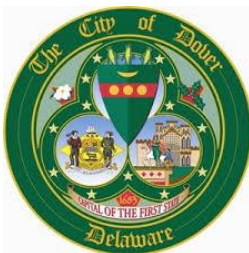


May 3, 2018

City of Dover – Cost of Service And Rate Design Study Phased In Rate Plan by Customer Class



ECONOMICS

STRATEGY

STAKEHOLDERS

SUSTAINABILITY



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Agenda

- Rate Design Proposal
 - Proposed rates by class
 - Phase 1 – July 1, 2018 (FY19)
 - Phase 2 – July 1, 2020 (FY21)
 - Phase 3 – July 1, 2022 (FY23)
- Cost of Service (COS) Rate Components
- Revenue Impact by Rate Component / Class

Rate Design Overview

Objectives

- Reduction in Revenue Requirement
 - Reduced contribution to reserves
- Draw down Working Capital reserves through Purchased Power Adjustment (PPA)
 - Gradual decrease in PPA credit over 3-year period
 - No PPA credit projected after July 1, 2020
- Adjust class revenues to better align with cost causation
- Implement changes over 5-year period
 - Rate changes for July 1 for FY19, FY21, FY23
 - Rate change % are constant for each FY

Revenue Projections for System

	2019	2020	2021	2022	2023
Total Base Rate Revenues	\$79,335,736	\$79,256,563	\$77,732,255	\$77,732,255	\$76,208,925
Adjustments	\$647,043	\$646,392	\$646,392	\$646,392	\$646,392
Total Base Rate Revenues with Adjustments (x/ Street Lighting)	\$79,982,779	\$79,902,955	\$78,378,647	\$78,378,647	\$76,855,317
Street Lighting	\$1,209,900	\$1,208,700	\$1,208,700	\$1,208,700	\$1,208,700
Total Base Rate Revenues with Adjustments	\$81,192,679	\$81,111,655	\$79,587,347	\$79,587,347	\$78,064,017
PPA	(\$2,877,420)	(\$2,877,420)			
Total Revenues	\$78,315,259	\$78,234,235	\$79,587,347	\$79,587,347	\$78,064,017



RATE PROPOSAL

Proposed Rate Class Changes

Rate Class	Rate Code	Adjustment
Residential	R	3 Phases
Small Commercial	C, C1	3 Phases
Medium Commercial	C2, C3	3 Phases
Water Pump	FP	3 Phases
Water Pump 2	F2	3 Phases
Large Commercial	C5	3 Phases
Primary	P	3 Phases
Transmission / Transmission (Federal Government)	T / FT	3 Phases
Firm Standby and Supplemental	SS	Adjust tariff / 3 Phases
Business Retention	BR	3 Phases

Proposed Rate Class Changes (cont'd)

Rate Class	Rate Code	Adjustment
Outdoor Development Lighting / Private Outdoor Lighting	OL	No change / New LED Rate
Green Energy Fund Rider	GEF	No change
Net Energy Metering	NM	Adjust tariff to reference Energy Rate
69 kV Transmission Service Classifications for 16 MW EWG Unit		Remove
Transmission Voltage Supplemental Services for NRG 16 MW EWG Unit		Remove
69 kV Transmission Service Classifications for NRG 88 MW EWG Unit		Remove
69 kV Delivery Service for White Oak Solar		Remove
Interruptible Rate (Transmission Service)		New

Rate Proposal – Residential Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$7.50	\$8.46	\$12.97	\$244,270
Energy Charge (\$/kWh)	\$0.1203	\$0.1206	\$0.1243	\$62,327
Demand Charge (\$/kW) ⁽¹⁾	\$0.00	\$0.00	\$0.00	\$0
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill – w/o PPA	\$105.87	\$107.07	\$114.46	\$306,597
Difference (%) – Base Rates		1.1%	6.9%	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$98.89	\$100.09		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$103.96		
Difference (%) – Change w/ PPA (Current Rate/Proposed Rates)		5.1%		

