



Utility Rate Study

City of Corona



CITY COUNCIL RATE DISCUSSION

JULY 3, 2024

Objective of Today's Workshop

- The Ask
- Schedule
- Rate Study Process
- Policy Objective
- Review Sewer Rates / Impacts
- Review Water Rates / Impacts
- Review Reclaimed Water Rates / Impacts
- Review Electric Rates / Impacts

The Ask

- That Council provide direction on which water/sewer rate option to proceed with; and
- Confirm the proposed rate structures for recycled water and electric rates

Schedule

- ~~Council Workshop 1 (policy objectives) – May 1, 2024~~
- ~~Council Workshop 2 (financial plan presentation) – June 5, 2024~~
- Council Workshop 3 (rate structure options) – July 3, 2024
- Council Workshop 4 (recommendations) – August 7, 2024
- Council Meeting Authorize Notice and Receive Report – October 2, 2024
- Rate Hearing – November 20, 2024
- Second Reading – December 4, 2024
- Rate Implementation – January 1, 2025

Rate Study Steps

There are three steps in conducting a rate study:

- 1) Financial Plan

- Determines how much revenue is needed to cover operating cost, capital improvements and meet reserve targets / coverage ratio requirements

- 2) Cost of Service (COS/COSA)

- Understand the cost of providing water and wastewater service and developing unit cost components.
 - For instance, how much does it cost to issue a bill?

- 3) Rate Calculation

- Based on the unit cost components, develop the actual rates for the next 5 years for City Council consideration.

Policy Objectives

Water	Sewer	Electric
<ol style="list-style-type: none">1. Infrastructure Resiliency2. Enhancing Customer Understanding3. Maintaining Revenue Stability to Ensure Financial Sufficiency	<ol style="list-style-type: none">1. Maintaining Revenue Stability to Ensure Financial Sufficiency2. Infrastructure Resiliency3. Enhancing Customer Understanding	<ol style="list-style-type: none">1. Fixed costs for Solar Users to be Connected to the Grid2. Infrastructure Resiliency3. Rate that Smooths out the Electrical Demand Curve

Prop 218 Background

- **Through a series of court cases, water and wastewater service is consider a property related service and falls under Prop 218**
- **Additional court cases have provided additional burden to water and wastewater agencies**
 - There needs to be nexus between the cost of providing service and rates
 - Proper documentation is required to explain this nexus
- **Each rate needs to be proportional to the level of service**
 - We can not have one customer subsidize another customer even if there is a social-economic rationality
 - One customer class cannot pay more than their fair share of cost of service

Summary of June 5th City Council Meeting

- Present two scenarios for future rate development
 - Option 1 – Funds only operating and debt service
 - Option 2 – Funds operating, debt service and future capital improvement needs (Recommended)

Current Sewer Rates

Monthly Charge (fixed charge only)

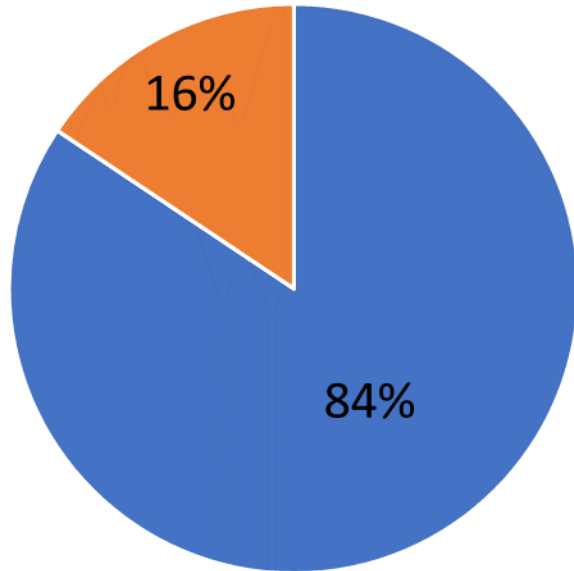
310	Inside Standard Wastewater -Residential -Mobile Home Parks - per space	\$45.60
320	Motels & Hotels (per unit)	\$7.59
320	Motels & Hotels (per living unit)	\$45.60
340	Restaurants, supermarkets, mortuaries and bakeries - meter 1" or smaller	\$163.28
341	Restaurants, supermarkets, mortuaries and bakeries - meter greater than 1"	\$266.34
350	Laundries	\$24.20
360	Inside Commercial 5/8" or City park restroom	\$45.60
361	Inside Commercial 3/4"	\$72.02
362	Inside Commercial 1"	\$103.48
363	Inside Commercial 1 1/2"	\$186.06
364	Inside Commercial 2"	\$291.55
365	Inside Commercial 3"	\$537.41
366	Inside Commercial 4"	\$875.43
367	Inside Commercial 6"	\$1,753.50
368	Inside Commercial 8"	\$2,820.52

Last Sewer Rate Study

- Last study prepared in 2007
 - Revenue adjustment recommendations not implemented
 - 23% in FY 2008
 - 11% in FY 2009
 - Recommended City tie water use to sewer accounts to allow for more equitable billing
 - Recommended City include business type information to sewer accounts

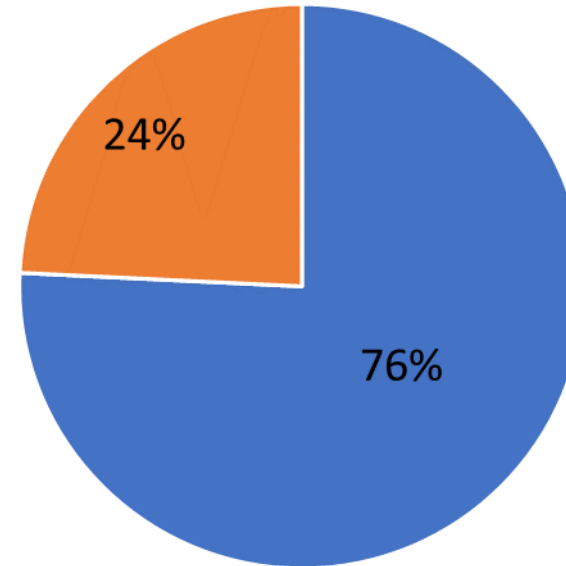
Sewer Flow (by class)

Estimated based on current rates (hcf)



■ Residential ■ Non-Residential

Cost of Service Data (hcf)



■ Residential ■ Non-Residential

	Current (hcf)*	Cost of Service Data (hcf)
Residential	5,342,088	4,796,475
Non-Residential	988,854	1,534,467

*hcf=hundred cubic feet
(748 gallons)

Sewer Rate Components

- Fixed charges
 - Customer service
 - Admin
 - 8 hundred cubic feet (hcf) of flow (winter average water use)
- Variable charges
 - Pumping
 - Treatment and Disposal
 - Admin
 - Sewer Facilities

