



ADVISORY COMMITTEE to MARE ISLAND'S

Island Energy



FY 2009-2010 Rate Case

Presented by:

Pittsburg Power Company

Garrett Evans, General Manager



Island Energy FY 08-09 Accomplishments

- ❖ **Implemented various Energy Efficiency programs to encourage energy savings and to provide benefits to customers.**
- ❖ **Implemented retail level solar incentive program providing rebates to installation of solar energy system.**
- ❖ **Pittsburg Power Board approved a loan of \$3,000,000 to fund the capital investment of the substation “H” upgrade.**
- ❖ **A newer transformer at substation “N” is tested and scheduled to move to main substation “H” to serve as a primary transformer.**



Island Energy FY 08-09 Accomplishments

- ❖ **Structured a Commercial Reimbursement Model to facilitate commercial development on Mare Island.**
- ❖ **Updated Island Energy's website with all application forms of various programs available online for download.**
- ❖ **Issued the first Quarterly Newsletter to keep customer informed on Island Energy's latest activities.**
- ❖ **Signed a Five-Year Evergreen Gas Services Agreement with the State Department of General Services, which creates moderate savings in gas commodity cost.**

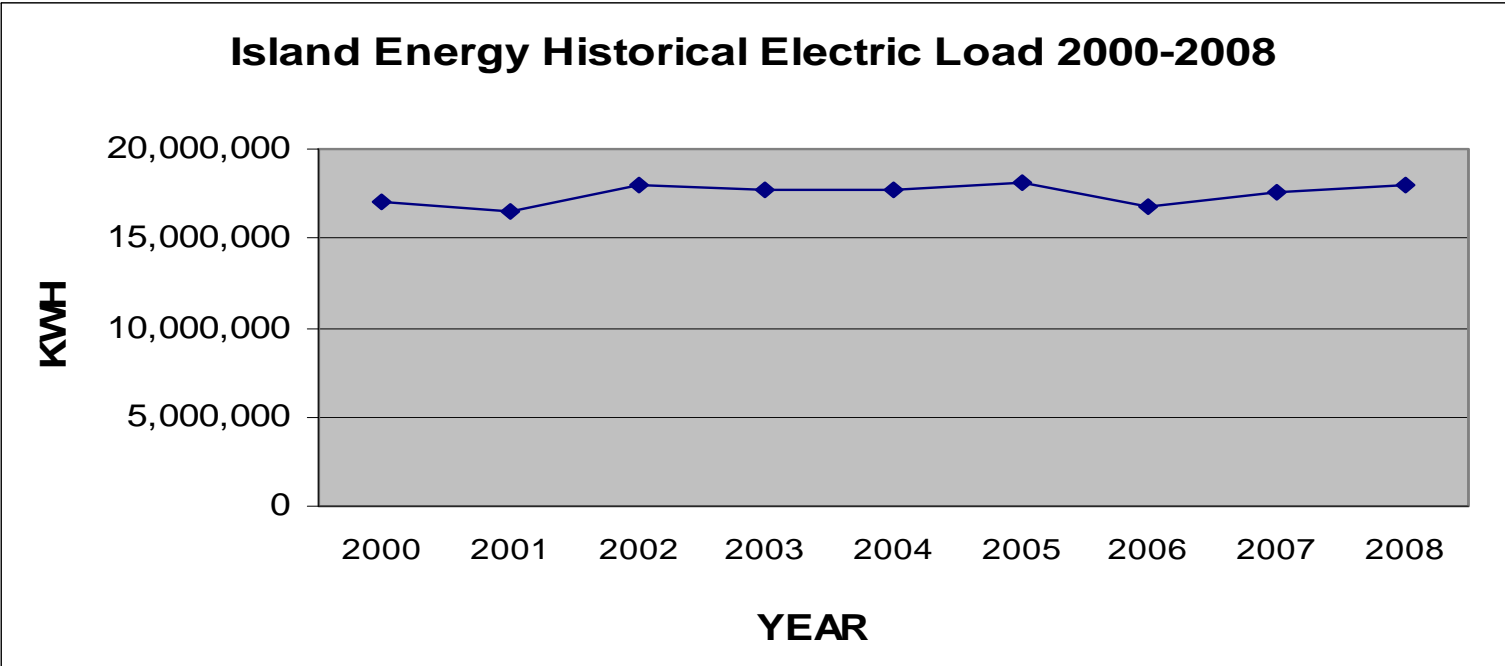


Island Energy FY 2009-2010 Service Goals

- ❖ **Complete main substation “H” redesign, reconfiguration and upgrade to ensure system reliability and to accommodate further development.**
- ❖ **Provide on-site energy audit services to residential and commercial customers.**
- ❖ **Work with energy conservation contractors on energy saving solutions and lighting retrofit services in old commercial buildings.**
- ❖ **Proposed coordinating the replacement of Mare Island streetlights with high efficiency LEDs.**
- ❖ **Increase public outreach activities within the Mare Island and Vallejo community.**

