

# Proposed Electric and Water Utility Rate Increase

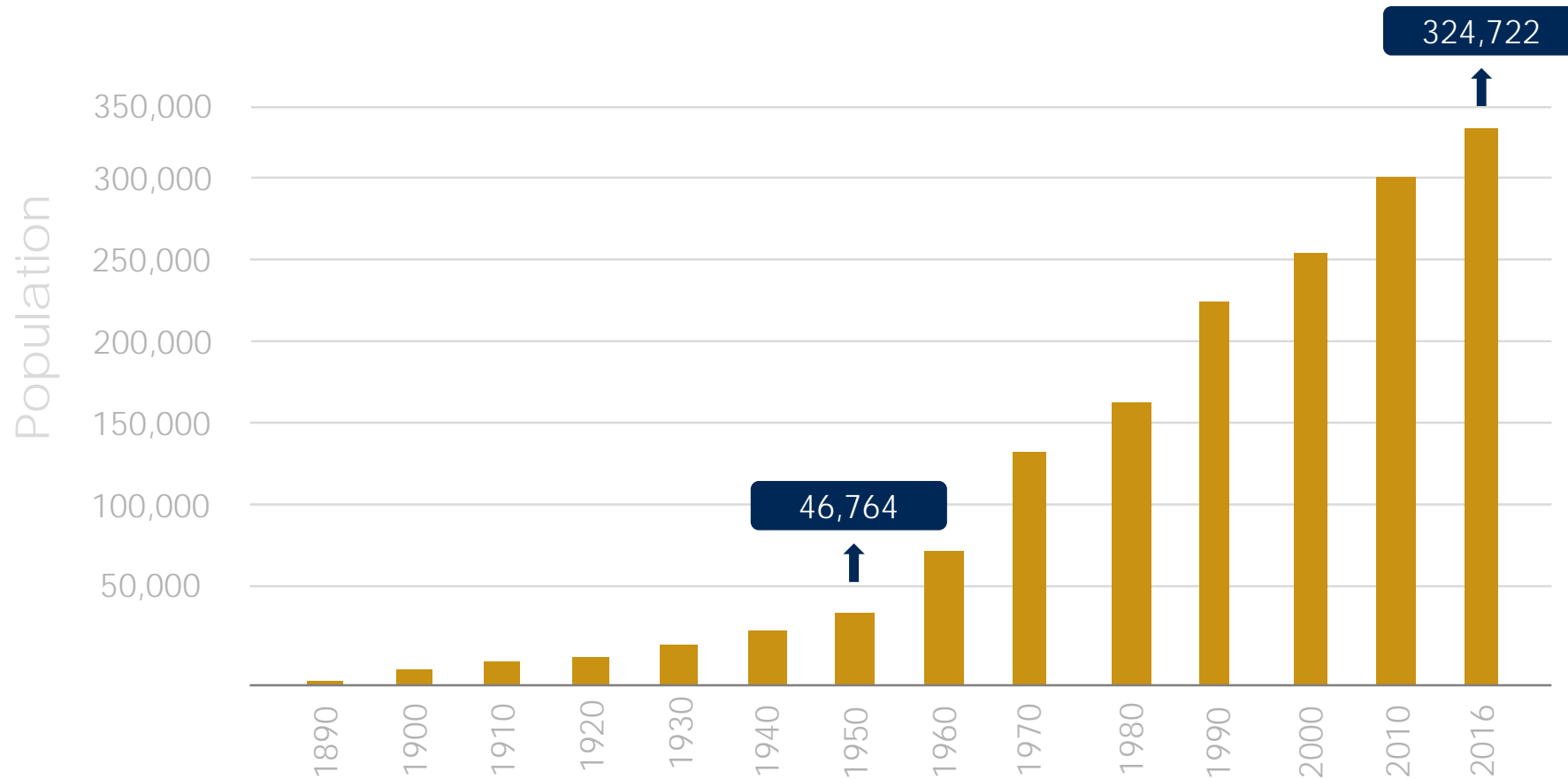
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## Community Meetings

# What we will cover tonight:

1. Why is a rate increase needed?
2. How will it affect me?
3. What can I do?
4. Questions

# Population Growth



Sources: American Fact Finder/Census.gov and State of California, Department of Finance

26%

Utility Poles

60+

22,637

A photograph of an electrical substation under a clear blue sky. In the foreground, a yellow utility truck with a bucket lift is parked. A worker in a white hard hat is visible in the bucket, working on a high-voltage power line. The substation features several large metal structures and power lines. In the background, there are some trees and a building.