Sewer Rate Refinements

- Fixed charge for all customers
 - ~~Fixed charges based on customer class and meter size~~
 - Fixed charge is the same for all customers
 - Fixed charge includes 8 hundred cubic feet allowance per month
- Variable Charge for all non-residential customers
 - Variable charge for all water use beyond 8 hcf in one month (per hcf)
- Include a variance process for non-residential customers
 - Some customers may not flush all indoor water use
 - Cooling towers
 - Water bottling

Sewer Option 1 O&M and debt service

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue Adjustment	5.0%	4.0%	3.0%	3.0%	3.0%

	Current Residential	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fixed	\$45.60	\$43.40	\$45.13	\$46.49	\$47.88	\$49.32
Variable – non- residential only	N/A	\$5.25	\$5.46	\$5.62	\$5.79	\$5.97

	Current	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Residential Impact (Per Month)		-\$2.20	\$1.73	\$1.36	\$1.39	\$1.44

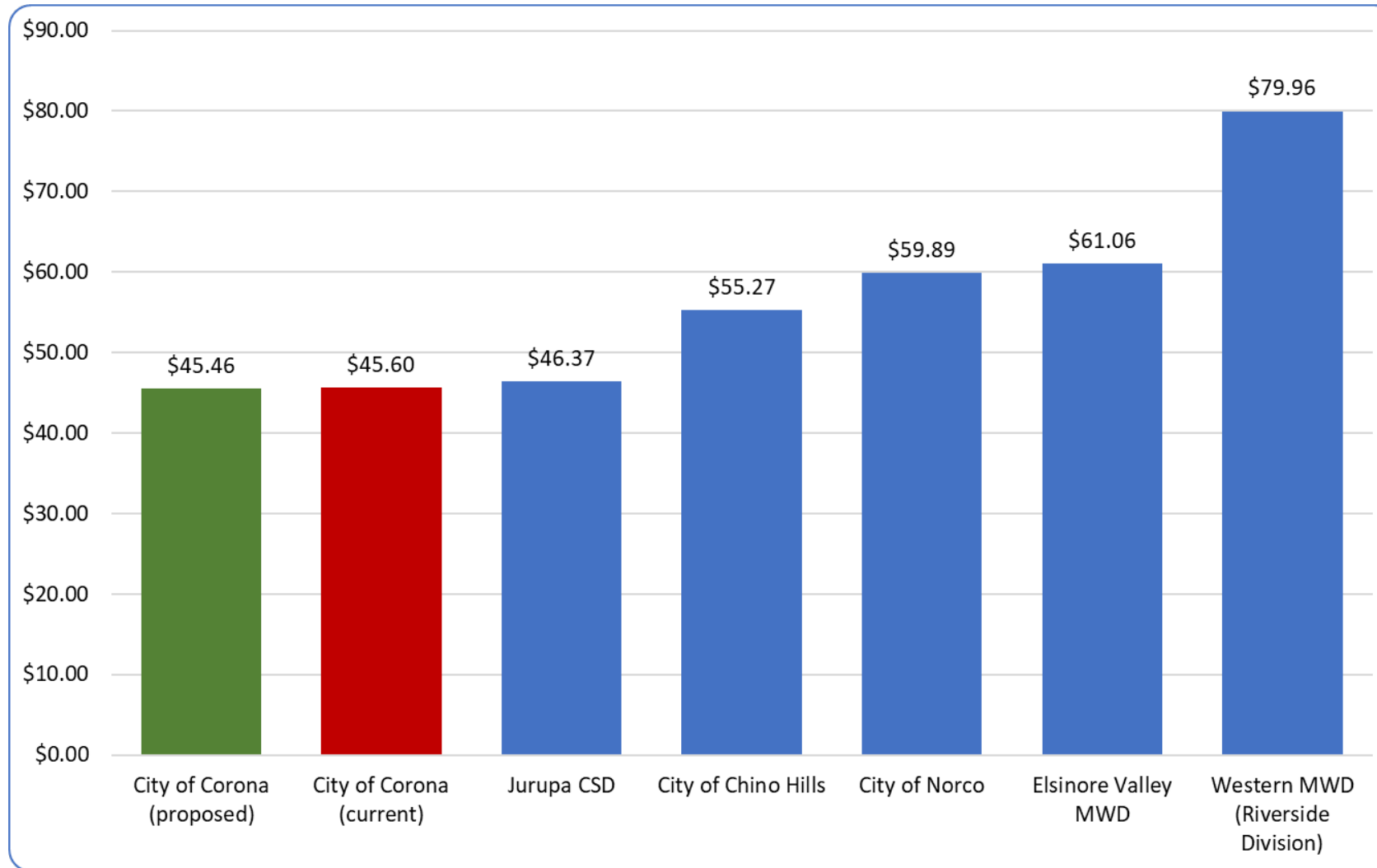
Sewer Option 2 Funding CIP (Recommended)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue Adjustment	10.0%	10.0%	10.0%	10.0%	10.0%
Proposed Debt Issuance		\$45,000,000			

	Current Residential	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fixed	\$45.60	\$45.46	\$50.01	\$55.01	\$60.51	\$66.56
Variable – non- residential only	N/A	\$5.50	\$6.05	\$6.66	\$7.32	\$8.05

	Current	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Residential Impact (Per Month)		-\$0.14	\$4.55	\$5.00	\$5.50	\$6.05

Sewer Rate Comparison Survey



Single Family Residential
Meter Size = $\frac{3}{4}$ "
Household = 4
Irrigable = 4,000 ft
July Rates
13 hcf

Summary of Sewer Rate Changes

Option 1 – O&M and Debt Service Only

- Residential rate decreases -\$2.20 per month in FY 25
- Pros
 - Increases customer equity
 - Reduction in rates for residential customers
- Cons
 - Does not follow City Council goal of infrastructure resiliency
 - Does not fund critical capital projects
 - May impact financial sufficiency goal
 - Will lead to higher costs and rate increases
 - More impact on commercial customers

Option 2 (Includes Capital Investment) (Recommended)

- Residential rate decreases -\$.14 per month in FY 25
- Pros
 - Follows City Council goals of infrastructure resiliency
 - Funds operating and needed capital projects
 - Increases customer equity
 - Reduction in rates for residential customers
- Cons
 - Less of a decrease for residential customers
 - More impact on commercial customers

Water Rate Discussion

Current Water Rates

Fixed Rates Readiness to Serve

5/8"	\$27.09
3/4"	\$36.46
1"	\$55.18
1 1/2"	\$101.98
2"	\$158.13
3"	\$335.95
4"	\$598.02
6"	\$1,505.89
8"	\$2,629.02
10"	\$3,939.33

Variable Rates Residential Budgets

Indoor Budget	\$1.93	Efficient indoor water use
Outdoor Budget	\$2.77	Efficient outdoor water use
Inefficient Use	\$5.48	1% to 50% over Water Budget
Excessive Use	\$9.12	51% to 100% over Water Budget
Unsustainable Use	\$13.59	More than 100% over Water Budget