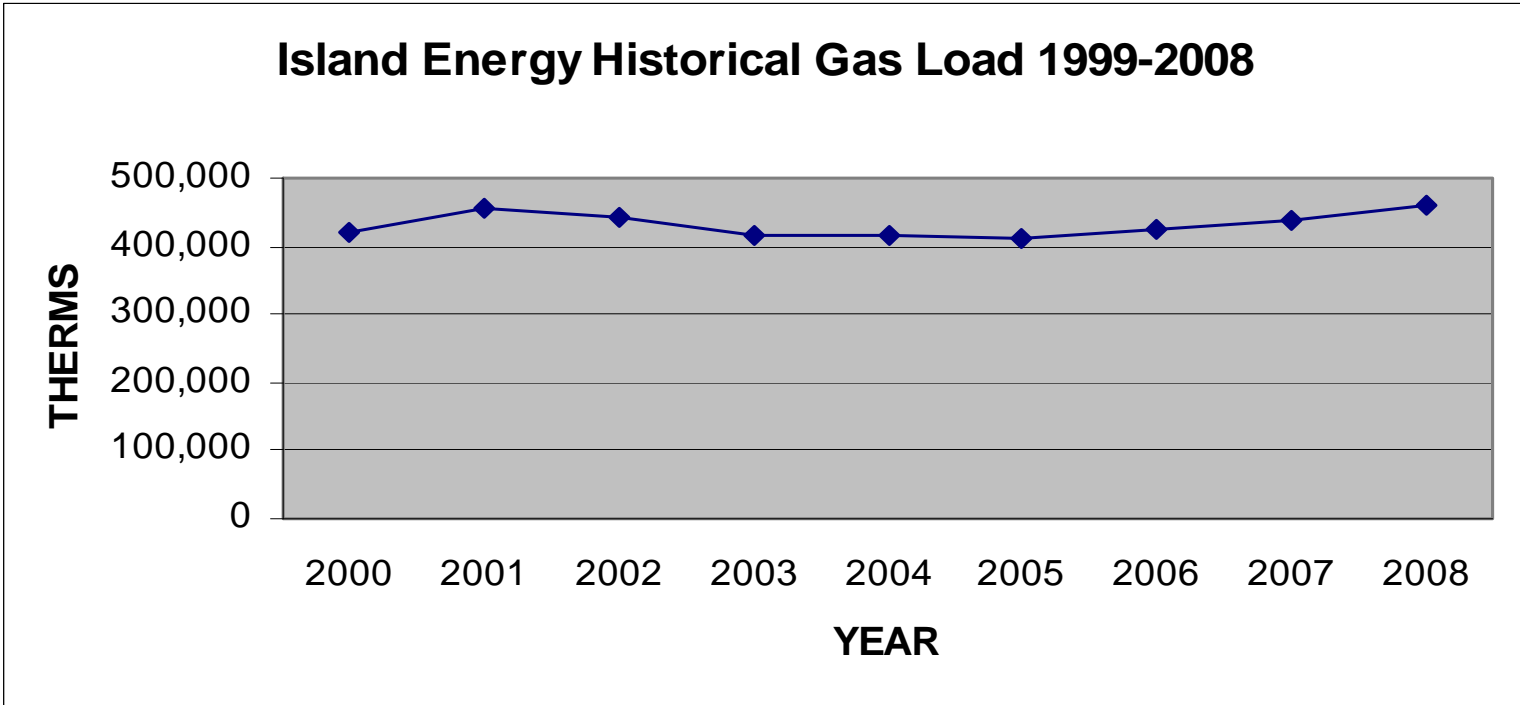


Island Energy Historical Electric Load 2000-2008





Island Energy Historical Gas Load 2000-2008





Island Energy Operating Expenditures

(Fiscal Year 2009-2010 versus Fiscal Year 2008-2009)

Operations	Proposed FY 09/10	Projected FY 08/09	Budget FY 08/09	\$ Change	% Change
A&G	\$923,290	\$957,374	\$985,894	(\$62,604)	-6.35%
Electrical	\$921,700	\$839,851	\$867,850	\$53,850	6.20%
Gas	\$435,500	\$424,731	\$414,807	\$20,693	4.99%
Total	\$2,280,490	\$2,221,956	\$2,268,551	\$11,939	0.53%

(Operating Expenses include labor, insurance, office supplies, professional services and depreciation)



Island Energy Total Operating Expenditures

(Fiscal Year 2009-2010 versus Fiscal Year 2008-2009)

Expenditure	Proposed FY 09/10	Projected FY 08/09	Budget FY 08/09	\$ Change	% Change
Operating Expenses	\$2,280,490	\$2,221,956	\$2,268,551	\$11,939	0.53%
Purchased Electricity	\$1,534,505	\$1,665,395	\$1,665,395	(\$130,890)	-7.86%
Purchased Gas	\$295,350	\$371,979	\$427,416	(\$132,066)	-30.90%
Total	\$4,110,345	\$4,259,330	\$4,361,362	(\$251,017)	-6.11%



Island Energy FY 2009-2010 Electric Revenues

(Fiscal Year 2009-2010 versus Fiscal Year 2008-2009)

Customer Class	Proposed FY 09/10	Budget FY 08/09	\$ Change	% Change
Residential	\$219,709	\$196,344	23,365	11.90%
Non-Residential	\$2,797,004	\$2,755,311	41,693	1.51%
Street Lighting	\$27,289	\$27,949	(660)	-2.36%
Total	\$3,044,001	\$3,005,225	\$38,776	1.29%



