



General Rate Plan Proposal

Electric, Water, Wastewater

Nov. 4, 2024

No decisions required today, feedback welcome

Outreach schedule

- ✓ Aug. 19 – Preview of rate and outreach plan
- ✓ Aug. 20 to Sept. 13 – Public notices, including legal notice of rate hearing in newspapers, email, social media, PUD website
- ✓ Public meetings:
 - Service Center Aug. 26 at 5:30 p.m.
 - Leavenworth Office Aug. 27 at 5:30 p.m.
 - Chelan Office Sep. 4 at 5:30 p.m.
- ✓ Sep. 16 – Rate Hearing; public comment summary
- ✓ Oct. 7 – Review of system specific cost and revenue information (rate gaps), historical support for small systems, other public questions
- ✓ Oct. 21 – Review of one-utility decision making and Electric Rate Support Fund
- ☐ Seeking Board resolution prior to budget approval

General Rate Plan 2025-2026

- Continue current rate plan an additional 2 years in recognition of rising operating costs
 - 4% Water
 - 4% Wastewater
 - 3% Electric
 - Effective June 1, 2025 and June 1, 2026
- Allows time for Strategic Visioning to progress and inform future plans

Electric Rate Support Fund

- Staff recommends discontinuing future deposits to the Rate Support Fund after 2024
- Prior years' incremental electric revenues were deposited in the Electric Rate Support Fund, forecasted balance of \$24 million through 2024
 - Staff recommends considering the use of accumulated incremental electric revenues from the 2020 – 2024 rate plan after Strategic Visioning is complete
 - Uses may include specific O&M or Capital projects that help hold future costs down by improving resiliency, reducing risk, and avoiding interest expense

Peshastin Water System Rate Equalization Charge

- Charge was established for the Peshastin service area such that rate revenues would be approximately equal to revenues forecast under previous Peshastin Water District rate plans (4% annually)
- Defer current rate plan changes by 2 years, if the proposed 2-year, 4% rate plan is adopted

Monthly Rate Equalization Charge – Peshastin Water System customers

	6/1/2024	6/1/2027	6/1/2028
Residential	\$3.00	\$6.00	\$9.00
Commercial and Industrial (excluding 8")	\$7.00	\$15.00	\$24.00
Commercial and Industrial (8" meter only)	\$600.00	\$800.00	\$1,000.00

Schedule 5 – Irrigation & Schedule 6 – Frost Protection

- Staff recommends adjusting rate availability effective Jan. 1, 2025, to include off-season use, with charges applicable as follows:

OFF-SEASON (new)	Less than 40 kW demand	More than 40 kW demand
Basic Charge		X
Energy Charge	X	X
Demand Charge		X
IN-SEASON (no change)	Less than 40 kW demand	More than 40 kW demand
Basic Charge	X	X
Energy Charge	X	X
Demand Charge	X	X

Rate 3, 30, 33 – Industrial Primary Power Service

- Adjust Fixed Rate Energy Surcharge for current market forecasts

$$\begin{aligned} &\text{Mid C Flat Index: } \$0.08053/\text{kWh} \\ &+ 15\% \text{ admin fee: } \underline{\$0.01208/\text{kWh}} \\ &= \$0.09261/\text{kWh} \end{aligned}$$

- Effective Jan. 1, 2025

Next Steps

- Today: Additional Questions/Discussion?
- Nov. 18: Board rate resolution
- Dec. 2: Budget resolution