65

Substation Transformers

10

60+

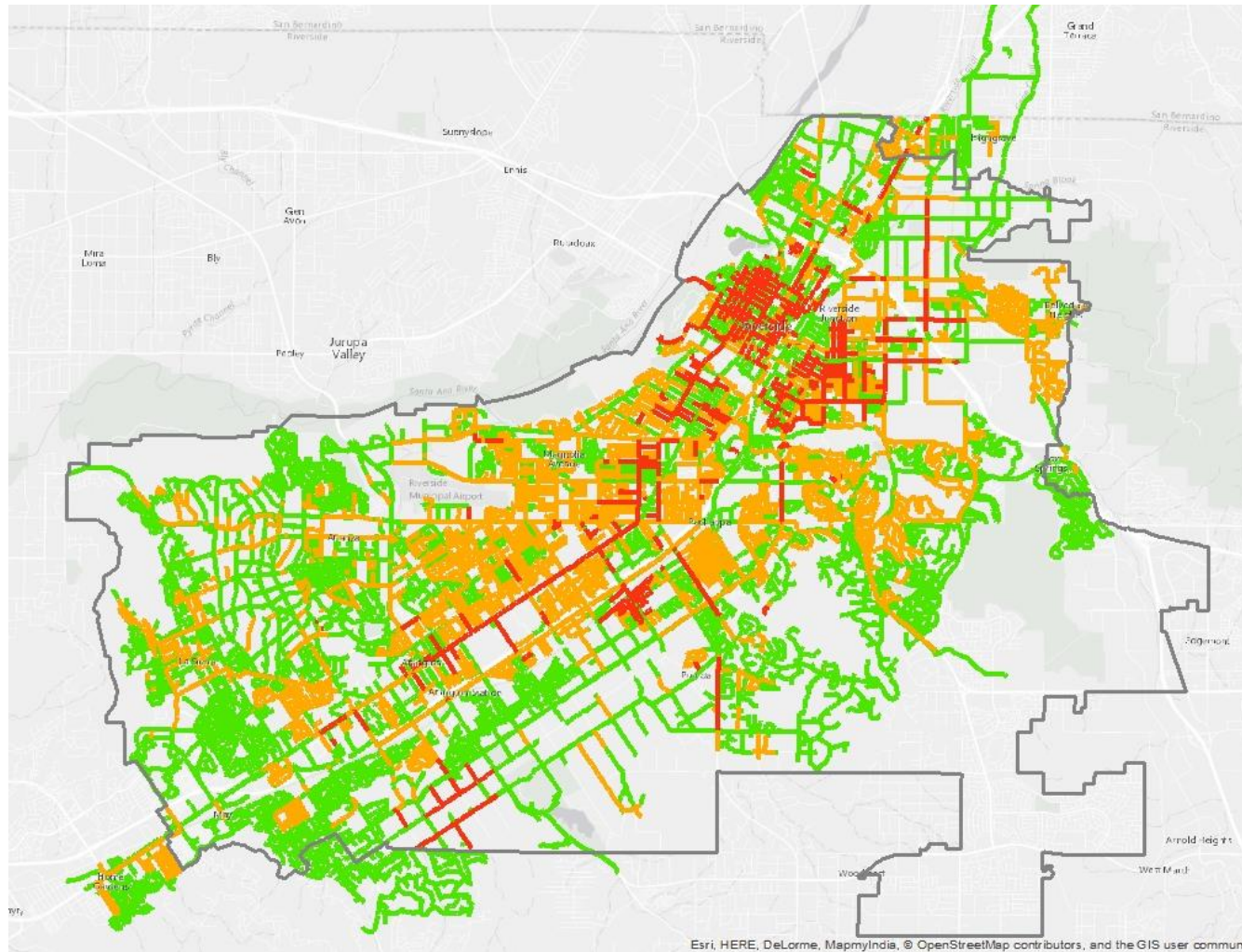
A photograph showing construction workers in a trench installing a large pipe. One worker is in the foreground, bent over, working on a pipe joint. Another worker is visible in the background. The pipe is wrapped in white protective material. The trench walls are earthen.

# 824 miles Distribution Mains

30%

60+

# Aging Pipes



- 80+ Years old
- 50-80 Years old
- 1-50 Years old



ORAGE  
SPECIALS

FREE MO

ORAGE  
951-254-2525



# Harvey Lynn Substation Explosion



From this...



...to this.