Variable Rates Commercial Budgets

Water Budget	\$2.77	Efficient water use
Inefficient Use	\$5.48	1% to 50% over Water Budget
Excessive Use	\$9.12	51% to 100% over Water Budget
Unsustainable Use	\$13.59	More than 100% over Water Budget

Current Water Budget Methodology Refinements

■ Indoor

◦ Residential

- ~~55~~ **47** gallons per capita per day (State is mandating reduction of indoor water use in 2025 - CA Water Code § 10609.4)

- 4 persons per household (Single family) 2 persons per household (Multi-family)

◦ Commercial

- Rolling 3-year average

■ Outdoor

◦ Irrigated area

◦ Daily ET reading

◦ 0.8 plant factor

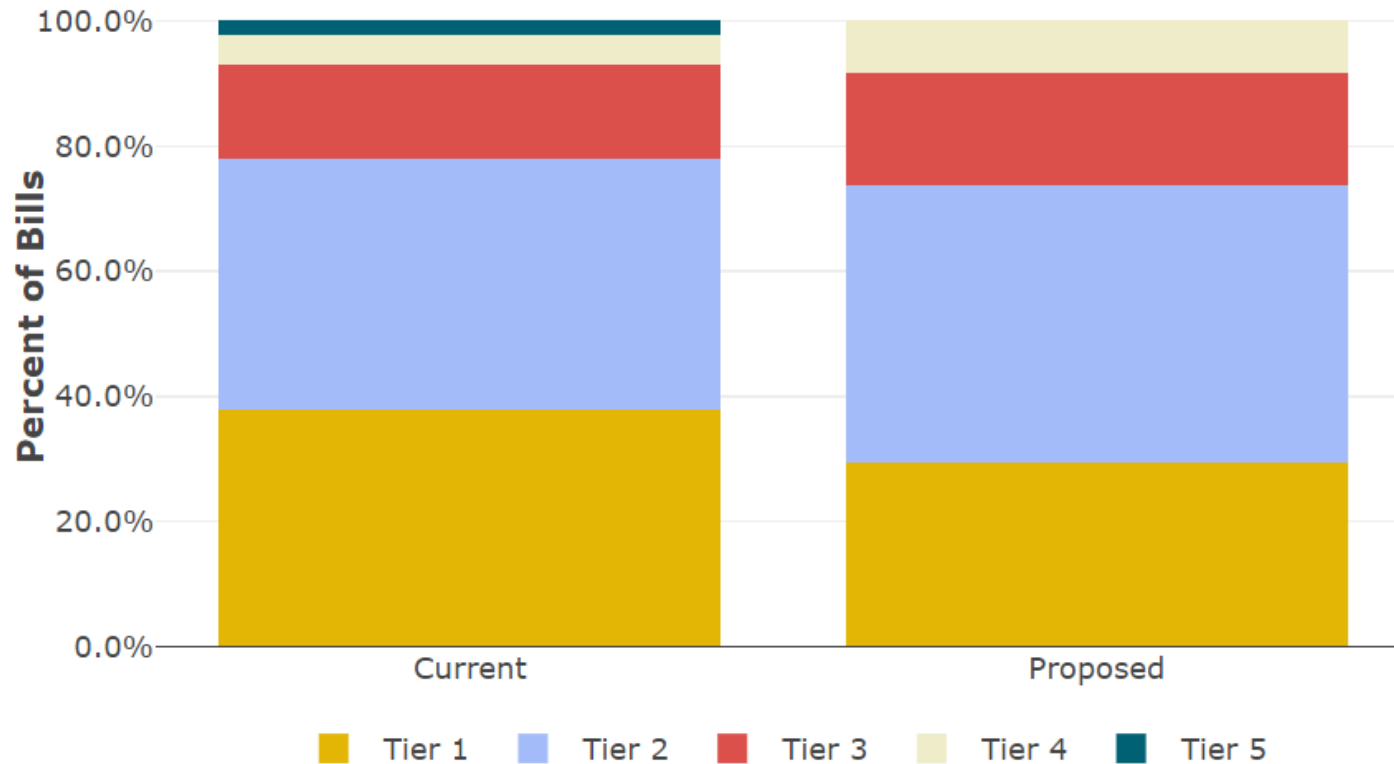
■ Excess

- ~~3~~ **2** tiers blocks of 50%

- Residential 5 tiers to 4 tiers

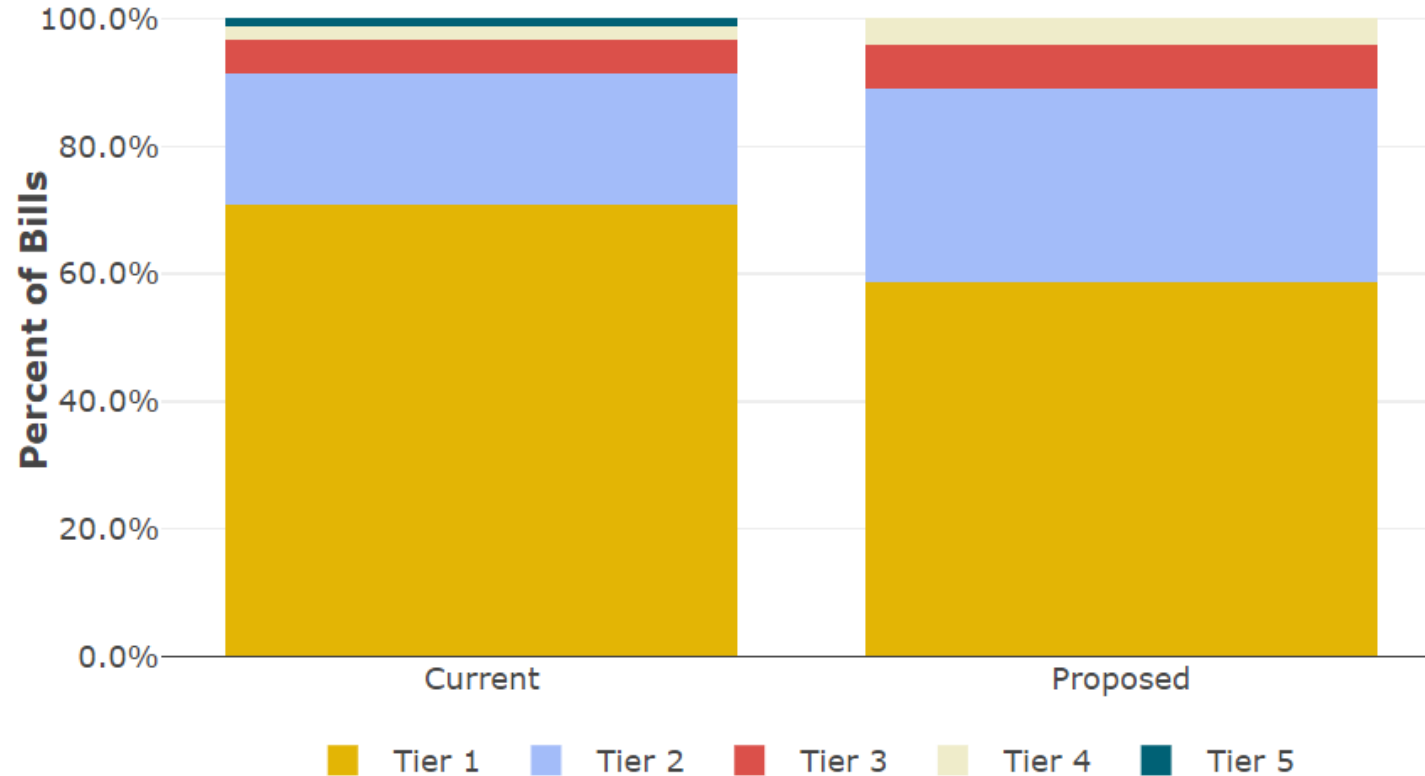
- Commercial 4 tiers to 3 tiers

Tier Use Single Family Residential



	Current		Proposed	
	# of Bills	% of Bills	# of Bills	% of Bills
Tier 1	166,373	37.7%	130,122	29.5%
Tier 2	176,858	40.1%	194,515	44.1%
Tier 3	67,362	15.3%	79,921	18.1%
Tier 4	20,383	4.6%	36,433	8.3%
Tier 5	10,017	2.3%	NA	NA

Tier Use Multi-Family Residential



	Current		Proposed	
	# of Bills	% of Bills	# of Bills	% of Bills
Tier 1	31,936	70.9%	26,495	58.8%
Tier 2	9,219	20.5%	13,570	30.1%
Tier 3	2,385	5.3%	3,185	7.1%
Tier 4	987	2.2%	1801	4.0%
Tier 5	524	1.2%	NA	NA

Rate Calculation

Tier	Non-Blended Supply	Base	Peaking	Conservation	Revenue Offset*
Tier 1	Groundwater	X	X		X
Tier 2	Groundwater /Imported water	X	X		X
Tier 3	Imported water	X	X	X	
Tier 4	Imported water	X	X	X	

*Revenue offsets are made up of interest income

Proposed Rates – Option 1 – O&M and Debt Service

Fixed (per month)

Meter Size	Current Rate	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
5/8"	\$27.09	\$31.30	\$32.86	\$34.18	\$35.55	\$36.97
3/4"	\$36.46	\$40.81	\$42.85	\$44.57	\$46.35	\$48.20
1"	\$55.18	\$59.83	\$62.82	\$65.34	\$67.95	\$70.67
1 1/2"	\$101.98	\$107.39	\$112.76	\$117.27	\$121.96	\$126.84
2"	\$158.13	\$164.45	\$172.68	\$179.58	\$186.77	\$194.24
3"	\$335.95	\$345.16	\$362.42	\$376.92	\$391.99	\$407.67
4"	\$598.02	\$611.47	\$642.04	\$667.72	\$694.43	\$722.21
6"	\$1,505.89	\$1,534.03	\$1,610.74	\$1,675.17	\$1,742.17	\$1,811.86
8"	\$2,629.02	\$2,675.35	\$2,809.12	\$2,921.49	\$3,038.34	\$3,159.88