Island Energy FY 2009-2010 Gas Revenues

(Fiscal Year 2009-2010 versus Fiscal Year 2008-2009)

Customer Class	Proposed FY 09/10	Budget FY 08/09	\$ Change	% Change
Delivery Charge	\$875,874	\$1,040,475	(164,601)	-15.82%
Meter Service Charge	\$24,729	\$25,418	(689)	-2.71%
Total	\$900,603	\$1,065,893	(\$165,290)	-15.51%



Island Energy FY 2009-2010 Operating Income

Operation	Electric	Gas	Total
Revenues	\$3,044,001	\$900,603	\$3,944,603
Expenses	\$3,352,604	\$956,633	\$4,309,237
Surplus/(Deficit)	(\$308,603)	(\$56,030)	(\$364,634)
Cumulative Cash Flow of FY 2009-2010			\$367



What's New in This Year's Rate Case

- ❖ Mirror PG&E's A-1 electric rate for small commercial services.
- ❖ Mirror PG&E's A-10 electric rate for high electric commercial users who use more than 200 kW a month.
- ❖ Mirror PG&E's Residential Electric Rates.
- ❖ Mirror PG&E's LS-1 Streetlight Rate Schedule.
- ❖ Establish Residential Medical Discount Rate.
- ❖ Establish Low Income Discount Program.



Island Energy Proposed Electric Rates

Residential Electric Rates

Year	FY 08-09 Residential Electric Rate (\$/Kwh)			FY 09-10 Residential Electric Rate (\$/Kwh)		
	Island Energy	PG&E	Difference	Island Energy	PG&E	Difference
Tier 1:	\$ 0.11559	\$ 0.11531	0.24%	\$ 0.11531	\$ 0.11531	0.00%
Tier 2:	\$ 0.13142	\$ 0.13109	0.25%	\$ 0.13109	\$ 0.13109	0.00%
Tier 3:	\$ 0.22580	\$ 0.25974	-13.07%	\$ 0.25974	\$ 0.25974	0.00%
Tier 4:	\$ 0.31304	\$ 0.37866	-17.33%	\$ 0.37866	\$ 0.37866	0.00%
Tier 5:	\$ 0.35876	\$ 0.44098	-18.64%	\$ 0.44098	\$ 0.44098	0.00%

Non-Residential Electric Rates

Year	FY 08-09 Non-Residential Electric Rate (\$/Kwh)			FY 09-10 Non-Residential Electric Rate (\$/Kwh)		
	Island Energy	PG&E	Difference	Island Energy	PG&E	Difference
Small Commercial User	\$ 0.16898	\$ 0.17886	-5.52%	\$ 0.17886	\$ 0.17886	0.00%
Large Commercial User	\$ 0.16898	\$ 0.15816	6.84%	\$ 0.15816	\$ 0.15816	0.00%



Island Energy Proposed Gas Rates

Gas

- ❖ Gas operation has not been self-sufficient due to sales decline.
- ❖ Gas commodity rate has dropped significantly compared to last year.
- ❖ Commodity rate remains a pass-through.
- ❖ No change in delivery charge.



Pittsburg Power Company Financial Assistance to Support Island Energy Operation

Island Energy Establishment Loan	\$300,000
Facility Relocation Loan	\$200,000
Loan for Gas/Electric Meters	\$650,000
Loan for Operational Support	\$100,000
Total Financial Assistances to Island Energy	\$1,250,000
New Substation Investment (FY 08-09)	\$3,000,000



Taxes Paid to the City of Vallejo for Island Energy Operation

Year	FY 99/00	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projection	Forecast
COV Tax (7.5% of Total Sales)	\$81,196	\$72,248	\$107,556	\$126,064	\$130,816	\$129,226	\$154,110	\$183,797	\$209,205	\$225,391
Franchise Fee (2% of Electric Sales)						\$11,476	\$43,398	\$53,578	\$58,859	\$60,105
Annual Tax Payment to COV	\$81,196	\$72,248	\$107,556	\$126,064	\$130,816	\$140,702	\$197,508	\$237,375	\$268,064	\$285,496

Total Taxes Paid to the City of Vallejo:

\$1,647,025



Any Questions?