(1) No Demand Charge for Residential Customers
Based on 2017 Billing Database Analysis

Rate Proposal – Residential Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$8.46	\$9.42	\$12.97	\$244,028
Energy Charge (\$/kWh)	\$0.1206	\$0.1209	\$0.1243	\$62,265
Demand Charge (\$/kW) ⁽¹⁾	\$0.00	\$0.00	\$0.00	\$0
Green Energy Charge - GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill – w/o PPA	\$107.07	\$108.28	\$114.46	\$306,293
Difference (%) – Base Rates		1.1%	5.7%	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$103.94	\$105.16		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$108.28		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		4.2%		

(1) No Demand Charge for Residential Customers
Based on 2017 Billing Database Analysis

Rate Proposal – Residential Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$9.42	\$10.38	\$12.97	\$244,028
Energy Charge (\$/kWh)	\$0.1209	\$0.1212	\$0.1243	\$62,265
Demand Charge (\$/kW) ⁽¹⁾	\$0.00	\$0.00	\$0.00	\$0
Green Energy Charge - GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill – w/o PPA	\$108.28	\$109.48	\$114.46	\$306,293
Difference (%) – Base Rates		1.1%	4.5%	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$108.28	\$109.48		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$109.48		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		1.1%		

(1) No Demand Charge for Residential Customers
Based on 2017 Billing Database Analysis

Rate Proposal – Small Commercial Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS ⁽¹⁾	Class Change in Revenue
Customer Charge (\$/Month) – 1 Phase	\$7.50	\$8.39	\$24.93	\$25,119
Customer Charge (\$/Month) – 3 Phase	\$22.50	\$23.39	\$24.93	
Energy Charge (\$/kWh)	\$0.1004	\$0.1006	\$0.1234	\$5,357
Demand Charge (\$/kW) ⁽²⁾	\$0.00	\$0.00	\$0.00	\$0
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽³⁾ – w/o PPA	\$102.82	\$103.90	\$141.88	\$30,476
Difference (%) – Base Rates		1.0%	36.6%	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$94.71	\$95.79		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$100.28		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		5.9%		

(1) Cost of Service represents average costs for customer charge

(2) No Demand Charge for Small Commercial Customers

(3) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Small Commercial Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS ⁽¹⁾	Class Change in Revenue
Customer Charge (\$/Month) – 1 Phase	\$8.39	\$9.28	\$24.93	\$25,098
Customer Charge (\$/Month) – 3 Phase	\$23.39	\$24.28	\$24.93	
Energy Charge (\$/kWh)	\$0.1006	\$0.1008	\$0.1234	\$5,352
Demand Charge (\$/kW) ⁽²⁾	\$0.00	\$0.00	\$0.00	\$0
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽³⁾ – w/o PPA	\$103.90	\$104.98	\$141.88	\$30,450
Difference (%) – Base Rates		1.0%	35.1%	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$100.28	\$101.36		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$104.98		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		4.7%		

(1) Cost of Service represents average costs for customer charge

(2) No Demand Charge for Small Commercial Customers

(3) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Small Commercial Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS ⁽¹⁾	Class Change in Revenue
Customer Charge (\$/Month) – 1 Phase	\$9.28	\$10.17	\$24.93	\$25,098
Customer Charge (\$/Month) – 3 Phase	\$24.28	\$25.17	\$24.93	
Energy Charge (\$/kWh)	\$0.1008	\$0.1010	\$0.1234	\$5,352
Demand Charge (\$/kW) ⁽²⁾	\$0.00	\$0.00	\$0.00	\$0
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽³⁾ – w/o PPA	\$104.98	\$106.06	\$141.88	\$30,450
Difference (%) – Base Rates		1.0%	33.8%	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$104.98	\$106.06		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$106.06		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		1.0%		