10"	\$3,939.33	\$4,006.89	\$4,207.23	\$4,375.52	\$4,550.54	\$4,732.57
Private Fire						
5/8"	\$8.60	\$12.41	\$13.03	\$13.55	\$14.09	\$14.66
3/4"	\$8.60	\$12.41	\$13.03	\$13.55	\$14.09	\$14.66
1"	\$8.60	\$12.41	\$13.03	\$13.55	\$14.09	\$14.66
1 1/2"	\$8.60	\$13.09	\$13.74	\$14.29	\$14.87	\$15.46
2"	\$9.74	\$14.64	\$15.37	\$15.98	\$16.62	\$17.29
3"	\$10.81	\$17.30	\$18.17	\$18.90	\$19.65	\$20.44
4"	\$16.76	\$26.88	\$28.22	\$29.35	\$30.52	\$31.74
6"	\$32.74	\$43.39	\$45.56	\$47.38	\$49.28	\$51.25
8"	\$60.29	\$68.23	\$71.64	\$74.50	\$77.48	\$80.58
10"	\$101.72	\$102.65	\$107.78	\$112.09	\$116.58	\$121.24

Variable

Tier	Current Rate	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Tier 1	1.93	\$1.92	\$2.02	\$2.10	\$2.18	\$2.27
Tier 2	2.77	\$3.25	\$3.41	\$3.54	\$3.69	\$3.83
Tier 3	5.48	\$4.30	\$4.51	\$4.69	\$4.88	\$5.08
Tier 4	9.12	\$5.12	\$5.38	\$5.59	\$5.82	\$6.05
Tier 5	13.59					

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue Adjustment	7.0%	5.0%	4.0%	4.0%	4.0%

Proposed Rates – Option 2 - O&M and Debt Service and CIP (Recommended)

Fixed (per month)

Meter Size	Current Rate	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
5/8"	\$27.09	\$31.88	\$34.75	\$37.88	\$41.29	\$45.01
3/4"	\$36.46	\$41.57	\$45.32	\$49.39	\$53.84	\$58.68
1"	\$55.18	\$60.95	\$66.44	\$72.42	\$78.93	\$86.04
1 1/2"	\$101.98	\$109.39	\$119.24	\$129.97	\$141.67	\$154.42
2"	\$158.13	\$167.53	\$182.60	\$199.04	\$216.95	\$236.48
3"	\$335.95	\$351.61	\$383.26	\$417.75	\$455.35	\$496.33
4"	\$598.02	\$622.90	\$678.96	\$740.07	\$806.67	\$879.27
6"	\$1,505.89	\$1,562.71	\$1,703.35	\$1,856.65	\$2,023.75	\$2,205.89
8"	\$2,629.02	\$2,725.36	\$2,970.64	\$3,238.00	\$3,529.42	\$3,847.07
10"	\$3,939.33	\$4,081.79	\$4,449.15	\$4,849.57	\$5,286.03	\$5,761.77
Private Fire						
5/8"	\$8.60	\$12.64	\$13.78	\$15.02	\$16.37	\$17.84
3/4"	\$8.60	\$12.64	\$13.78	\$15.02	\$16.37	\$17.84
1"	\$8.60	\$12.64	\$13.78	\$15.02	\$16.37	\$17.84
1 1/2"	\$8.60	\$13.33	\$14.53	\$15.84	\$17.27	\$18.82
2"	\$9.74	\$14.91	\$16.25	\$17.71	\$19.31	\$21.05
3"	\$10.81	\$17.63	\$19.21	\$20.94	\$22.83	\$24.88
4"	\$16.76	\$27.38	\$29.84	\$32.53	\$35.46	\$38.65
6"	\$32.74	\$44.20	\$48.18	\$52.51	\$57.24	\$62.39
8"	\$60.29	\$69.50	\$75.76	\$82.57	\$90.01	\$98.11
10"	\$101.72	\$104.57	\$113.98	\$124.24	\$135.42	\$147.61

