

Overview of Code Ordinance 02-351

- GDS Associates completed their rate study which is based on forecasting future revenue on a system wide basis
- GDS Associates and DPU are working together to complete the Cost of Service study which looks at the cost of providing services by customer classes. They will present the results of this study once concluded
- Our current billing system can not produce either Time of Use or Residential Demand bills.
- We are currently researching and developing a work plan for a billing system to accommodate Time of Use and/or Residential Demand rate structures
- The FY2024 budget was developed assuming an 8% rate increase effective July 2024
- We have not had an increase to electric rates since 2015

Revenue Overview

	Revenue (in millions)		
	Budgeted FY2023	Unaudited Actuals FY2023	Budget FY2024
KWH Sales	123.5	115.9	120.3
Sales	\$ 15.20	\$ 13.90	\$ 14.90

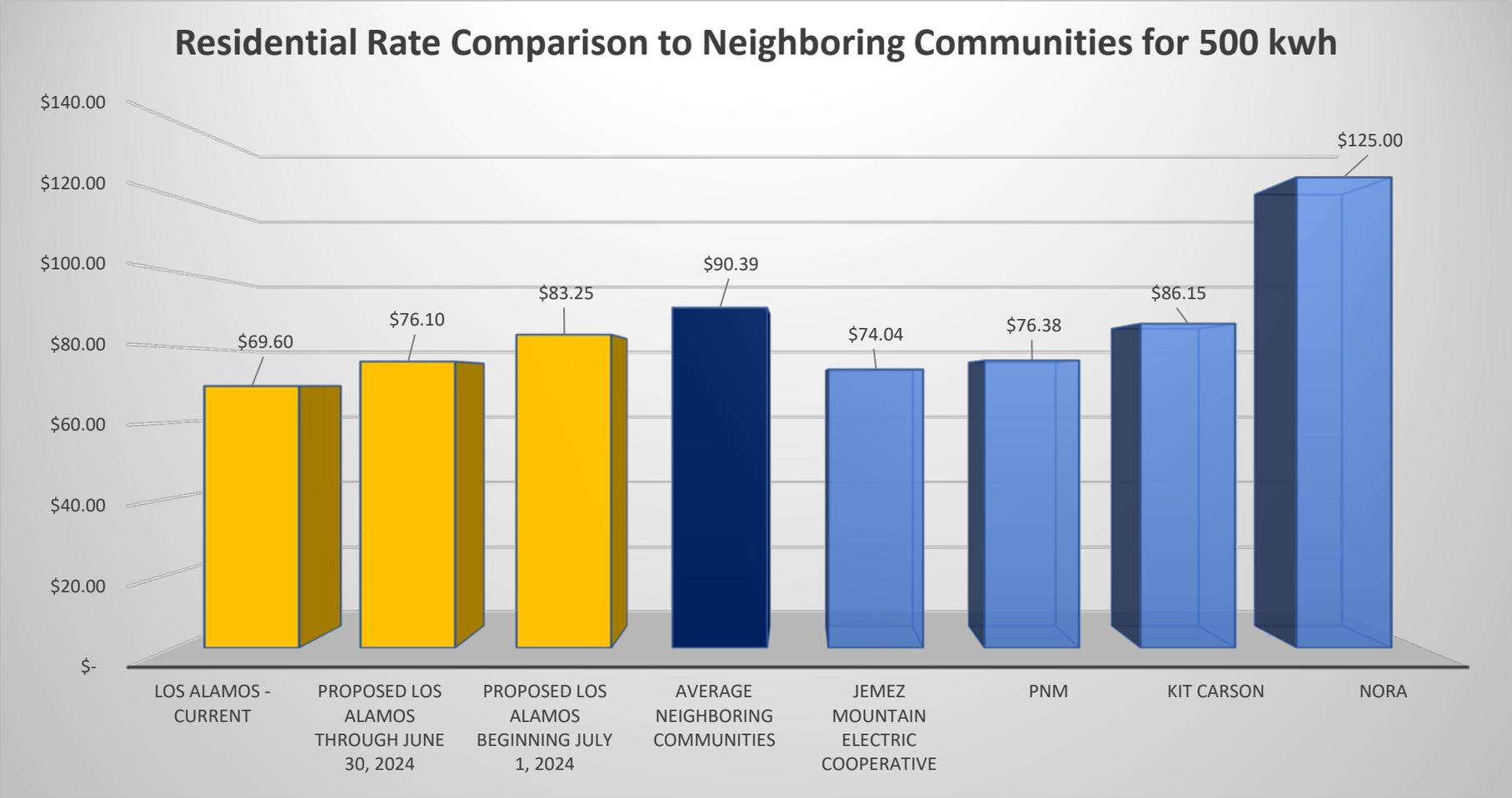
- If proposed 9% rate increase goes into effect by October 1, 2023, we should meet or exceed the budgeted \$14.9 million in sales
- The additional 9% increase effective July 1, 2024, would result in an additional \$1.3 million in sales for FY2025 assuming flat kwh usage

Rate History for Residential @ 500 kwh

Effective Date	Service Charge	Commodity Rate (per kwh)	Residential 500 kwh	% Increase
Jul-24	\$12.60	0.1413	\$ 83.25	9.4%
Oct-23	\$12.00	0.1282	\$ 76.10	9.3%
Feb-15	\$12.00	0.1152	\$ 69.60	20.4%
Dec-13	\$ 6.43	0.1028	\$ 57.83	8.0%
Feb-11	\$ 5.95	0.0952	\$ 53.55	5.0%
Sep-08	\$ 5.67	0.0907	\$ 51.02	4.8%
Jul-07	\$ 5.67	0.0860	\$ 48.67	4.8%
Dec-98	\$ 5.67	0.0815	\$ 46.42	



Neighboring Communities Residential @ 500 kwh



Green Power & Time of Use Rate Classes

- The proposed rate ordinance removes the option to purchase green power
- DPU no longer purchases RECs to offset production of electric power due to DPU's clean power production and purchases
- The total revenue from voluntary green power initiative for FY2023 was \$6,725
- DPU currently doesn't have any customers on the existing Time of Use Rate Class. Since we can not accommodate Time of Use rates in our current billing system, DPU is proposing removing the Time of Use rate classes

QUESTIONS?