(1) Cost of Service represents average costs for customer charge

(2) No Demand Charge for Small Commercial Customers

(3) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Medium Commercial Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS ⁽¹⁾	Class Change in Revenue
Customer Charge (\$/Month) – 1 Phase	\$7.50	\$11.73	\$26.12	\$30,253
Customer Charge (\$/Month) – 3 Phase	\$22.50	\$26.73	\$26.12	
Energy Charge (\$/kWh)	\$0.0677	\$0.0658	\$0.0486	(\$84,710)
Demand Charge (\$/kW)	\$13.95	\$13.40	\$16.66	(\$85,420)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽²⁾ – w/o PPA	\$734.11	\$714.53	\$691.40	(\$139,877)
Difference (%) – Base Rates		(2.7%)	(3.2%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$680.78	\$661.20		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$690.71		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		1.5%		

(1) Cost of Service represents average costs for customer charge

(2) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Medium Commercial Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS ⁽¹⁾	Class Change in Revenue
Customer Charge (\$/Month) – 1 Phase	\$11.73	\$15.96	\$26.12	\$30,202
Customer Charge (\$/Month) – 3 Phase	\$26.73	\$30.96	\$26.12	
Energy Charge (\$/kWh)	\$0.0658	\$0.0639	\$0.0486	(\$84,626)
Demand Charge (\$/kW)	\$13.40	\$12.85	\$16.66	(\$85,334)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽²⁾ – w/o PPA	\$714.53	\$694.96	\$691.40	(\$139,758)
Difference (%) – Base Rates		(2.7%)	(0.5%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$690.71	\$671.13		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$694.96		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		0.6%		

(1) Cost of Service represents average costs for customer charge

(2) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Medium Commercial Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS ⁽¹⁾	Class Change in Revenue
Customer Charge (\$/Month) – 1 Phase	\$15.96	\$20.19	\$26.12	\$30,202
Customer Charge (\$/Month) – 3 Phase	\$30.96	\$35.19	\$26.12	
Energy Charge (\$/kWh)	\$0.0639	\$0.0620	\$0.0486	(\$84,626)
Demand Charge (\$/kW)	\$12.85	\$12.30	\$16.66	(\$85,334)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽²⁾ – w/o PPA	\$694.96	\$675.38	\$691.40	(\$139,758)
Difference (%) – Base Rates		(2.8%)	2.4%	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$694.96	\$675.38		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$675.38		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(2.8%)		

(1) Cost of Service represents average costs for customer charge

(2) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Water Pump (FP) Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	Class Change in Revenue
Customer Charge (\$/Month)	\$15.00	\$15.00	\$0
Energy Charge (\$/kWh)	\$0.1466	\$0.1425	(\$2)
Demand Charge (\$/kW)	\$9.00	\$8.65	(\$16)
Green Energy Charge - GEF (\$/kWh)	\$0.000178	\$0.000178	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$34.78	\$34.04	(\$18)
Difference (%) – Base Rates		(2.1%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$34.63	\$33.89	
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$33.97	
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(1.9%)	

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Water Pump (FP) Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	Class Change in Revenue
Customer Charge (\$/Month)	\$15.00	\$15.00	\$0
Energy Charge (\$/kWh)	\$0.1425	\$0.1384	(\$2)
Demand Charge (\$/kW)	\$8.65	\$8.29	(\$17)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$34.04	\$33.28	(\$19)
Difference (%) – Base Rates		(2.2%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$33.97	\$33.21	
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$33.28	
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(2.0%)	

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis (Revenue values rounded)

Rate Proposal – Water Pump (FP) Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	Class Change in Revenue
Customer Charge (\$/Month)	\$15.00	\$15.00	\$0
Energy Charge (\$/kWh)	\$0.1384	\$0.1343	(\$2)
Demand Charge (\$/kW)	\$8.29	\$7.94	(\$16)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$33.28	\$32.54	(\$18)
Difference (%) – Base Rates		(2.2%)	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$33.28	\$32.54	
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$32.54	
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(2.2%)	