Variable

Tier	Current Rate	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Tier 1	\$1.93	\$1.96	\$2.13	\$2.32	\$2.53	\$2.76
Tier 2	\$2.77	\$3.31	\$3.60	\$3.93	\$4.28	\$4.67
Tier 3	\$5.48	\$4.38	\$4.77	\$5.20	\$5.67	\$6.18
Tier 4	\$9.12	\$5.22	\$5.69	\$6.20	\$6.76	\$7.36
Tier 5	\$13.59					

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue Adjustment	9.0%	9.0%	9.0%	9.0%	9.0%
Proposed Debt Issuance		\$50,000,000			

Average Single-Family Residential Water Rate Impact (¾” – 4,000 sqft – 13 hcf of use)

	Current Rate	Option 1	<i>Difference</i>
Fixed Rate	\$34.46	\$40.81	\$6.35
Variable Rates	\$30.35	\$31.87	\$1.52
Total Bill	\$64.81	\$72.68	\$7.87

	Current Rate	Option 2	<i>Difference</i>
Fixed Rate	\$34.46	\$41.57	\$7.11
Variable Rates	\$30.35	\$32.47	\$2.12
Total Bill	\$64.81	\$74.04	\$9.23

	Difference Between Option 1&2
Fixed Rate	\$0.60
Variable Rates	\$0.76
Total Bill	\$1.36

Summary of Water Rate Changes

Option 1 – O&M and Debt Service Only

Avg. residential rate increases \$7.87 per month in FY 25

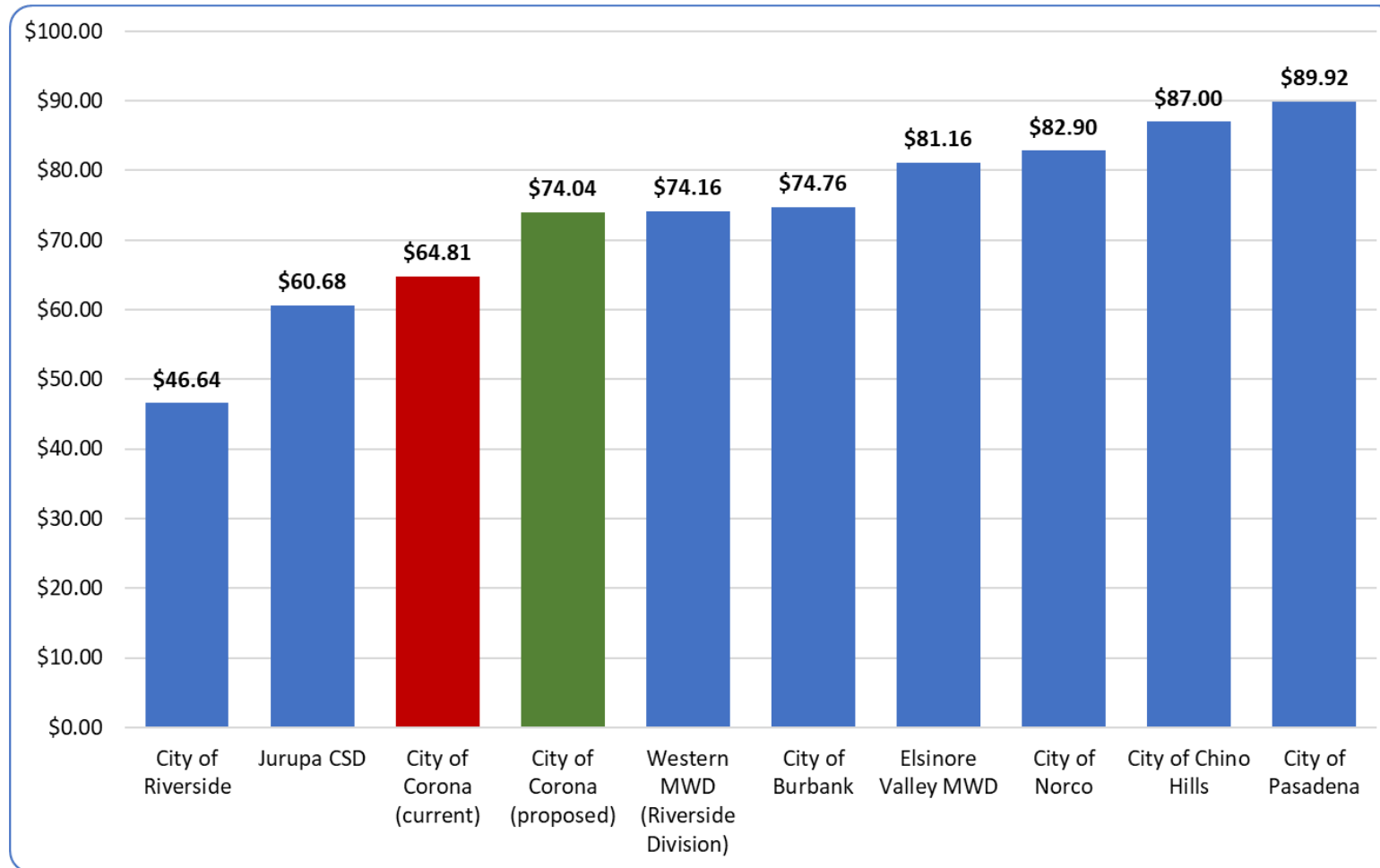
- Pros
 - Less of an increase per month
 - Reflects upcoming State water reduction mandates
 - Simpler to understand (less tiers)
- Cons
 - Does not follow City Council goal of infrastructure resiliency
 - Does not fund critical capital projects
 - Will lead to increased costs and higher rates
 - May impact financial sufficiency goal

Option 2 (Includes Capital Investment) (Recommended)

Avg. residential rate increases \$9.23 per month in FY 25

- Pros
 - Follows City Council goals of infrastructure resiliency
 - Funds operating and needed capital projects
 - Ensures revenue stability and financial sufficiency
 - Reflects upcoming State water reduction mandates
 - Simpler to understand (less tiers)
- Cons
 - More of an increase per month (\$1.36)

Water Rate Comparison Survey



Single Family Residential
Meter Size = $\frac{3}{4}$ "
Household = 4
Irrigable = 4,000 ft
July Rates/ET
13 hcf

Reclaimed Water Rate Discussion

Current Reclaimed Rates

Fixed Rates Readiness to Serve

5/8"	\$23.52
3/4"	\$30.81
1"	\$45.39
1 1/2"	\$81.84
2"	\$125.59
3"	\$264.13
4"	\$468.28
6"	\$1,175.53
8"	\$2,050.48
10"	\$3,071.25

Variable Rates Reclaimed Budgets

Water Budget	\$2.14	Efficient Water Use
Inefficient Use	\$3.21	1% to 50% over Water Budget
Excessive Use	\$4.27	51% to 100% over Water Budget
Unsustainable Use	\$6.41	More than 100% over Water Budget