Harvey  
Lynn  
Substation  
Explosion  
March 2014

# NETFLIX



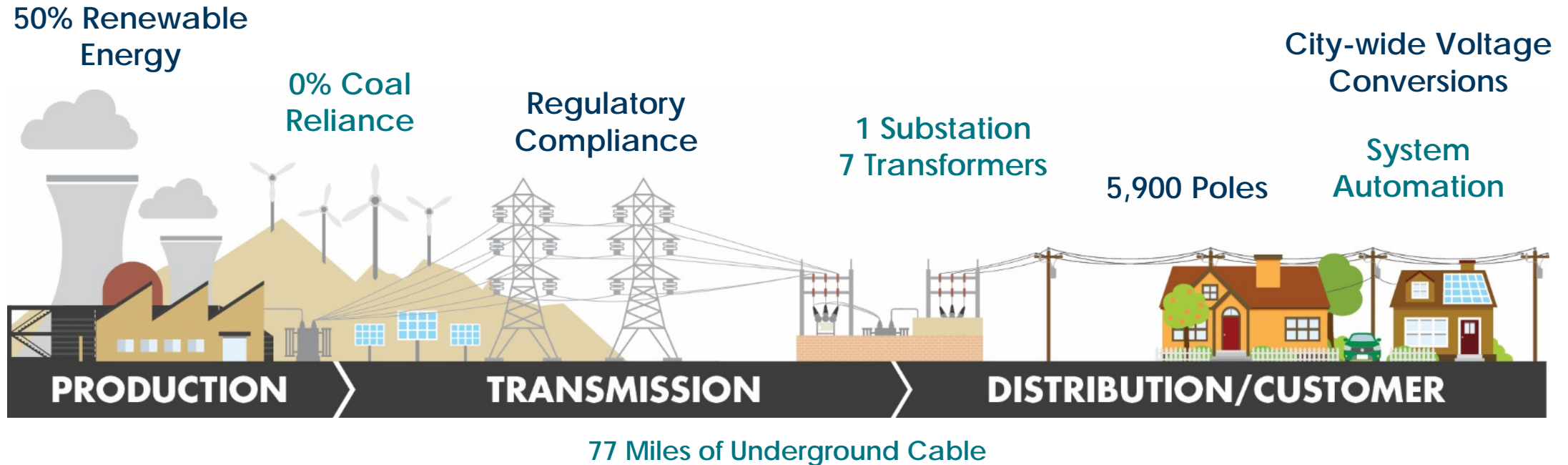


**Sept. 2017:  
12 Deaths due to Power Failure  
at Florida Care Center**



# Electric System – 10 Year Plan

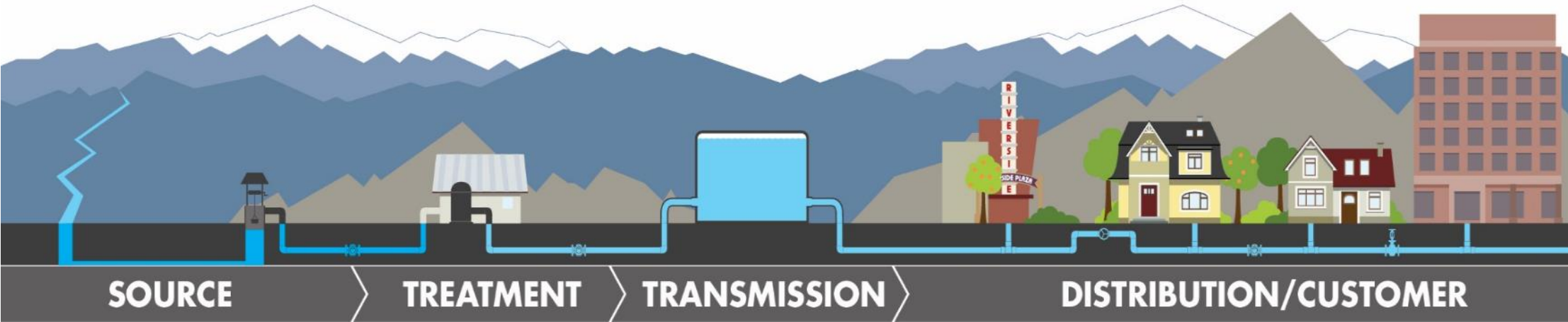
5 Year Costs: \$ 335 Million



# Water System – 10 Year Plan

5 Year Costs: \$ 171 Million

Recycled Water  
Storm Water Capture



5 Wells

North Waterman  
Treatment Plant

80 Miles of Pipeline  
Replace Techite Pipe

3 Pressure Stations • System Automation

2,400 miles

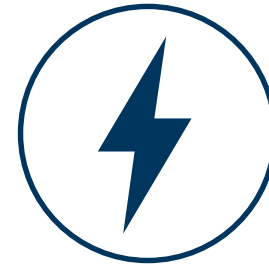


# 7 Years Without a Rate Increase



## 7 Years

since the last  
water increase (2010)



## 7 Years

since the last  
electric increase (2010)



Renewable Power Requirements  
Increased from

## 20% to 50%

since the last rate plan



Five-year California Drought  
(2011-2016)

Hottest and Driest in  
Instrumental Record  
since the late 1800s

# Cost Increase ↑ of Average Household Items



↑ 58%  
\$

Tide Laundry Detergent  
2010 - \$7.97  
2016 - \$12.57



1 pound of bacon  
2010 - \$3.22  
2016 - \$4.48

↑ 39%  
\$



↑ 50%  
\$

1 pound of potatoes  
2010 - \$0.52  
2016 - \$0.78



Movie ticket  
2010 - \$7.50  
2016 - \$10.49

↑ 40%  
\$



iPhone 4  
2010 - \$399  
iPhone 7  
2016 - \$649

↑ 63%  
\$

Source: [ThePeopleHistory.com/pricebasket.html](http://ThePeopleHistory.com/pricebasket.html)

Source: [Apple.com](http://Apple.com)