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Water Pump 2 (FP2) Service Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	Class Change in Revenue
Customer Charge – < 50 hp (\$/Month)	\$100.00	\$100.00	\$0
Customer Charge – 50-100 hp (\$/Month)	\$150.00	\$150.00	\$0
Customer Charge – > 100 hp (\$/Month)	\$300.00	\$300.00	\$0
Energy Charge (\$/kWh)	\$0.1466	\$0.1425	(\$1)
Demand Charge (\$/kW)	\$9.00	\$8.65	(\$16)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$186.34	\$184.94	(\$17)
Difference (%) – Base Rates		(0.7%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$186.23	\$184.83	
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$184.89	
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(0.7%)	

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Water Pump 2 (FP2) Service Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	Class Change in Revenue
Customer Charge – < 50 hp (\$/Month)	\$100.00	\$100.00	\$0
Customer Charge – 50-100 hp (\$/Month)	\$150.00	\$150.00	\$0
Customer Charge – > 100 hp (\$/Month)	\$300.00	\$300.00	\$0
Energy Charge (\$/kWh)	\$0.1425	\$0.1384	(\$1)
Demand Charge (\$/kW)	\$8.65	\$8.29	(\$17)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$184.94	\$183.51	(\$18)
Difference (%) – Base Rates		(0.8%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$184.89	\$183.46	
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$183.51	
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(0.7%)	

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis (Revenue values rounded)

Rate Proposal – Water Pump 2 (FP2) Service Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	Class Change in Revenue
Customer Charge – < 50 hp (\$/Month)	\$100.00	\$100.00	\$0
Customer Charge – 50-100 hp (\$/Month)	\$150.00	\$150.00	\$0
Customer Charge – > 100 hp (\$/Month)	\$300.00	\$300.00	\$0
Energy Charge (\$/kWh)	\$0.1384	\$0.1343	(\$1)
Demand Charge (\$/kW)	\$8.29	\$7.94	(\$16)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$183.51	\$182.12	(\$17)
Difference (%) – Base Rates		(0.8%)	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$183.51	\$182.12	
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$182.12	
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(0.8%)	

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Large Commercial Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$22.50	\$25.05	\$30.76	\$13,678
Energy Charge (\$/kWh)	\$0.0677	\$0.0649	\$0.0465	(\$453,725)
Demand Charge (\$/kW)	\$13.90	\$13.38	\$16.74	(\$247,946)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$3,287	\$3,160	\$2,900	(\$687,993)
Difference (%) – Base Rates		(3.9%)	(8.2%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$3,029	\$2,902		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$3,045		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		0.5%		

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Large Commercial Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$25.05	\$27.06	\$30.76	\$13,678
Energy Charge (\$/kWh)	\$0.0649	\$0.0621	\$0.0465	(\$453,271)
Demand Charge (\$/kW)	\$13.38	\$12.86	\$16.74	(\$247,695)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$3,160	\$3,032	\$2,900	(\$687,288)
Difference (%) – Base Rates		(4.0%)	(4.4%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$3,045	\$2,917		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$3,032		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(0.4%)		

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Large Commercial Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$27.06	\$30.15	\$30.76	\$13,678
Energy Charge (\$/kWh)	\$0.0621	\$0.0593	\$0.0465	(\$453,271)
Demand Charge (\$/kW)	\$12.86	\$12.34	\$16.74	(\$247,695)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$3,032	\$2,905	\$2,900	(\$687,288)
Difference (%) – Base Rates		(4.2%)	(0.2%)	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$3,032	\$2,905		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$2,905		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(4.2%)		