ISLAND ENERGY
Rate Design for FY 2009/2010

	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Proposed FY 2009-2010	Projected FY 2008-2009	Budget FY 2008-2009
Forecast Energy Loads															
Electricity Purchases															
Capacity (MW)	4.27	4.24	4.24	3.94	4.05	4.42	4.36	4.07	4.43	4.22	4.22	4.22	4.43		4.78
Energy (MWh)	1,870	1,856	1,856	1,725	1,773	1,936	1,912	1,782	1,943	1,850	1,850	1,850	22,200	22,200	22,189
Load Factor	60.0%														
Base Resources	35.7%	1,210	884	621	440	243	78	172	384	957	1,467	1,461	7,917	6,300	8,652
Custom Product Purchases	64.3%	660	972	1,235	1,285	1,530	1,834	1,610	1,559	893	383	389	14,283	15,900	13,564
Electricity Sales to Retail Customers	1,514	1,503	1,503	1,398	1,436	1,568	1,548	1,443	1,573	1,498	1,498	1,498	17,982	17,982	17,973
Electric Loss Factor	19.0%														
Gas (Therms)															
Purchases	16,884	16,682	16,682	23,171	39,427	80,649	68,684	56,032	46,813	35,723	28,238	15,003	443,989	443,278	468,958
Sales	16,209	16,015	16,015	22,244	37,850	77,423	65,937	53,790	44,940	34,294	27,108	14,403	426,229	426,229	450,200
Gas Shrinkage Factor	4.0%														
Purchased Energy															
Electricity															
Custom Product	660	972	1,235	1,285	1,530	1,936	1,834	1,610	1,559	893	383	389	14,283	15,900	13,564
CP Price	\$ 66.61	\$ 68.91	\$ 68.84	\$ 60.26	\$ 61.02	\$ 61.10	\$ 59.75	\$ 60.75	\$ 60.93	\$ 57.38	\$ 53.95	\$ 55.40	\$ 61.64	\$ 73.27	\$ 85.90
CP Expense	\$ 43,931	\$ 66,956	\$ 84,998	\$ 77,469	\$ 93,360	\$ 118,286	\$ 109,568	\$ 97,795	\$ 94,962	\$ 51,213	\$ 20,639	\$ 21,526	\$ 880,702	\$ 1,165,065	\$ 1,165,065
Base Resource															
Monthly Charge	\$ 30,300	\$ 30,300	\$ 30,300	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 30,300	\$ 30,300	\$ 30,300	\$ 247,800	\$ 235,888	\$ 210,000
Portfolio Management	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 21,600	\$ 21,600	\$ 21,600
SC Charge	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 3,777	\$ 45,324	\$ 45,324	\$ 45,324
ISO Charge -- Market+TAC	\$ 8.25	\$ 15,423	\$ 15,309	\$ 15,309	\$ 14,235	\$ 14,626	\$ 15,973	\$ 15,772	\$ 14,700	\$ 16,026	\$ 15,259	\$ 15,259	\$ 183,151	\$ 144,301	\$ 144,229
ISO Charge -- Admin	\$ 0.94	\$ 1,757	\$ 1,744	\$ 1,744	\$ 1,622	\$ 1,667	\$ 1,820	\$ 1,797	\$ 1,675	\$ 1,826	\$ 1,739	\$ 1,739	\$ 20,868	\$ 20,868	\$ 20,858
RA Purchase	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 5,520	\$ 5,520	\$ 5,520
FERC Fees	\$ 0.050	\$ 93	\$ 93	\$ 93	\$ 86	\$ 89	\$ 97	\$ 96	\$ 97	\$ 97	\$ 92	\$ 92	\$ 1,110	\$ 1,110	\$ 1,109
Restoration Fund	\$ 8,765	\$ 8,765	\$ 12,640	\$ 12,640	\$ 12,640	\$ 12,640	\$ 12,640	\$ 12,640	\$ 8,765	\$ 8,765	\$ 8,765	\$ 8,765	\$ 128,430	\$ 96,506	\$ 51,690
	\$ 62,376	\$ 62,248	\$ 66,123	\$ 45,620	\$ 46,058	\$ 47,567	\$ 47,341	\$ 46,142	\$ 43,751	\$ 62,192	\$ 62,192	\$ 62,192	\$ 653,803	\$ 571,117	\$ 500,330
Total Electric Purchases	\$ 106,307	\$ 129,204	\$ 151,121	\$ 123,089	\$ 139,418	\$ 165,852	\$ 156,909	\$ 143,936	\$ 138,713	\$ 113,405	\$ 82,831	\$ 83,718	\$ 1,534,505	\$ 1,408,368	\$ 1,665,395
Per MWh	\$ 56.86	\$ 69.63	\$ 81.44	\$ 71.34	\$ 78.64	\$ 85.66	\$ 82.08	\$ 80.78	\$ 71.41	\$ 61.31	\$ 44.78	\$ 45.26	\$ 69.1215	\$ 63.44	\$ 75.05
Gas															
Commodity															
Gas Commodity Price/Therm	\$ 0.5220	\$ 0.5339	\$ 0.5394	\$ 0.5416	\$ 0.5737	\$ 0.5982	\$ 0.6085	\$ 0.6181	\$ 0.6081	\$ 0.5950	\$ 0.6136	\$ 0.6183	\$ 0.5809	\$ 0.7659	\$ 0.8500
Gas Commodity Cost	\$ 8,813	\$ 8,907	\$ 8,999	\$ 12,550	\$ 22,618	\$ 48,241	\$ 41,791	\$ 34,633	\$ 28,468	\$ 21,255	\$ 17,326	\$ 9,277	\$ 262,878	\$ 339,507	\$ 398,615
PG&E Redwood Section Gas Pipeline Charge	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 306	\$ 3,672	\$ 3,672	\$ -
Transport Fee and DGS Charge	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 28,800	\$ 28,800	\$ 28,800
Total Purchased Gas	\$ 11,519	\$ 11,613	\$ 11,705	\$ 15,256	\$ 25,324	\$ 50,947	\$ 44,497	\$ 37,339	\$ 31,174	\$ 23,961	\$ 20,032	\$ 11,983	\$ 295,350	\$ 371,979	\$ 427,416
(composite rate: \$/therm)	\$ 0.711	\$ 0.725	\$ 0.731	\$ 0.686	\$ 0.669	\$ 0.658	\$ 0.675	\$ 0.694	\$ 0.694	\$ 0.699	\$ 0.739	\$ 0.832	\$ 0.693	\$ 0.873	\$ 0.949
Administrative and General Operations															
A&G Labor Services	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 20,383	\$ 244,600	\$ 235,543	\$ 243,152
Utilities and Insurance	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 21,667	\$ 260,000	\$ 238,893	\$ 200,900
Office Materials	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 2,292	\$ 27,500	\$ 28,000	\$ 24,400
Professional Services	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000	\$ 35,000	\$ 43,000
Other Operational Expenses	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 2,808	\$ 33,700	\$ 29,500	\$ 33,700
Travel, Memberships and Advertising	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 2,500	\$ 1,100	\$ 2,500
Bad Debt Expense	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,000	\$ 15,000	\$ 8,000
Depreciation and Capital Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000
PPC Direct and Indirect Costs	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 23,083	\$ 276,990	\$ 365,338	\$ 421,242
Administrative and General Expenses	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 76,441	\$ 917,290	\$ 951,374	\$ 979,894
Utility Reserves															
Relocation Reserve Account	\$ 5,851	\$ 5,765	\$ 5,764	\$ 5,695	\$ 6,435	\$ 8,454	\$ 7,958	\$ 7,129	\$ 7,234	\$ 6,553	\$ 6,282	\$ 5,771	\$ 78,892	\$ -	\$ -
Utility Reserve Account	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 120,000	\$ -	\$ -
Total A&G and Overhead Expenses	\$ 92,792	\$ 92,706	\$ 92,705	\$ 92,636	\$ 93,376	\$ 95,395	\$ 94,899	\$ 94,070	\$ 94,175	\$ 93,494	\$ 93,223	\$ 92,712	\$ 1,122,182	\$ 957,374	\$ 985,894
Allocated to Electric Ops	79.88%	\$ 74,122	\$ 74,053	\$ 74,052	\$ 73,997	\$ 74,589	\$ 76,202	\$ 75,806	\$ 75,143	\$ 75,227	\$ 74,683	\$ 74,059	\$ 896,399	\$ 764,750	\$ 787,532
Allocated to Gas Ops	20.12%	\$ 18,670	\$ 18,652	\$ 18,652	\$ 18,638	\$ 18,787	\$ 19,193	\$ 19,094	\$ 18,927	\$ 18,948	\$ 18,811	\$ 18,756	\$ 225,783	\$ 192,624	\$ 198,362
Loan Repayment to PPC (Interest Payment Only)															
Loan for Operational Support (\$100,000)	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 6,000	\$ 6,000	\$ 6,000

