

Roseville Electric 2013 Rates Proposal

Public Meeting February 21, 2013

Roseville Electric at a Glance

• Service Began: 1913

• Customers: 55,000

• Employees: 121

Energy Sales: 1.2 billion kilowatt hours

Revenues: \$154 million

Distribution lines: 800 miles

Power Plants: 2 natural gas fired



Regulations are increasing costs

State of California Renewable Energy Requirement:

33% Renewable Energy by 2020

\$9 million per year in increased costs



City Council Priorities

- Fiscal soundness
- Economic development
- Sound and stable utilities
- A great downtown



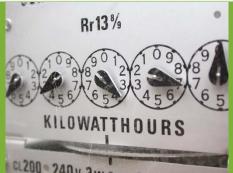
Financial Challenges

- State Renewable Energy requirements
- State Greenhouse Gas Reduction requirements
- Lower than expected energy sales
- Rate Stabilization Fund below minimum
- Equipment and technology rehabilitation



Roseville Electric's Value to the Community

- \$31 million more in community benefits compared to PG&E
 - \$23 million in lower rates
 - \$6 million to the General Fund for parks, libraries, police, and fire
 - \$2 million for traffic signals and street lights
- Highest reliability in the region



Actions to Minimize Rate Increases

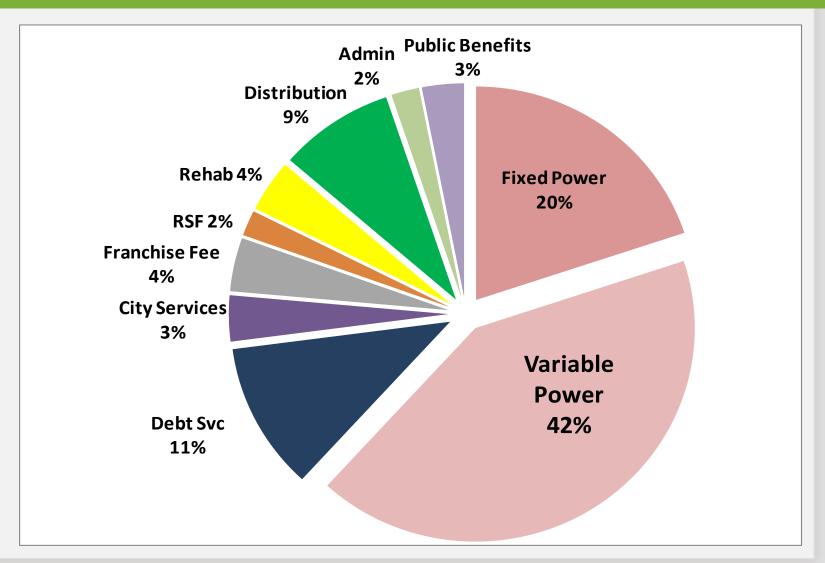
- Reduced labor expenditures by \$9 million since 2009 forecast
- Renegotiated Long Term Maintenance
 Agreement to save \$6 million over 10 years
- Refinanced debt



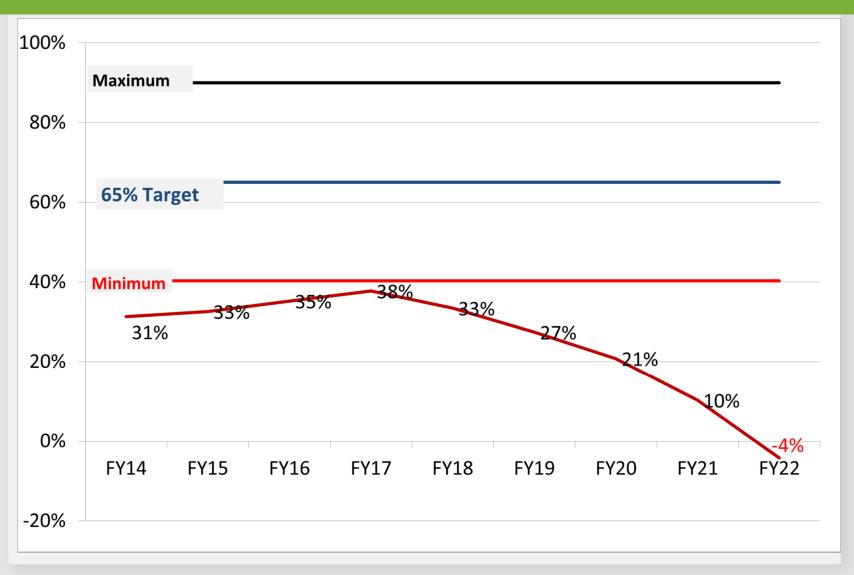
Financial Goals

- Rate Stabilization Fund between 40% and 90% of operating expenses
- Fully fund Infrastructure Rehabilitation Plan
- Annual revenues exceed annual expenses
- Debt service coverage ratio of 2.0
- Maintain existing credit ratings