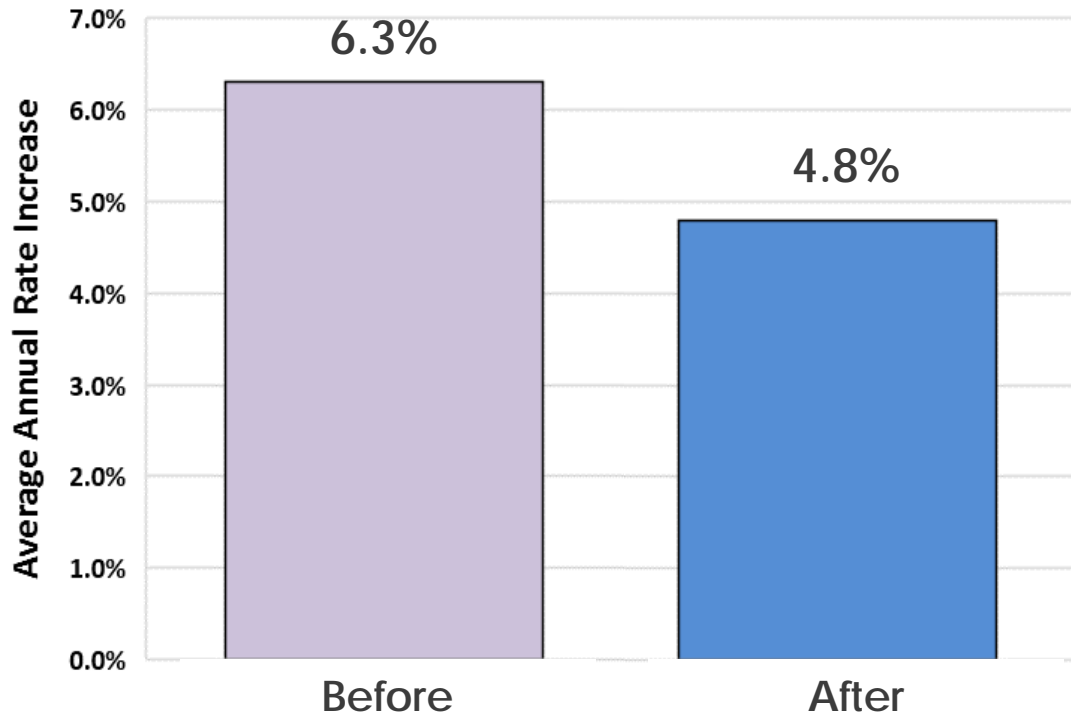
# Keeping Rates as Low as Possible

1. Transmission Revenues *\$36-40 million/year*
2. Cap-and-Trade Revenues *\$5 million/year*
3. Western Water Sale Agreement *~\$5 million/year*
4. Excess Renewable Energy Sales *\$3-5 million/year*
5. Solar at Well Sites *\$800,000/year*
6. Scheduling Services *\$750,000/year*
7. \$85 Million Line of Credit *reduced cash reserves*
8. 55-year Lease with Hillwood *potential for \$45 million*

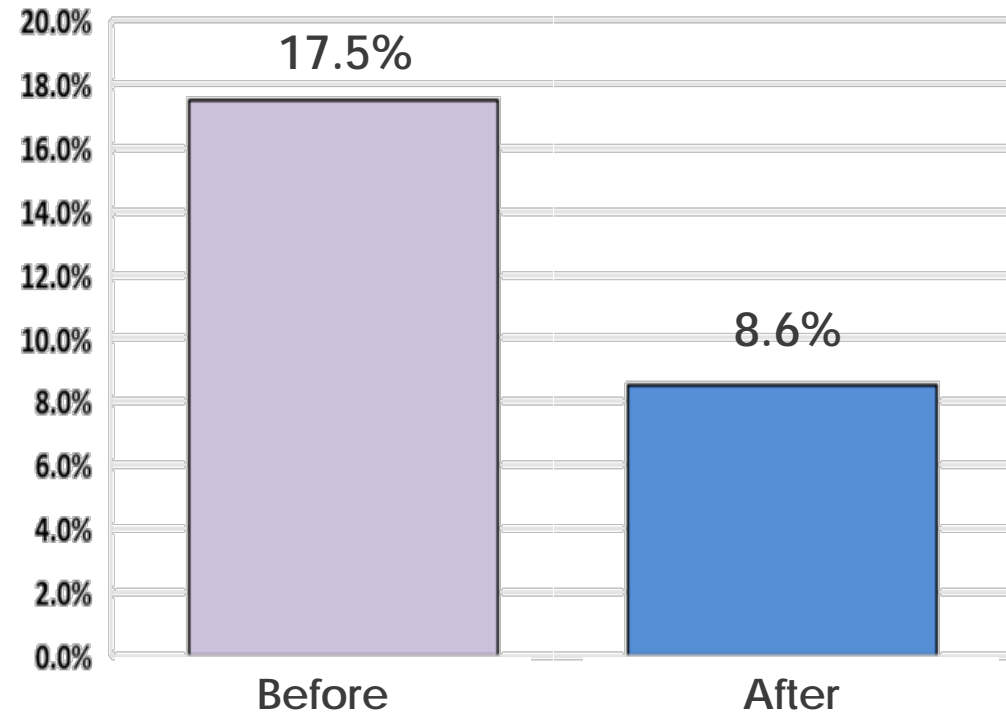


# Rates Lowered to Stay Affordable

## Electric



## Water



# Average Annual Rate Increase

	Years 1-5 (2018-2022)	Years 6-10 (2023-2027)
Electric	4.8% (5-Year Average)	Annual Cost-Based Price Adjustment
Water	8.6% (5-Year Average)	Annual Cost-Based Price Adjustment