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Primary Commercial Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$15.00	\$19.66	\$32.18	\$2,405
Energy Charge (\$/kWh)	\$0.0676	\$0.0654	\$0.0456	(\$415,934)
Demand Charge (\$/kW)	\$11.25	\$10.67	\$15.09	(\$280,117)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$34,617	\$33,312	\$29,856	(\$693,646)
Difference (%) – Base Rates		(3.8%)	(10.4%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$31,487	\$30,181		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$31,913		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		1.4%		

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Primary Commercial Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$19.66	\$24.32	\$32.18	\$2,405
Energy Charge (\$/kWh)	\$0.0654	\$0.0632	\$0.0456	(\$415,518)
Demand Charge (\$/kW)	\$10.67	\$10.09	\$15.09	(\$279,837)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$33,312	\$32,006	\$29,856	(\$692,950)
Difference (%) – Base Rates		(3.9%)	(6.7%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$31,913	\$30,608		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$32,006		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		0.3%		

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Primary Commercial Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$24.32	\$28.98	\$32.18	\$2,405
Energy Charge (\$/kWh)	\$0.0632	\$0.0610	\$0.0456	(\$415,518)
Demand Charge (\$/kW)	\$10.09	\$9.51	\$15.09	(\$279,837)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$32,006	\$30,701	\$29,856	(\$692,950)
Difference (%) – Base Rates		(4.1%)	(2.8%)	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$32,006	\$30,701		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$30,701		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(4.1%)		

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Commercial Service

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$0.00	\$0.00	\$39.22	\$0
Energy Charge (\$/kWh)	\$0.0637	\$0.0618	\$0.0455	(\$116,551)
Demand Charge (\$/kW)	\$10.50	\$9.82	\$15.03	(\$79,264)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$135,304	\$130,115	\$120,332	(\$195,815)
Difference (%) – Base Rates		(3.8%)	(7.5%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$121,645	\$116,456		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$124,012		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		1.9%		

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Commercial Service

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$0.00	\$0.00	\$39.22	\$0
Energy Charge (\$/kWh)	\$0.0618	\$0.0599	\$0.0455	(\$116,434)
Demand Charge (\$/kW)	\$9.82	\$9.14	\$15.03	(\$79,185)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$130,115	\$124,925	\$120,332	(\$195,620)
Difference (%) – Base Rates		(4.0%)	(3.7%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$124,012	\$118,823		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$124,925		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		0.7%		

(1) Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Commercial Service

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$0.00	\$0.00	\$39.22	\$0
Energy Charge (\$/kWh)	\$0.0599	\$0.0580	\$0.0455	(\$116,434)
Demand Charge (\$/kW)	\$9.14	\$8.46	\$15.03	(\$79,185)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$124,925	\$119,736	\$120,332	(\$195,620)
Difference (%) – Base Rates		(4.2%)	0.5%	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$124,925	\$119,736		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$119,736		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(4.2%)		

(1) Excludes Public Utility Tax
Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Federal Government

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$0.00	\$0.00	\$39.22	\$0
Energy Charge (\$/kWh)	\$0.0635	\$0.0616	\$0.0455	(\$102,164)
Demand Charge (\$/kW)	\$10.50	\$9.82	\$15.03	(\$68,681)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill – w/o PPA	\$373,410	\$359,184	\$330,159	(\$170,845)
Difference (%) – Base Rates		(3.8%)	(8.1%)	
Average Bill – With Existing PPA (\$0.00855/kWh)	\$335,129	\$320,903		
Average Bill – With Proposed PPA (\$0.00382/kWh)		\$342,081		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		2.1%		

Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Federal Government

Phase 2 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$0.00	\$0.00	\$39.22	\$0
Energy Charge (\$/kWh)	\$0.0616	\$0.0597	\$0.0455	(\$102,061)
Demand Charge (\$/kW)	\$9.82	\$9.14	\$15.03	(\$68,613)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill – w/o PPA	\$359,184	\$344,958	\$330,159	(\$170,674)
Difference (%) – Base Rates		(4.0%)	(4.3%)	
Average Bill – With Existing PPA (\$0.00382/kWh)	\$342,081	\$327,855		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$344,958		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		0.8%		

Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Federal Government

Phase 3 Rate Changes / Then Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS	Class Change in Revenue
Customer Charge (\$/Month)	\$0.00	\$0.00	\$39.22	\$0
Energy Charge (\$/kWh)	\$0.0597	\$0.0578	\$0.0455	(\$102,061)
Demand Charge (\$/kW)	\$9.14	\$8.46	\$15.03	(\$68,613)
Green Energy Charge – GEF (\$/kWh)	\$0.000178	\$0.000178	\$0.00	\$0
Average Monthly Bill – w/o PPA	\$344,958	\$330,733	\$330,159	(\$170,674)
Difference (%) – Base Rates		(4.1%)	(0.2%)	
Average Bill – With Existing PPA (\$0.0000/kWh)	\$344,958	\$330,733		
Average Bill – With Proposed PPA (\$0.0000/kWh)		\$330,733		
Difference (%) – Change w/ PPA (Current Rate / Proposed Rates)		(4.1%)		

Based on 2017 Billing Database Analysis

Rate Proposal – Firm Standby / Supplemental Service (C5 - SS)

- Re-draft existing tariff to be specific to customer class
- Unique for Large Commercial (C5), Primary (P), Transmission (T) service
- 3 Phase implementation

Rate Component	Current Rates	July 1, 2018	July 1, 2020	July 1, 2022
Customer Charge (\$/Month)	\$30.00	\$76.18	\$122.37	\$169.65
Demand Charge(s):				
Daily Demand (\$/kW-day)	\$0.14	\$0.23	\$0.23	\$0.23
Reservation Charge (\$/Contract Standby Billing Demand/Month)	\$2.24	\$4.93	\$5.96	\$7.03
Primary Distribution Charge (\$/Month)	\$1.65	Included	Included	Included
Secondary Distribution Charge (\$/Month)	\$2.16	Included	Included	Included
Energy Charge (\$/kWh)	\$0.05840	\$0.05900	\$0.05900	\$0.05900
Supplemental Service	At Applicable Rate	At C5 Rate	At C5 Rate	At C5 Rate

Rate Proposal – Firm Standby C5 - SS

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	Class Change in Revenue
Customer Charge (\$/Month)	\$30.00	\$76.18	\$554
Demand Charge(s):			
Daily Demand (\$/kW-day)	\$0.14	\$0.23	\$548
Reservation Charge (\$/Contract Standby Billing Demand/Month)	\$2.24	\$4.93	\$24,960
Primary Distribution Charge (\$/Month)	\$1.65	Included	
Secondary Distribution Charge (\$/Month)	\$2.16	Included	
Energy Charge (\$/kWh)	\$0.05840	\$0.05900	\$102
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$8,707	\$10,887	\$26,163
Difference (%) – Base Rates		25.0%	

(1) Excludes Public Utility Tax, GEF, and PPA
Based on 2017 Billing Database Analysis

Rate Proposal – Firm Standby C5 - SS

Phase 2 Rate Changes / Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	Class Change in Revenue
Customer Charge (\$/Month)	\$76.18	\$122.37	\$554
Demand Charge(s):			
Daily Demand (\$/kW-day)	\$0.23	\$0.23	\$0
Reservation Charge (\$/Contract Standby Billing Demand/Month)	\$4.93	\$5.96	\$24,720
Primary Distribution Charge (\$/Month)	Included	Included	
Secondary Distribution Charge (\$/Month)	Included	Included	
Energy Charge (\$/kWh)	\$0.05900	\$0.05900	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$10,887	\$12,993	\$25,274
Difference (%) – Base Rates		19.3%	

(1) Excludes Public Utility Tax, GEF, and PPA
Based on 2017 Billing Database Analysis