Operating Expenses



Rate Stabilization Fund Outlook





Recommended Rate Actions

Effective 7/1/2013

Effective 7/1/2014

2% rate increase

2% rate increase

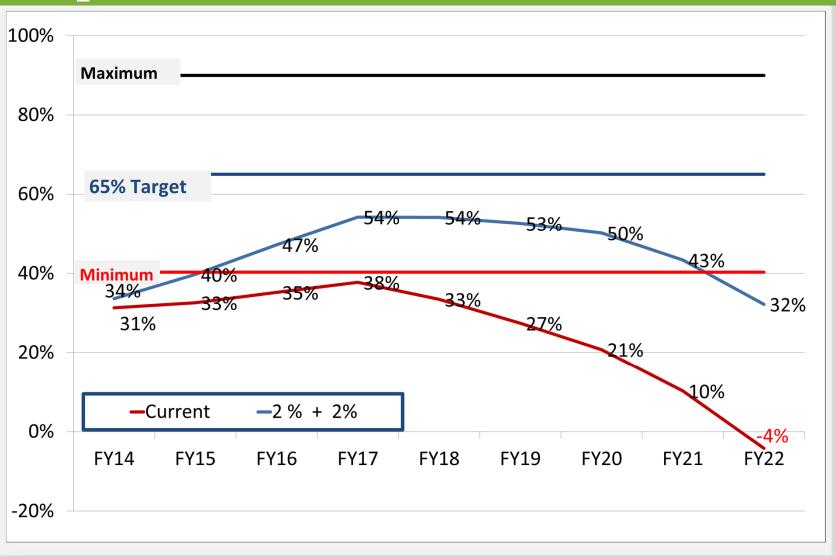
Modify Hydroelectric adjustment policy



Other Recommended Rate Actions

- Increase fixed charge and decrease energy charge
- Remove Environmental Compliance Charge
- Add California Renewable Energy charge
- Add California Greenhouse Gas charge
- All business customers to Seasonal Rates

Impact on Rate Stabilization Fund



Regional Comparisons

Average Monthly Bill Comparison 2013 ¹						
Class of Service	Roseville Sacramento		% Var Rocklin		% Var	
Industrial	\$238,988	\$249,846	5%	\$279,910	15%	
Large Business	\$30,387	\$30,856	2%	\$39,154	26%	
Medium Business	\$3,203	\$3,079	-4%	\$3,816	17%	
Small Business	\$166	\$176	6%	\$226	34%	
Residential	\$125	\$120	-5%	\$179	40%	

¹⁾ Based on SMUD and PG&E rates effective January 2013, Roseville Electric rates effective July 2013

²⁾ Assumes City of Sacramento customer and includes the City of Sacramento 7.5% Utility Users Tax

Proposed Residential

Changing rates &	addina	line	items
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Changing rates & adding line items					
		Current	2013	2014	
Monthly Customer Charge:		\$10	\$14	\$18	
Energy Cha	rge:				
Block 1	(0 - 500kWh)	\$0.1083	\$0.1043	\$0.1024	
Block 2	(501 – 1,000kWh)	\$0.1541	\$0.1503	\$0.1476	
Block 3	(>1,000kWh)	\$0.1756	\$0.1700	\$0.1672	
Environmental Compliance Charge:		\$0.0050			
California F	Renewable Energy Requirement:		\$0.0067	\$0.0067	
California C	Greenhouse Gas Requirement:		\$0.0002	\$0.0002	

Residential Monthly Bill Impact

Monthly Current Usage Bill \$	Current	July 1, 2013		July 1, 2014	
	Bill (\$)	Change (\$)	Bill (\$)	Change (\$)	
Apartment	\$62.32	\$65.38	\$3.06	\$68.50	\$3.12
House	\$123.24	\$125.43	\$2.19	\$127.55	\$2.12
Large user	\$165.28	\$166.83	\$1.55	\$168.20	\$1.37

City of Roseville, California

Proposed Small Business

Changing rates, adding seasons and line items

Monthly Customer Charge:	2012	2013	2014
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All Customers \$15.50 \$22 \$28

Energy Charge:

Winter \$0.1174 \$0.1067 \$0.1044

Summer \$0.1174 \$0.1233 \$0.1213

Environmental Compliance Charge: \$0.0050

California Renewable Energy Requirement: \$0.0067 \$0.0067

California Greenhouse Gas Requirement: \$0.0002 \$0.0002

Small Business Monthly Bill Impact

Customor	Customer Current Usage Bill \$	July 1, 2013		July 1, 2014	
		Bill (\$)	Change (\$)	Bill (\$)	Change (\$)
Low	\$103.17	\$107.75	\$4.58	\$112.18	\$4.43
Average	\$161.59	\$164.89	\$3.30	\$168.27	\$3.38
High	\$229.79	\$231.59	\$1.80	\$233.76	\$2.17

City of Roseville, California

Easy Ways to Save

How to save per month on your electric bill

- Replace two 65w incandescent light bulbs with CFLs
- Turn off unused appliances or lights
- Recycle the spare refrigerator in your garage and save \$20/month
- Set your thermostat up 1° in the summer



Public Outreach

- 6:30 p.m. Tuesday, February 19
 Maidu Community Center, 1550 Maidu Dr.
- 2:30 p.m. Thursday, February 21
 Riley Library, 1501 Pleasant Grove Blvd.
- 7 p.m. Thursday, February 21, RCONA Board Meeting Riley Library, 1501 Pleasant Grove Blvd.
- 7 p.m. Tuesday, February 26
 Public Utilities Commission, 311 Vernon Street
- 7 p.m. Wednesday, March 20
 City Council, 311 Vernon Street
- www.roseville.ca.us/RERateAdjustment