# Average Monthly Bill Increases – Years 1-5

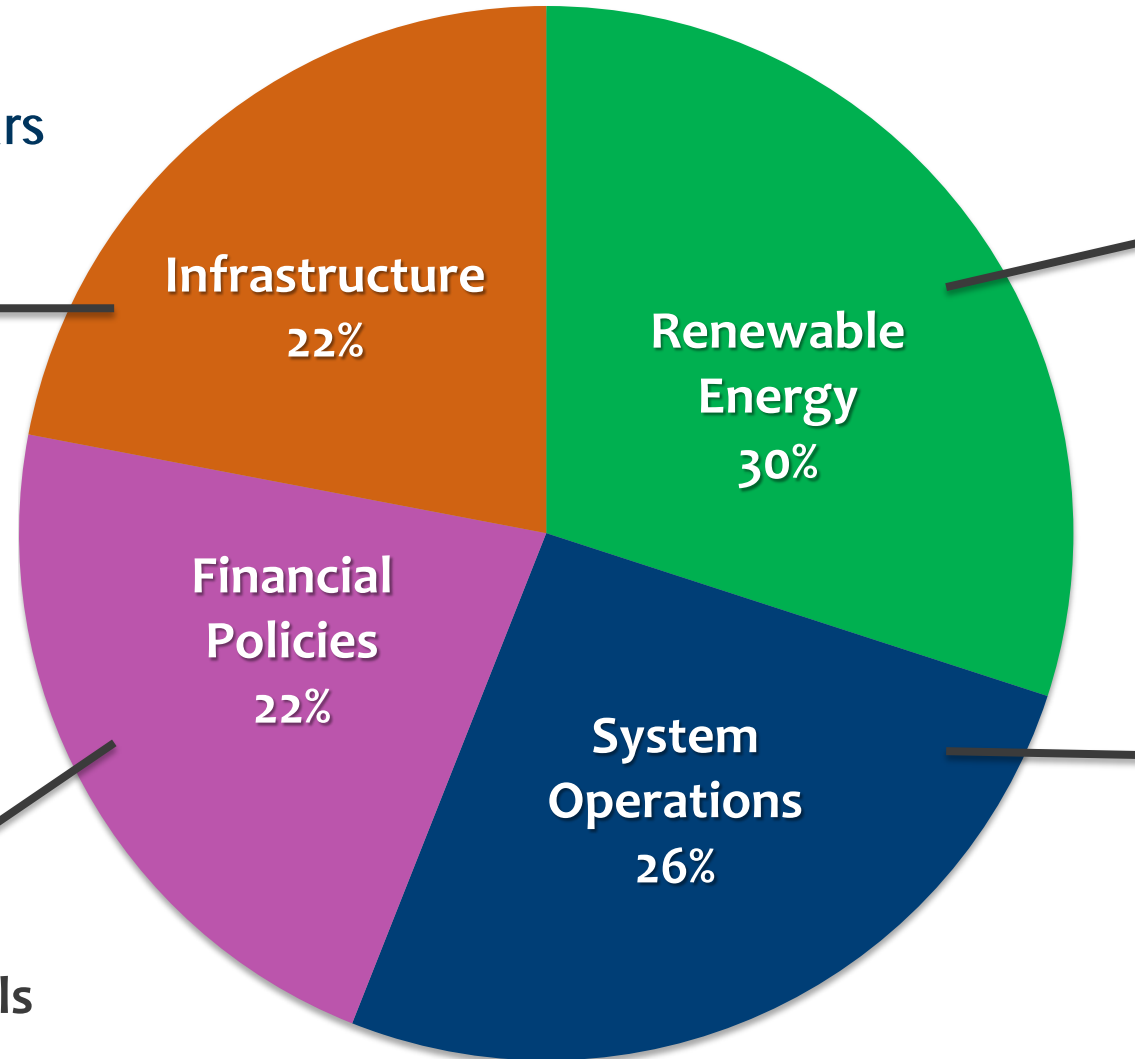
	<b>Low-Use</b> 355 kWh 12 CCF	<b>Typical-Use</b> 592 kWh 19 CCF	<b>High-Use</b> 1400 kWh 29 CCF
Electric	<b>\$3.11</b> (5%)	<b>\$5.18</b> (5%)	<b>\$11.56</b> (4%)
Water	<b>\$4.05</b> (12%)	<b>\$4.56</b> (10%)	<b>\$6.48</b> (8%)

Includes Public Benefits Charge and Water Conservation Surcharge  
 kWh = kilowatt hour  
 CCF = one hundred cubic feet

# What the Rate Increase Pays For

Electric: 4.8% first 5 years;  
price escalator next 5 years

- 5,900 Poles
- 77 Miles Cable
- 7 Substation Transformers
- 1 Substation
- Voltage Conversions
- System Automation
- Charter Transfer to General Fund
- Minimum Reserve Levels