Reclaimed Water Rate Refinements

- Outdoor (Efficient)
 - Irrigated area
 - Daily ET reading
 - 0.8 plant factor
- Excess
 - ~~2~~ 3 1 tier block for all excess

Reclaimed Water Rate Calculation

Tier	Supply	Base	Peaking	Conservation	Revenue Offset
Tier 1	X	X	X		X
Tier 2	X	X	X	X	

Proposed Reclaimed Water Rates

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue Adjustment	4.0%	4.0%	4.0%	4.0%	4.0%
Proposed Interfund Loan	8,000,000	5,000,000			

Fixed

Meter Size	Current Rate	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
5/8"	\$23.52	\$26.64	\$27.70	\$28.81	\$29.96	\$31.16
3/4"	\$30.81	\$35.95	\$37.38	\$38.88	\$40.43	\$42.05
1"	\$45.39	\$54.57	\$56.75	\$59.02	\$61.38	\$63.84
1 1/2"	\$81.84	\$101.12	\$105.16	\$109.37	\$113.75	\$118.30
2"	\$125.59	\$156.98	\$163.26	\$169.79	\$176.58	\$183.65
3"	\$264.13	\$333.88	\$347.24	\$361.13	\$375.57	\$390.60
4"	\$468.28	\$594.58	\$618.36	\$643.10	\$668.82	\$695.57
6"	\$1,175.53	\$1,497.70	\$1,557.61	\$1,619.91	\$1,684.71	\$1,752.10
8"	\$2,050.48	\$2,614.96	\$2,719.56	\$2,828.34	\$2,941.48	\$3,059.14
10"	\$3,071.25	\$3,918.44	\$4,075.17	\$4,238.18	\$4,407.71	\$4,584.02

Variable

Tier	Current Rate	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Tier 1	\$2.14	\$2.37	\$2.46	\$2.56	\$2.66	\$2.77
Tier 2	\$3.21	\$2.60	\$2.71	\$2.82	\$2.93	\$3.05
Tier 3	\$4.27					
Tier 4	\$6.41					

Average Reclaimed Water Rate Impact (1 1/2" average 40,000 sqft - 134 hcf of use)

	Current Rate	Proposed	<i>Difference</i>
Fixed Rate	\$81.84	\$101.12	\$19.28
Variable Rates	\$268.60	\$317.39	\$30.63
Total Bill	\$368.60	\$418.51	\$49.91

hcf=hundred
cubic feet (748
gallons)

Total Rate Impacts

Total impact Sewer/Water Rate Changes for Average Single Family Residential (¾” meter - 4,000 sqft irrigated area – 13 hcf)

	Current Rate	Option 1	<i>Difference</i>
Water Bill	\$64.81	\$72.68	\$7.87
Sewer Bill	\$45.60	\$43.40	-\$2.20
Total Bill	\$110.41	\$116.08	\$5.67

	Current Rate	Option 2	<i>Difference</i>
Water Bill	\$64.81	\$74.04	\$9.23
Sewer Bill	\$45.60	\$45.46	-\$0.14
Total Bill	\$110.41	\$119.50	\$9.09

	Difference Between Options 1 & 2
Water Bill	\$1.36
Sewer Bill	\$2.06
Total Bill	\$3.42

*hcf=hundred cubic feet (748 gallons)

Total impact Sewer/Water for Average Commercial (2” meter water budget = 101 hcf* - 53 hcf)

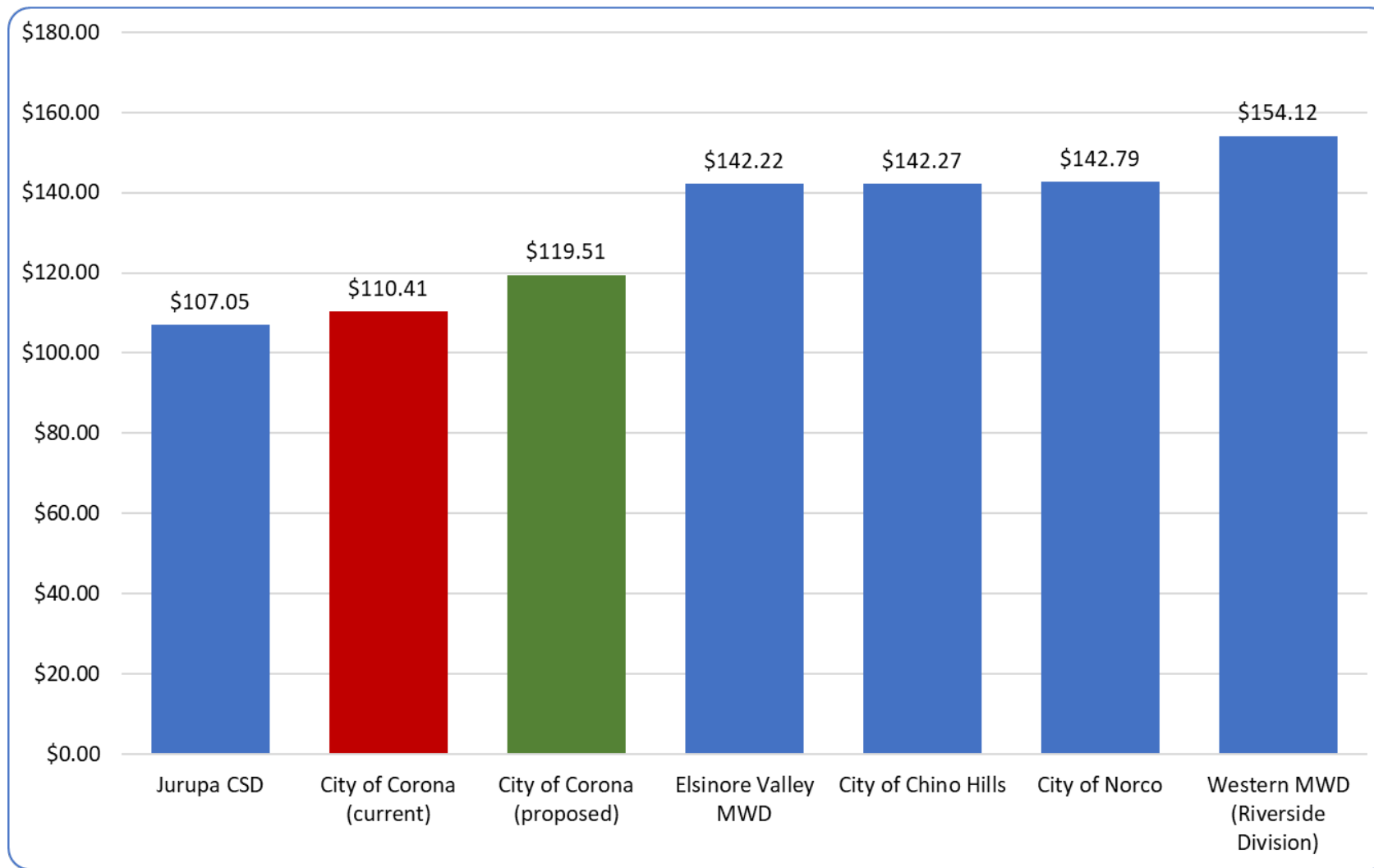
	Current Rate	Option 1	<i>Difference</i>
Water Bill	\$304.94	\$336.47	\$31.53
Sewer Bill	\$291.55	\$279.69	<i>-\$11.86</i>
Total Bill	\$596.49	\$616.16	\$19.67

