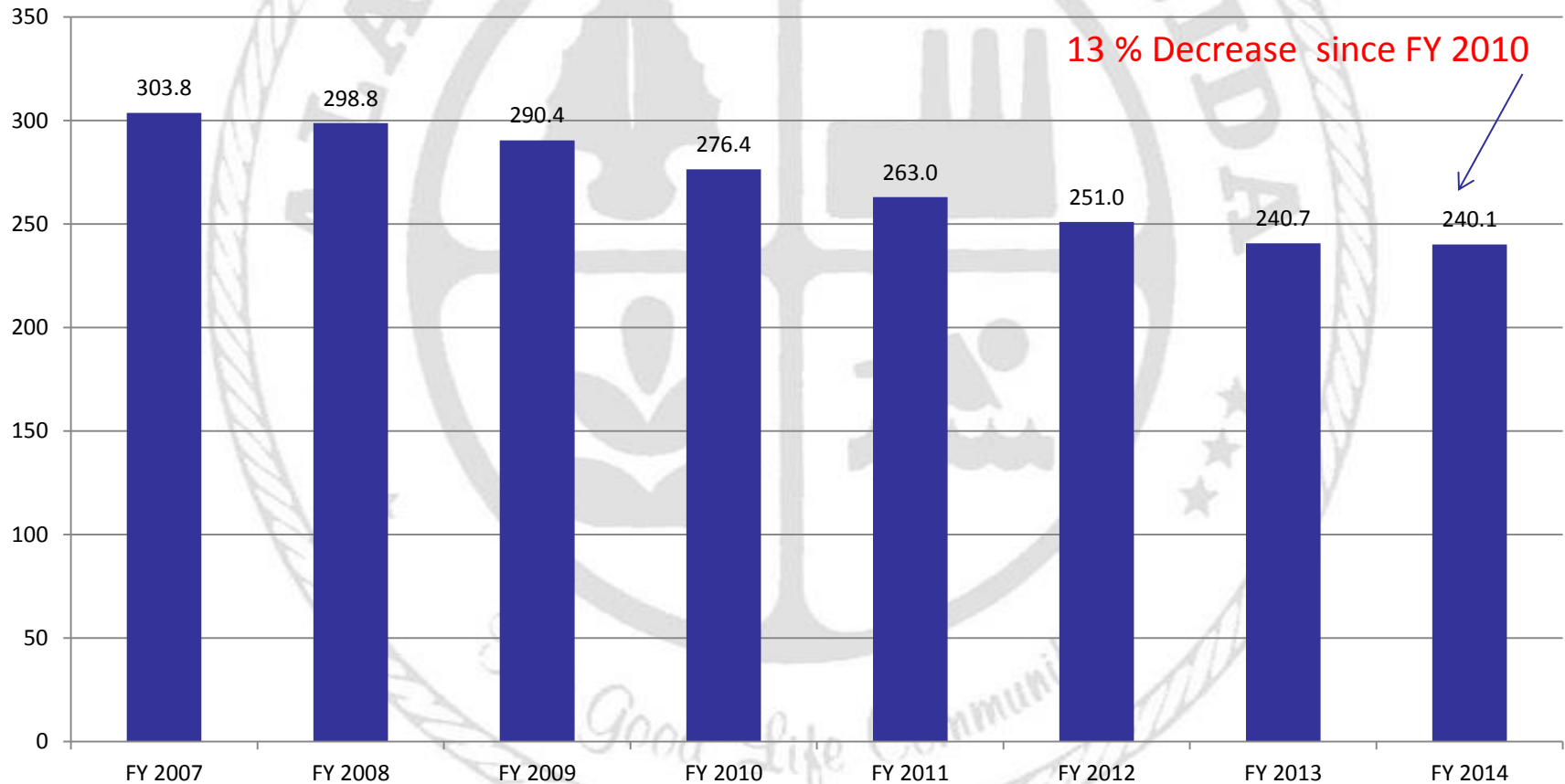
- 2,501 Residential wastewater customers
 - 313 Non-residential wastewater customers
- 2,814 Total

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

Annual Wastewater Sales FY 2007- FY 2014
(Million Gallons)



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