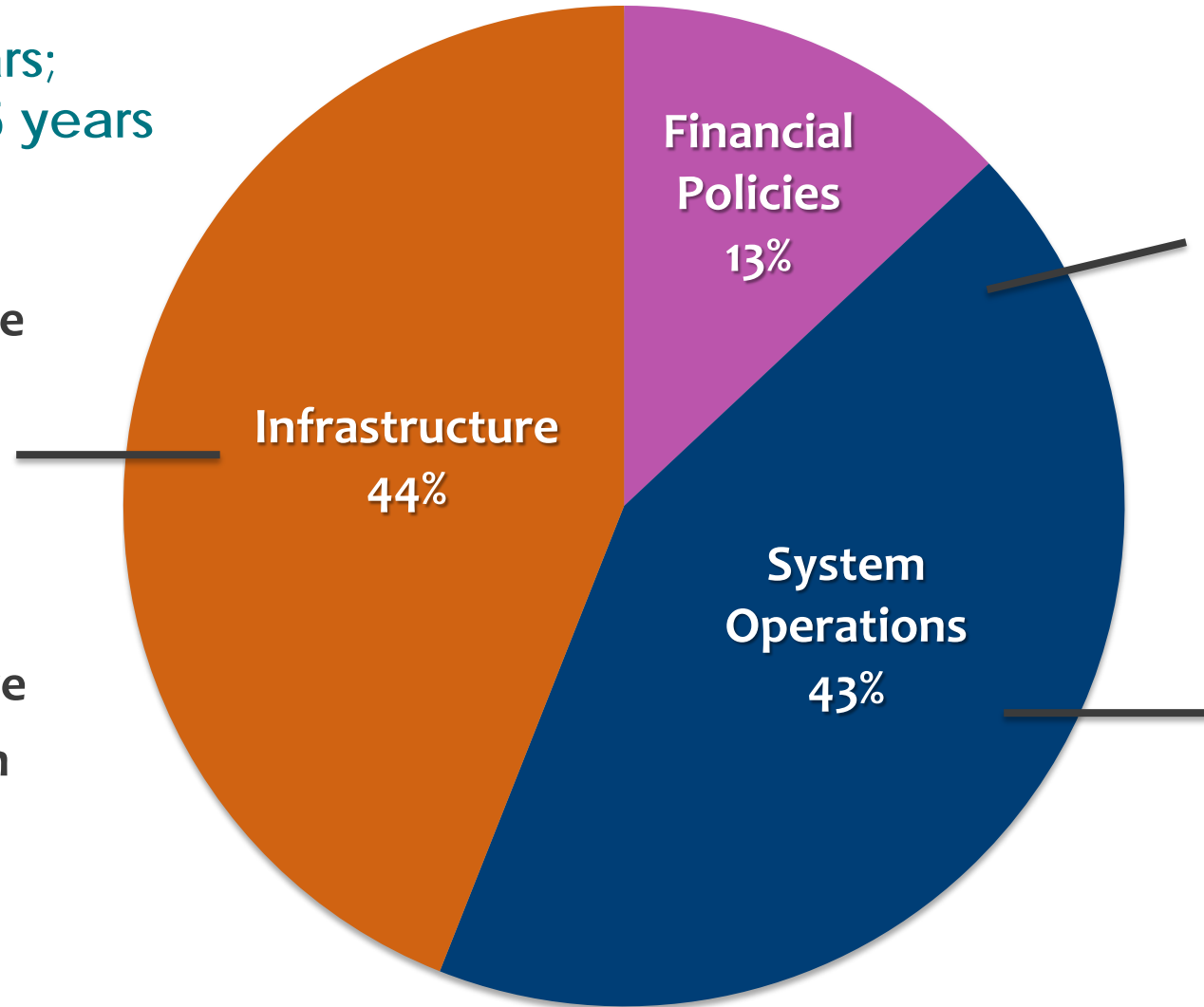


- 50% Renewable Energy
- 0% Coal
- System Maintenance
- Fleet & Fuel
- Labor

# What the Rate Increase Pays For

Water: 8.6% first 5 years;  
price escalator next 5 years

- 80 Miles Pipeline
- Replace Techite Pipe
- 1 Treatment Plant
- 5 Wells
- 3 Pressure Stations
- Recycled Water & Stormwater Capture
- System Automation



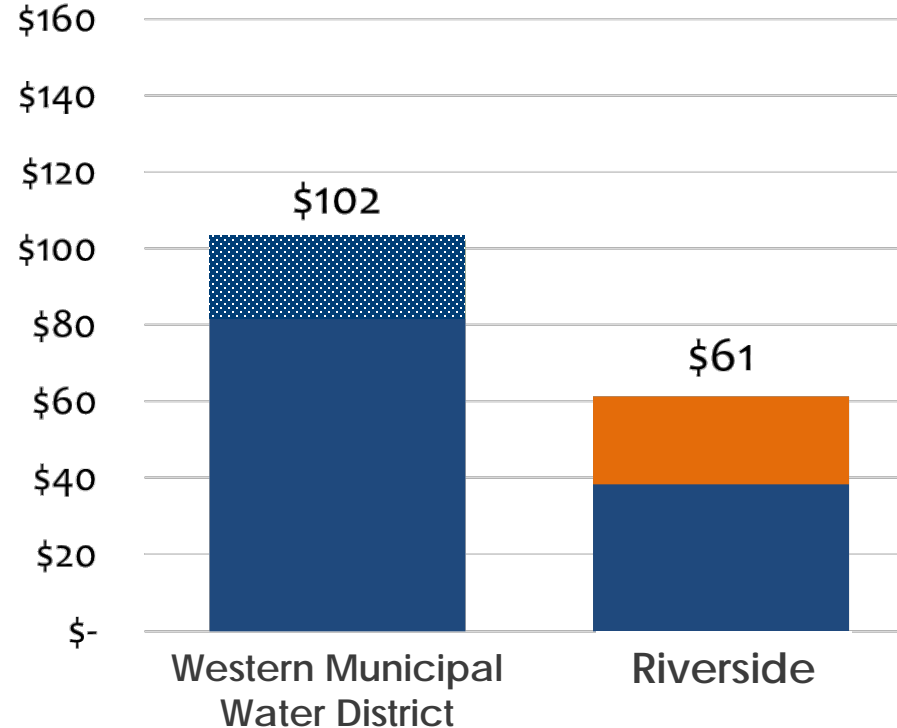
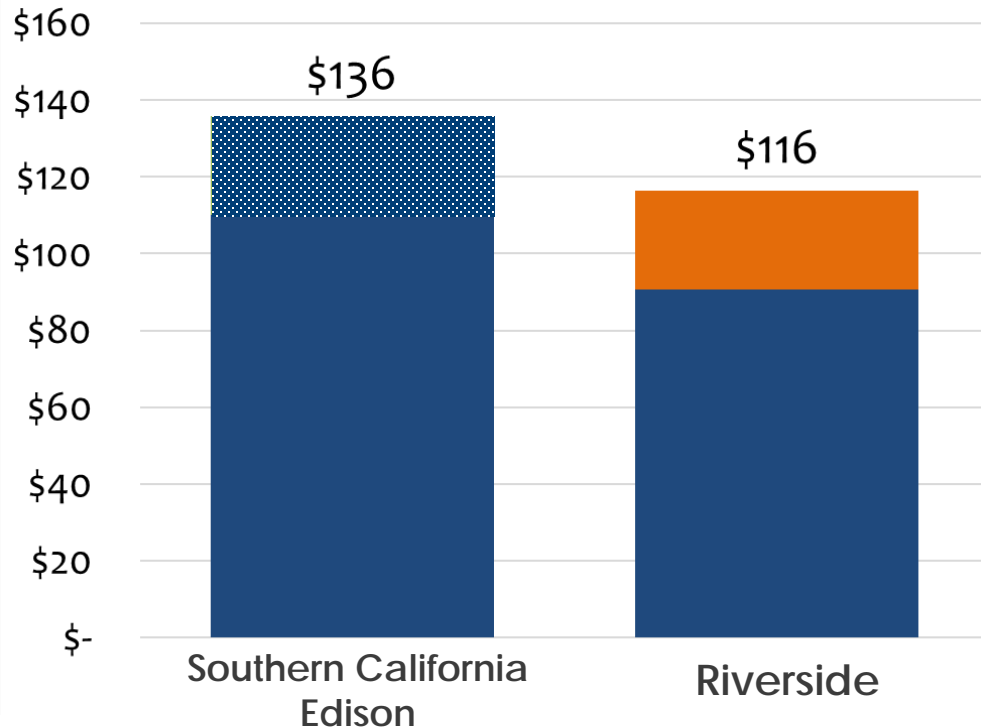
- Charter Transfer to General Fund
- Minimum Reserve Levels
- System Maintenance
- Fleet & Fuel
- Labor