Rate Proposal – Firm Standby C5 - SS

Phase 3 Rate Changes / Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	Class Change in Revenue
Customer Charge (\$/Month)	\$122.37	\$169.65	\$571
Demand Charge(s):			
Daily Demand (\$/kW-day)	\$0.23	\$0.23	\$0
Reservation Charge (\$/Contract Standby Billing Demand/Month)	\$5.96	\$7.03	\$25,680
Primary Distribution Charge (\$/Month)	Included	Included	
Secondary Distribution Charge (\$/Month)	Included	Included	
Energy Charge (\$/kWh)	\$0.05900	\$0.05900	\$0
Average Monthly Bill ⁽¹⁾ – w/o PPA	\$12,993	\$15,180	\$26,251
Difference (%) – Base Rates		16.8%	

(1) Excludes Public Utility Tax, GEF, and PPA
Based on 2017 Billing Database Analysis

Rate Proposal – Business Retention Rate

Phase 1 Rate Changes / Current Rates / COS Rates

Rate Component	Current Rates	July 1, 2018	COS
Year 1			
Energy Charge (\$/kWh)	\$0.0582	\$0.0565	\$0.0455
Demand Charge (\$/kW)	\$7.15	\$6.69	\$15.03
Year 2			
Energy Charge (\$/kWh)	\$0.0610	\$0.0592	\$0.0455
Demand Charge (\$/kW)	\$8.80	\$8.23	\$15.03

PPA, Green Energy Charge Applies

**Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Business Retention Rate

Phase 2 Rate Changes / Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2020	COS
Year 1			
Energy Charge (\$/kWh)	\$0.0565	\$0.0547	\$0.0455
Demand Charge (\$/kW)	\$6.69	\$6.22	\$15.03
Year 2			
Energy Charge (\$/kWh)	\$0.0592	\$0.0574	\$0.0455
Demand Charge (\$/kW)	\$8.23	\$7.66	\$15.03

PPA, Green Energy Charge Applies

**Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Business Retention Rate

Phase 3 Rate Changes / Current Rates / COS Rates

Rate Component	Then Current Rates	July 1, 2022	COS
Year 1			
Energy Charge (\$/kWh)	\$0.0547	\$0.0530	\$0.0455
Demand Charge (\$/kW)	\$6.22	\$5.76	\$15.03
Year 2			
Energy Charge (\$/kWh)	\$0.0574	\$0.0555	\$0.0455
Demand Charge (\$/kW)	\$7.66	\$7.09	\$15.03

PPA, Green Energy Charge Applies

**Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

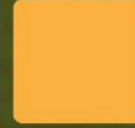
Rate Proposal – Transmission Service (Interruptible)

- 69 kV Transmission Interruptible Service
 - Proposed Rate
 - \$7.89 / kW
 - \$0.0618 / kWh
 - Implement annual on-peak penalty
 - Require customer installation of metering / communication equipment with utility

Other Rates

- Outdoor / Private Outdoor Lighting
 - No change to metered lighting rates
 - New non-metered LED lights at equivalent lumen rate
 - Implement pilot rate July 1, 2018 (no phase in)

Lamp Type	Current (\$/Month)	Estimated LED Replacement (Watt)	Proposed LED (\$/Month)
Security Lights			
100 watt HPS	\$7.70	53	\$5.19
175 watt HPS	\$9.08	74	\$5.34
Decorative Lighting			
70 watt HPS w/o ladder rest	\$11.65	29	\$9.56
150 watt HPS w/o ladder rest	\$14.51	74	\$11.35
250 watt HPS w/o ladder rest	\$20.31	102	\$14.44
Roadway/Area Lighting			
100 watt HPS	\$9.41	53	\$6.90
175 watt MV	\$10.30	29	\$4.79
250 watt HPS	\$14.29	102	\$8.42
250 watt MV	\$14.29	53	\$6.49
400 watt MV	\$19.16	102	\$8.11
400 watt HPS	\$19.25	139	\$9.55



DISCUSSION