	Current Rate	Option 2	<i>Difference</i>
Water Bill	\$304.94	\$74.04	\$37.82
Sewer Bill	\$291.55	\$293.01	\$1.46
Total Bill	\$596.49	\$635.77	\$39.28

	Difference Between Options 1 & 2
Water Bill	\$6.29
Sewer Bill	\$13.32
Total Bill	\$19.61

*hcf=hundred cubic feet (748 gallons)

Combined Rate Comparison Survey



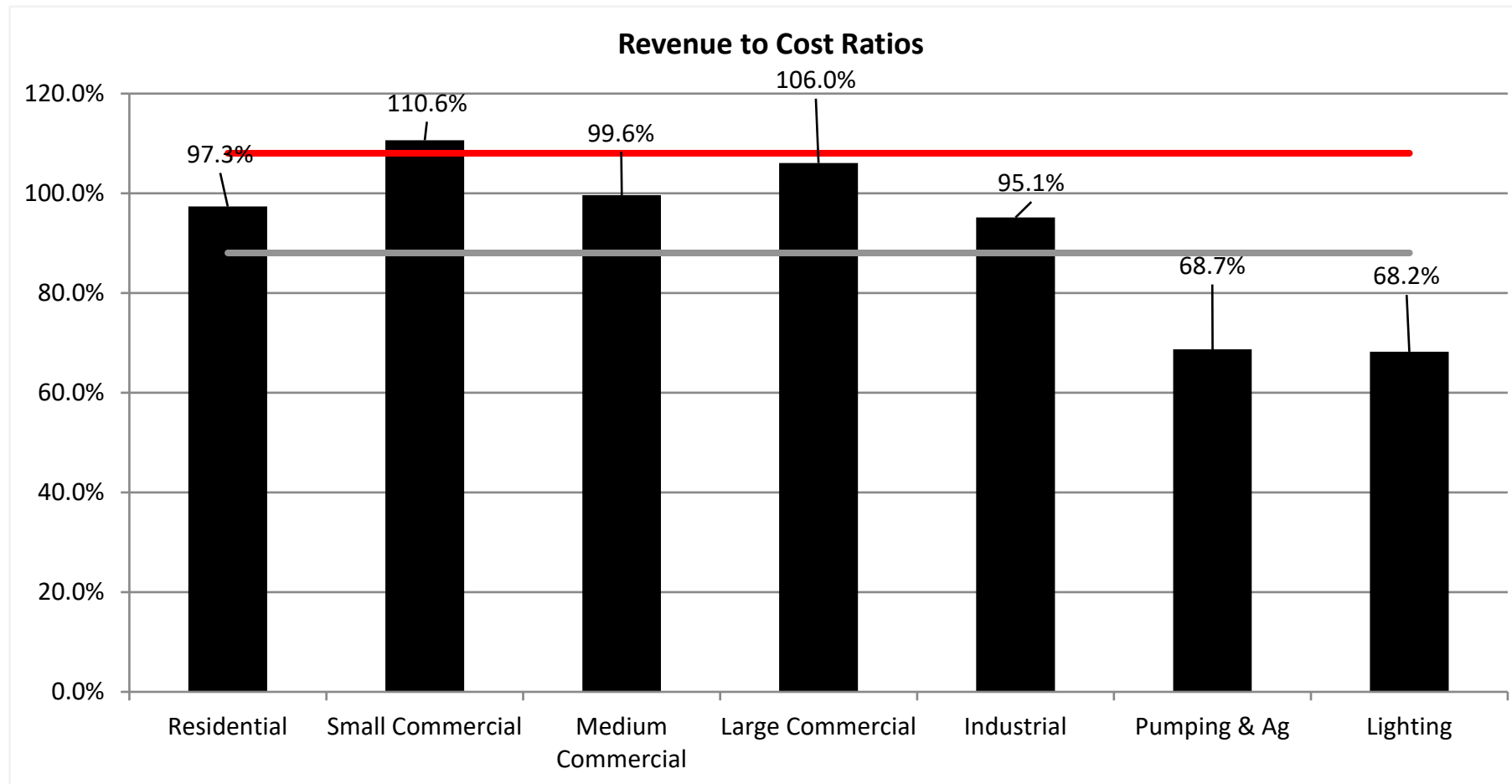
Single Family Residential
Meter Size = $\frac{3}{4}$ "
Household = 4
Irrigable = 4,000 ft
July Rates/ET
13 hcf

Electric COSA

Customer Classes

Customer Class	Size	Example Customers	Number of Accounts
Residential	Any	Single family, Multifamily	1,323
Small Commercial (GS-1)	< 20 kW	Small Office, Small Retail, HOA, Bank	373
Medium Commercial (GS-2)	20-200 kW	Old Navy, Starbucks, TGI Fridays	160
Large Commercial (TOU GS-3)	200-500 kW	Big Box Stores (Kohls, Best Buy), Large Office Buildings	8
Industrial (TOU-8)	>500 kW	Manufacturing	10
Pumping and Agriculture	200-500 kW	City's Water Treatment Facilities	2
Lighting	N/A	Traffic and Streetlights, Parking Lighting	62

Electric COSA Results: FY2025



Electric Cost of Service Results: FY2025

- Rebalancing is recommended
- Separate Public Benefits Charge from base rates
- Increase Residential Fixed Charge
- Rate Design simplification
 - Residential tier reduction from 4 to 3 tiers
 - Convert seasonal kWh rates (GS1, GS2) to nonseasonal
 - Monthly demand charges in place of seasonal demand charges
- Develop Commercial EV Charging Rate

Rebalancing Proposal

	Total	Residential	Small Commercial GS-1	Medium Commercial GS-2	Large Commercial GS-3	Industrial TOU-8	Pumping & Agriculture PA	Lighting
FY 2025	4.0%	4.0%	-2.3%	1.6%	-2.9%	5.1%	57.9%*	46.6%
# of Customers	1,938	1,323	373	160	8	10	2	62