# Rates Remain Lower Than Other Agencies

## Electric

## Water

**\$61 lower per month**



- Proposed 5-year increase
- Assumed 5-year increase
- Current

Electric based on 592 kWh per month

Water based on 19 CCF per month

# Low-Income Assistance

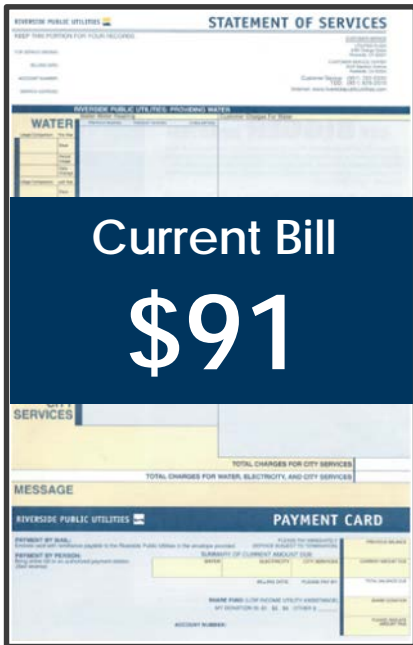
1. SHARE Program
2. Energy Savings Assistance Program
3. Energy/Water Efficiency Rebates
4. Affordable Solar Energy for Riverside
5. Water Rate Assistance
6. Increased Outreach





# What Can I Do?

## Typical Residential Monthly Electric Bill:

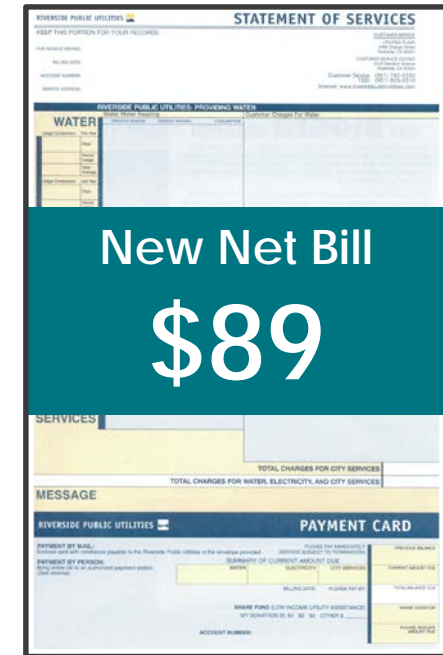


Proposed Bill Increase



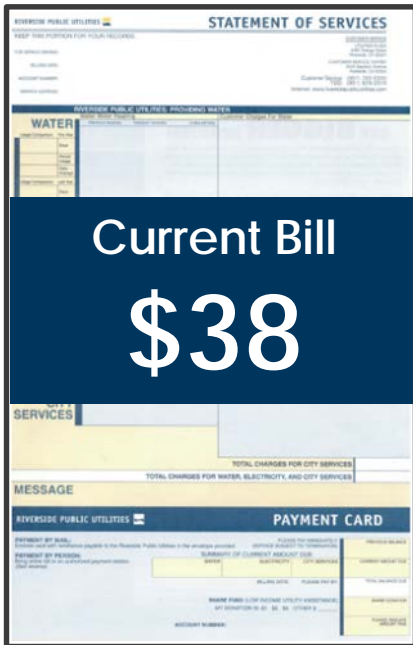
Retail Cost of 10 Bulbs	\$40
RPU's Contribution	(\$30)
Customer Cost	\$10