Deferred Loan Repayment to PPC

Operational Loan (6% on a 10 year Repayment Plan)

Principal Payment for Operational Support (\$100,000)	\$	610	\$	610	\$	610	\$	610	\$	610	\$	610	\$	610	\$	610	\$	7,322	\$	-
Island Energy Establishment Loan (\$300,000)	\$	3,397	\$	3,397	\$	3,397	\$	3,397	\$	3,397	\$	3,397	\$	3,397	\$	3,397	\$	40,760	\$	-
Facility Relocation Fund (\$200,000)	\$	2,264	\$	2,264	\$	2,264	\$	2,264	\$	2,264	\$	2,264	\$	2,264	\$	2,264	\$	27,174	\$	-
Infrastructure Loan (6% on a 30 Year Repayment Plan)																				
Loan for Electric and Gas Meters (\$650,000)	\$	3,935	\$	3,935	\$	3,935	\$	3,935	\$	3,935	\$	3,935	\$	3,935	\$	3,935	\$	47,222	\$	-
Loan for Substation "H" Upgrade (\$300,000)	\$	1,816	\$	1,816	\$	1,816	\$	1,816	\$	1,816	\$	1,816	\$	1,816	\$	1,816	\$	21,794	\$	-
Total Deferred Annual Loan Payment																	\$	144,272	\$	-

Electric Operations

Purchased Electricity for Resale	\$	106,307	\$	129,204	\$	151,121	\$	123,089	\$	139,418	\$	165,852	\$	156,909	\$	143,936	\$	138,713	\$	113,405	\$	82,831	\$	83,718	\$	1,534,505	\$	1,665,395	\$	1,665,395																			
Electric Labor Services	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	39,183	\$	470,200	\$	449,351	\$	450,350																	
Shop and Materials	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	7,458	\$	89,500	\$	75,500	\$	119,500																	
Professional Services	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	2,083	\$	25,000	\$	30,000	\$	10,000																	
Travel, Memberships and Advertising	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	167	\$	2,000	\$	-	\$	3,000																	
Depreciation and Capital Expense	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	27,917	\$	335,000	\$	285,000	\$	285,000																	
Total Revenues from Customer Projects	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-																	
Capital Budget Principal and Interest	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-																	
IE Capitalized Labor	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-																	
Transfer from Admin and Gen Ops	\$	74,122	\$	74,053	\$	74,052	\$	73,997	\$	74,589	\$	76,202	\$	75,806	\$	75,143	\$	75,227	\$	74,683	\$	74,466	\$	74,059	\$	74,059	\$	896,399	\$	764,750	\$	787,532																	
Total Electric Operations Expenditures																				\$	257,237	\$	280,066	\$	301,982	\$	273,895	\$	290,815	\$	318,862	\$	309,523	\$	295,888	\$	290,749	\$	264,896	\$	234,105	\$	234,585	\$	3,352,604	\$	3,269,996	\$	3,320,777