** Pumping and Agriculture change phased in over 18 months*

Residential Rate Adjustment

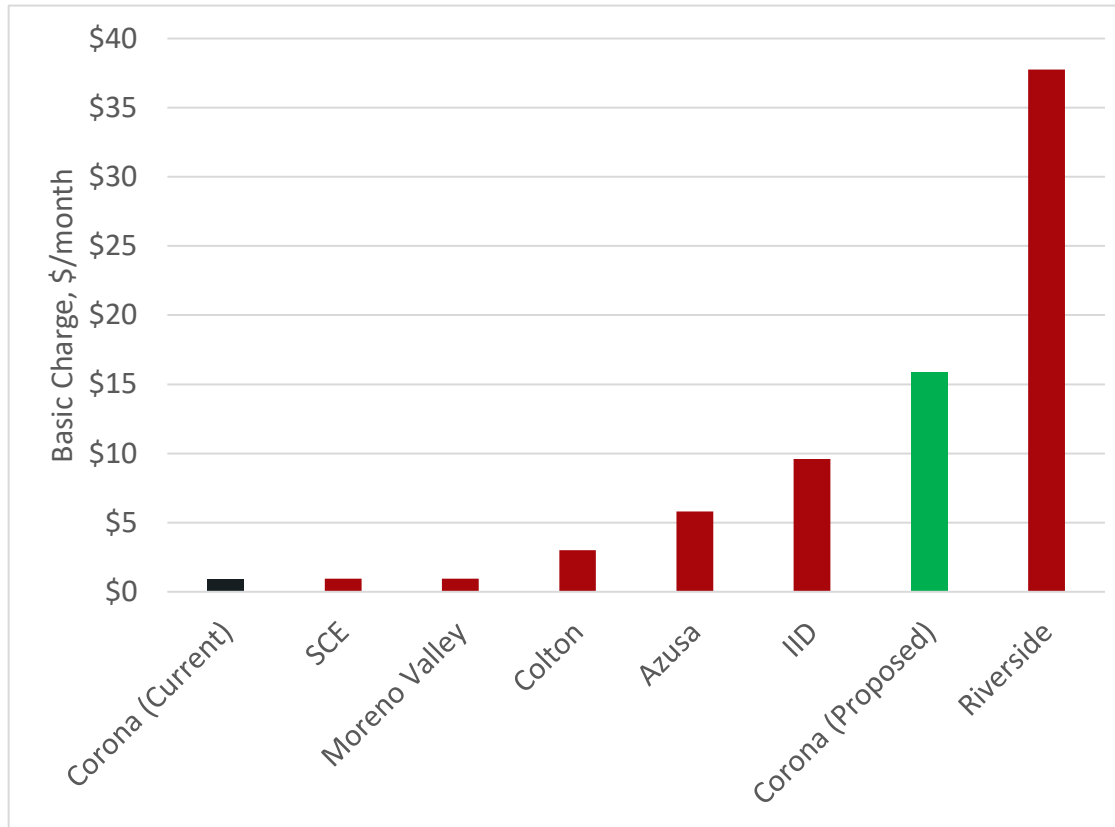
	Cost of Service Unit Costs	Current Rates	FY 2025 Proposed
Fixed Charge, \$/month	\$15.90	Single Family: \$0.88 Multi-Family: \$0.67	Single Family: \$15.90 Multi-Family: \$15.76
Energy, \$/kWh	\$0.1273		
Tier 1 Baseline		\$0.11808	\$0.10100
Tier 2 101-130% Baseline		\$0.13741	\$0.11100
Tier 3 131-200% Baseline		\$0.22696	\$0.21000
Tier 4 over 200% Baseline		\$0.32337	
Public Benefits Charge \$/kWh			\$0.00378

Lifeline Program

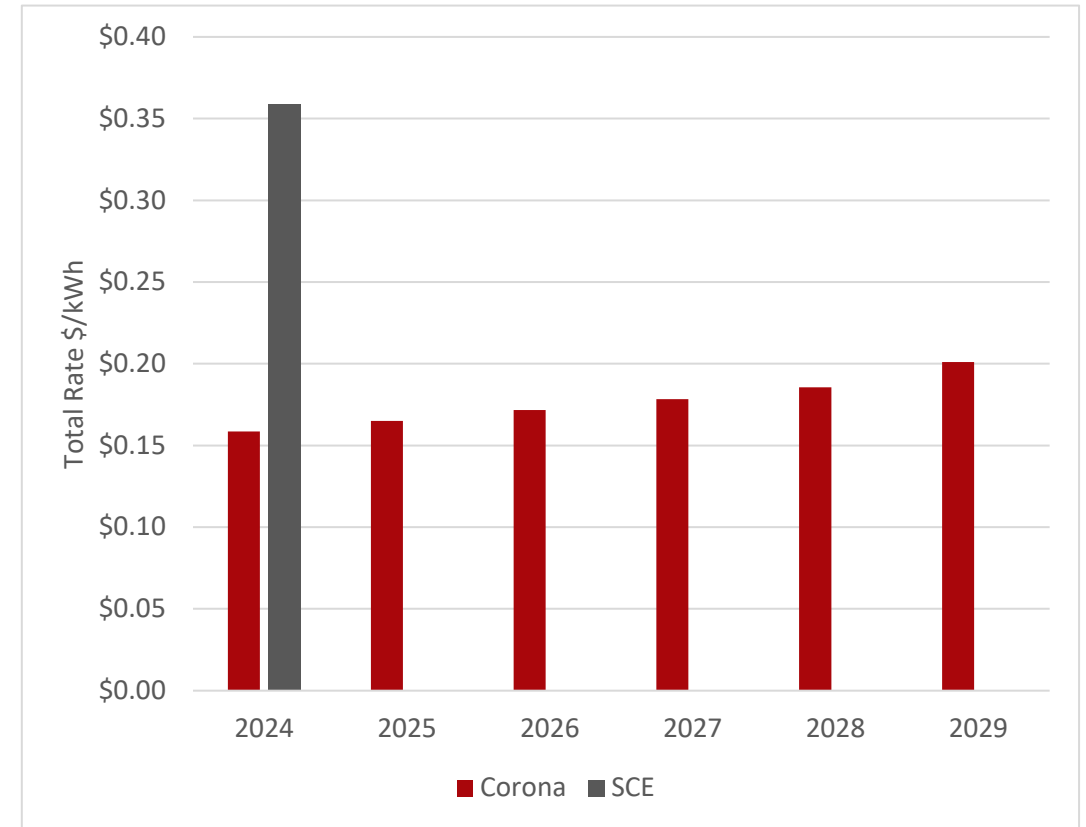
- Extend program to electric customers
- Waive Fixed charge
- Paid through Public Benefits Program
- Currently 37 electric customers participating in the water/sewer program
 - Monthly usage averages 530 kWh for this group of customers

Residential Fixed and SCE Comparison

Customer Charge Comparison, \$/Month



Total Rate Comparison with SCE, \$/kWh



Residential Bill Impact Per Month

Customer	Current Bill	Proposed Bill	\$ Change
Example Solar Customer with 0 kWh	\$0.88	\$15.90	\$15.02
Average Monthly Summer Bill	\$62.44	\$53.08	-\$9.36
Average Monthly Winter Bill	\$54.48	\$61.23	\$6.75

- Lifeline program will waive fixed charge for income qualified customers

The Ask...

- That Council provide direction on which water/sewer rate option to proceed with; and
- Confirm the proposed rate structures for reclaimed water and electric rates

Questions?