Decrease if Implemented



# What Can I Do?

## Typical Residential Monthly Water Bill:

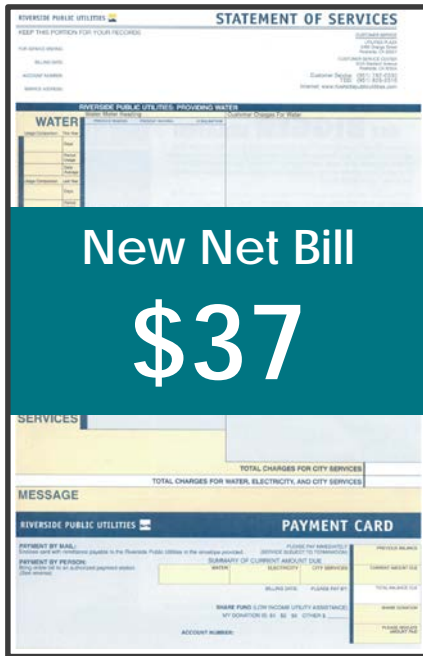


Proposed Bill Increase

**Install a Weather Based Irrigation Controller (WBIC) & 25 Free Sprinkler Nozzles**

Retail Cost of a WBIC	\$250
RPU's Rebate	(\$200)
Customer Cost	\$50
FreeSprinklerNozzles.com	\$0

Decrease if Implemented



# What Can I Do?

## Electric

- Year 1: LED Bulbs
- Year 2: Solar attic fan
- Year 3: Ceiling fans
- Year 4: A/C tune-up
- Year 5: Energy star TV

## Water

- Year 1: Smart controller
- Year 2: Efficient toilets
- Year 3: Efficient nozzles
- Year 4: Efficient washer
- Year 5: Waterwise plants



# Other Resources

1. **Website** – Rate calculator, FAQs, Rate Plan Documents, Ways to Save
2. **Flyers** – Fact Sheet, FAQs
3. **Customer Service** – Dial “311”
4. **Bill Inserts**
5. **EngageRiverside.com**
6. **Upcoming Community Meetings**

The screenshot shows the Riverside Public Utilities website. At the top, there is a navigation bar with links for RIVERSIDECA.GOV, ENGAGE RIVERSIDE, PUBLIC UTILITIES, GREEN RIVERSIDE, EN ESPAÑOL, and a search bar. Below this is a yellow banner with the RIVERSIDE PUBLIC UTILITIES logo and navigation links for Residents, Businesses, Developers, and About RPU. A large image of a utility worker in a blue uniform and white hard hat is featured, with a white box overlaid that says "About RPU" and "Customer-owned since 1895." Below the image, the breadcrumb trail reads "Home / Electric and Water Utility 5-Year Rate Proposal". The main heading is "Electric and Water Utility 5-Year Rate Proposal". The text below explains that RPU has submitted a proposal for a rate increase over the next 5 years to replace aging infrastructure. At the bottom, there are four yellow callout boxes with icons and text: "Public Health & Safety" (warning icon), "Affordable Rates" (piggy bank icon), "Rates Calculator" (calculator icon), and "More Information" (info icon).

**Public Health & Safety**  
Our infrastructure needs replacing.

**Affordable Rates**  
RPU is working to keep rates as low as possible.

**Rates Calculator**  
Calculate your current and future water and electric rates.

**More Information**  
Browse documents and FAQs to learn more.

# Community Meetings

## **WARD 1**

**Wednesday, November 8, 2017**

**6 pm**

Riverside City Hall  
Mayor's Ceremonial Room  
3900 Main Street  
Riverside, CA 92522

## **WARD 2**

**Wednesday, October 11, 2017**

**5:30 pm**

Natifuentes Centro de Ninos  
2010 Martin Luther King Blvd.  
Riverside, CA 92507

## **WARD 3**

**Wednesday, November 1, 2017**

**6 pm**

Janet Goeske Senior Center  
5257 Sierra Street  
Riverside, CA 92504

## **WARD 4**

**Wednesday, October 18, 2017**

**6 pm**

Taft Elementary  
959 Mission Grove Parkway N  
Riverside, CA 92506

## **WARD 5**

**Monday, November 6, 2017**

**6 pm**

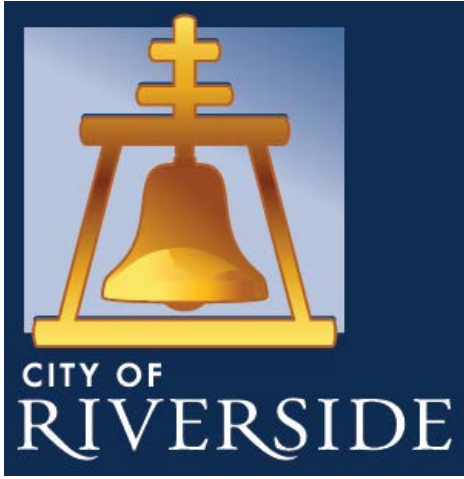
Hunt Park  
4015 Jackson Street  
Riverside, CA 92504

## **WARD 6 & WARD 7**

**Thursday, November 9, 2017**

**6 pm**

La Sierra High School Library  
4145 La Sierra Avenue  
Riverside, CA 92505



# Proposed Electric and Water Utility Rate Increase

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## Questions/Comments