Electric Cost Summary

Expenses for Period	\$	257,237	\$	280,066	\$	301,982	\$	273,895	\$	290,815	\$	318,862	\$	309,523	\$	295,888	\$	290,749	\$	264,896	\$	234,105	\$	234,585	\$	3,352,604	\$	3,269,996	\$	3,320,777		
Forecast Sales of Electricity (MWh)		1,514		1,503		1,503		1,398		1,436		1,568		1,548		1,443		1,573		1,498		1,498		1,498		1,498		17,982		17,982		17,973
Implicit Electric Rate (per MWh)		169.87		186.33		200.91		195.97		202.51		203.33		199.89		205.01		184.79		176.81		156.26		156.58		186.44		181.85		184.76		

Gas Operations

Delivery Operations

Gas Labor Services	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	29,000	\$	348,000	\$	330,231	\$	333,807																	
Shop and Materials	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	3,042	\$	36,500	\$	39,000	\$	39,000																	
Professional Services	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	1,667	\$	20,000	\$	24,500	\$	10,000																	
Travel, Memberships and Advertising	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	83	\$	1,000	\$	1,000	\$	2,000																	
Depreciation and Capital Expense	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	2,500	\$	30,000	\$	30,000	\$	30,000																	
Total Revenues from Customer Projects	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-																	
Capital Budget Principal and Interest	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-																	
IE Capitalized Labor	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-																	
Transfer from Admin and Gen Ops	\$	18,670	\$	18,652	\$	18,652	\$	18,638	\$	18,787	\$	19,193	\$	19,094	\$	18,927	\$	18,948	\$	18,811	\$	18,756	\$	18,654	\$	18,654	\$	225,783	\$	192,624	\$	198,362																	
Total Gas Operations Expenditures																				\$	54,961	\$	54,944	\$	54,944	\$	54,930	\$	55,079	\$	55,485	\$	55,385	\$	55,219	\$	55,240	\$	55,103	\$	55,048	\$	54,945	\$	661,283	\$	617,355	\$	613,169

Gas Cost Summary

Operational Expenses for Period	\$	54,961	\$	54,944	\$	54,944	\$	54,930	\$	55,079	\$	55,485	\$	55,385	\$	55,219	\$	55,240	\$	55,103	\$	55,048	\$	54,945	\$	661,283	\$	617,355	\$	613,169
Commodity Expenses for Period	\$	11,519	\$	11,613	\$	11,705	\$	15,256	\$	25,324	\$	50,947	\$	44,497	\$	37,339	\$	31,174	\$	23,961	\$	20,032	\$	11,983	\$	295,350	\$	371,979	\$	427,416
Forecast Sales of Gas (therms)		16,209		16,015		16,015		22,244		37,850		77,423		65,937		53,790		44,940		34,294		27,108		14,403		426,229		426,229		450,200

Rate Design and Revenue Forecasts

Electric Operations

Proposed Rates

	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Proposed FY 2009-2010
Residential													
Rate	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68	\$ 131.68
Sales	119	174	174	113	131	167	149	130	114	95	95	95	1,557
Revenue	\$ 15,667	\$ 22,955	\$ 22,955	\$ 14,853	\$ 17,221	\$ 21,944	\$ 19,647	\$ 17,097	\$ 14,959	\$ 12,561	\$ 12,561	\$ 12,561	\$ 204,981
Basic Service Fee													
Meters	\$ 4.65	\$ 4.65	\$ 4.50	\$ 4.65	\$ 4.50	\$ 4.65	\$ 4.65	\$ 4.20	\$ 4.65	\$ 4.50	\$ 4.65	\$ 4.50	\$ 54.75
Revenue	\$ 1,251	\$ 1,251	\$ 1,211	\$ 1,251	\$ 1,211	\$ 1,251	\$ 1,251	\$ 1,130	\$ 1,251	\$ 1,211	\$ 1,251	\$ 1,211	\$ 14,728

Non-Residential

65% of the Total Non-Residential Load is on A-1 Schedule

Rate	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 178.86	\$ 168.98	
Sales	894	851	851	822	836	898	897	841	936	899	899	899	899	899	899	899	899	899	899	10,524	10,524
Revenue	\$ 159,950	\$ 152,212	\$ 152,212	\$ 147,105	\$ 149,479	\$ 160,679	\$ 160,409	\$ 150,435	\$ 167,450	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 160,815	\$ 1,882,375	\$ 1,778,395
Basic Service Fee	\$ 9.17	\$ 9.17	\$ 8.87	\$ 9.17	\$ 8.87	\$ 9.17	\$ 9.17	\$ 8.28	\$ 9.17	\$ 8.87	\$ 9.17	\$ 8.87	\$ 9.17	\$ 8.87	\$ 9.17	\$ 8.87	\$ 9.17	\$ 8.87	\$ 9.17	\$ 8.87	\$ 168.98
Meters	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	179
Revenue	\$ 1,558	\$ 1,558	\$ 1,508	\$ 1,558	\$ 1,508	\$ 1,558	\$ 1,558	\$ 1,407	\$ 1,558	\$ 1,508	\$ 1,508	\$ 1,558	\$ 1,508	\$ 1,558	\$ 1,508	\$ 1,558	\$ 1,508	\$ 1,558	\$ 1,508	\$ 18,348	\$ 19,319

35% of the Total Non-Residential Load is on A-10 Schedule

Rate	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 158.16	\$ 168.98
Sales	482	458	458	443	450	484	483	453	504	484	484	484	484	484	484	484	484	484	484	5,667	5,667
Revenue	\$ 76,159	\$ 72,475	\$ 72,475	\$ 70,043	\$ 71,173	\$ 76,506	\$ 76,378	\$ 71,629	\$ 79,730	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 76,571	\$ 896,281	\$ 957,597

Total Revenue for Non-Residential

	\$ 237,668	\$ 226,245	\$ 226,195	\$ 218,706	\$ 222,160	\$ 238,743	\$ 238,345	\$ 223,471	\$ 248,739	\$ 238,894	\$ 238,944	\$ 238,894	\$ 238,894	\$ 238,894	\$ 238,894	\$ 238,894	\$ 238,894	\$ 238,894	\$ 238,894	\$ 2,797,003	\$ 2,708,287	\$ 2,755,311
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Street Lighting																						
Rate	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23	\$ 114.23
Sales	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	234	234	240.00
Monthly Facility Charge	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187	\$ 0.187
Number of Lamps	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238	238
Revenue	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 2,274	\$ 27,289	\$ 27,289	\$ 27,949

Total Electric Revenues	\$ 256,859	\$ 252,725	\$ 252,635	\$ 237,084	\$ 242,866	\$ 264,211	\$ 261,517	\$ 243,972	\$ 267,222	\$ 254,939	\$ 255,030	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939	\$ 3,044,001	\$ 2,955,285	\$ 3,005,225
Cost of Service	\$ 257,237	\$ 280,066	\$ 301,982	\$ 273,895	\$ 290,815	\$ 318,862	\$ 309,523	\$ 295,888	\$ 290,749	\$ 264,896	\$ 234,105	\$ 234,585	\$ 234,585	\$ 234,585	\$ 234,585	\$ 234,585	\$ 234,585	\$ 234,585	\$ 234,585	\$ 3,352,604	\$ 3,269,996	\$ 3,320,777
Surplus/(Deficit)	\$ (378)	\$ (27,341)	\$ (49,347)	\$ (36,810)	\$ (47,950)	\$ (54,651)	\$ (48,006)	\$ (51,916)	\$ (23,526)	\$ (9,956)	\$ 20,924	\$ 20,354	\$ 20,354	\$ 20,354	\$ 20,354	\$ 20,354	\$ 20,354	\$ 20,354	\$ 20,354	\$ (308,603)	\$ (314,711)	\$ (315,552)

Gas Operations

	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Proposed FY 2009-2010			
Proposed Rates																
Delivery Service - Proposed Rates	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620	\$ 1.3620
Unit Cost of Commodity	\$ 0.7107	\$ 0.7251	\$ 0.7309	\$ 0.6858	\$ 0.6691	\$ 0.6580	\$ 0.6748	\$ 0.6941	\$ 0.6937	\$ 0.6987	\$ 0.7390	\$ 0.8320	\$ 0.6929	\$ 0.9494	\$ 0.9494	\$ 0.9494
Total Delivered Gas Rate	\$ 2.0727	\$ 2.0871	\$ 2.0929	\$ 2.0478	\$ 2.0311	\$ 2.0200	\$ 2.0368	\$ 2.0561	\$ 2.0557	\$ 2.0607	\$ 2.1010	\$ 2.1940	\$ 2.0549	\$ 2.3114	\$ 2.3114	
Gas Sales Revenue	\$ 33,596	\$ 33,425	\$ 33,518	\$ 45,552	\$ 76,876	\$ 156,398	\$ 134,303	\$ 110,601	\$ 92,383	\$ 70,669	\$ 56,954	\$ 31,600	\$ 875,874	\$ 985,186	\$ 1,040,475	
Residential																
Basic Service Fee	\$ 4.65	\$ 4.65	\$ 4.50	\$ 4.65	\$ 4.50	\$ 4.65	\$ 4.65	\$ 4.20	\$ 4.65	\$ 4.50	\$ 4.65	\$ 4.50	\$ 54.75	\$ 54.75	\$ 54.75	
Meters	265	265	265	265	265	265	265	265	265	265	265	265	265	265	247	
Revenue	\$ 1,232	\$ 1,232	\$ 1,193	\$ 1,232	\$ 1,193	\$ 1,232	\$ 1,232	\$ 1,113	\$ 1,232	\$ 1,193	\$ 1,232	\$ 1,193	\$ 14,509	\$ 14,509	\$ 13,523	
Non-Residential																
Basic Service Fee	\$ 15.50	\$ 15.50	\$ 15.00	\$ 15.50	\$ 15.00	\$ 15.50	\$ 15.50	\$ 14.00	\$ 15.50	\$ 15.00	\$ 15.50	\$ 15.00	\$ 183	\$ 183	\$ 183	
Meters	56	56	56	56	56	56	56	56	56	56	56	56	56	56	65	
Revenue	\$ 868	\$ 868	\$ 840	\$ 868	\$ 840	\$ 868	\$ 868	\$ 784	\$ 868	\$ 840	\$ 868	\$ 840	\$ 10,220	\$ 10,220	\$ 11,895	
Forecast Sales	16,209	16,015	16,015	22,244	37,850	77,423	65,937	53,790	44,940	34,294	27,108	14,403	426,229	426,229	450,200	
Total Gas Revenues	\$ 35,696	\$ 35,525	\$ 35,550	\$ 47,653	\$ 78,908	\$ 158,498	\$ 136,403	\$ 112,498	\$ 94,483	\$ 72,702	\$ 59,054	\$ 33,633	\$ 900,603	\$ 1,009,914	\$ 1,065,893	
Cost of Service	\$ 66,481	\$ 66,557	\$ 66,649	\$ 70,185	\$ 80,403	\$ 106,433	\$ 99,882	\$ 92,557	\$ 86,414	\$ 79,063	\$ 75,081	\$ 66,929	\$ 956,633	\$ 989,334	\$ 1,040,585	
Surplus/(Deficit)	\$ (30,784)	\$ (31,031)	\$ (31,099)	\$ (22,533)	\$ (1,495)	\$ 52,066	\$ 36,520	\$ 19,941	\$ 8,069	\$ (6,362)	\$ (16,027)	\$ (33,296)	\$ (56,030)	\$ 20,580	\$ 25,308	

Total Utility Operations

Revenues																
Electric	\$ 256,859	\$ 252,725	\$ 252,635	\$ 237,084	\$ 242,866	\$ 264,211	\$ 261,517	\$ 243,972	\$ 267,222	\$ 254,939	\$ 255,030	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939	\$ 254,939
Gas	\$ 35,696	\$ 35,525	\$ 35,550	\$ 47,653	\$ 78,908	\$ 158,498	\$ 136,403	\$ 112,498	\$ 94,483	\$ 72,702	\$ 59,054	\$ 33,633	\$ 900,603	\$ 1,009,914	\$ 1,065,893	
Total Revenues	\$ 292,556	\$ 288,251	\$ 288,185	\$ 284,737	\$ 321,774	\$ 422,710	\$ 397,920	\$ 356,470	\$ 361,705	\$ 327,641	\$ 314,084	\$ 288,572	\$ 3,944,603	\$ 3,965,200	\$ 4,071,118	
Expenses																
Electric	\$ (257,237)	\$ (280,066)	\$ (301,982)	\$ (273,895)	\$ (290,815)	\$ (318,862)	\$ (309,523)	\$ (295,888)	\$ (290,749)	\$ (264,896)	\$ (234,105)	\$ (234,585)	\$ (3,352,604)	\$ (3,269,996)	\$ (3,320,777)	
Gas	\$ (66,481)	\$ (66,557)	\$ (66,649)	\$ (70,185)	\$ (80,403)	\$ (106,433)	\$ (99,882)	\$ (92,557)	\$ (86,414)	\$ (79,063)	\$ (75,081)	\$ (66,929)	\$ (956,633)	\$ (989,334)	\$ (1,040,585)	
Total Expenses	\$ (323,718)	\$ (346,623)	\$ (368,631)	\$ (344,080)	\$ (371,218)	\$ (425,295)	\$ (409,405)	\$ (388,445)	\$ (377,163)	\$ (343,959)	\$ (309,186)	\$ (301,513)	\$ (4,309,237)	\$ (4,259,330)	\$ (4,361,362)	
Surplus / (Deficit)	\$ (31,162)	\$ (58,372)	\$ (80,446)	\$ (59,343)	\$ (49,444)	\$ (2,585)	\$ (11,486)	\$ (31,975)	\$ (15,457)	\$ (16,318)	\$ 4,898	\$ (12,942)	\$ (364,633)	\$ (294,131)	\$ (290,244)	
Cumulative Surplus / (Deficit)	\$ (31,162)	\$ (89,535)	\$ (169,981)	\$ (229,324)	\$ (278,768)	\$ (281,353)	\$ (292,839)	\$ (324,814)	\$ (340,271)	\$ (356,589)	\$ (351,692)	\$ (364,633)	\$ (364,633)	\$ (294,131)	\$ (290,244)	
Cumulative Cash Flow	\$ (746)	\$ (27,956)	\$ (50,030)	\$ (28,927)	\$ (19,027)	\$ 27,832	\$ 18,931	\$ (1,558)	\$ 14,959	\$ 14,099	\$ 35,314	\$ 17,475	\$ 367	\$ 23,869	\$ 27,756	