

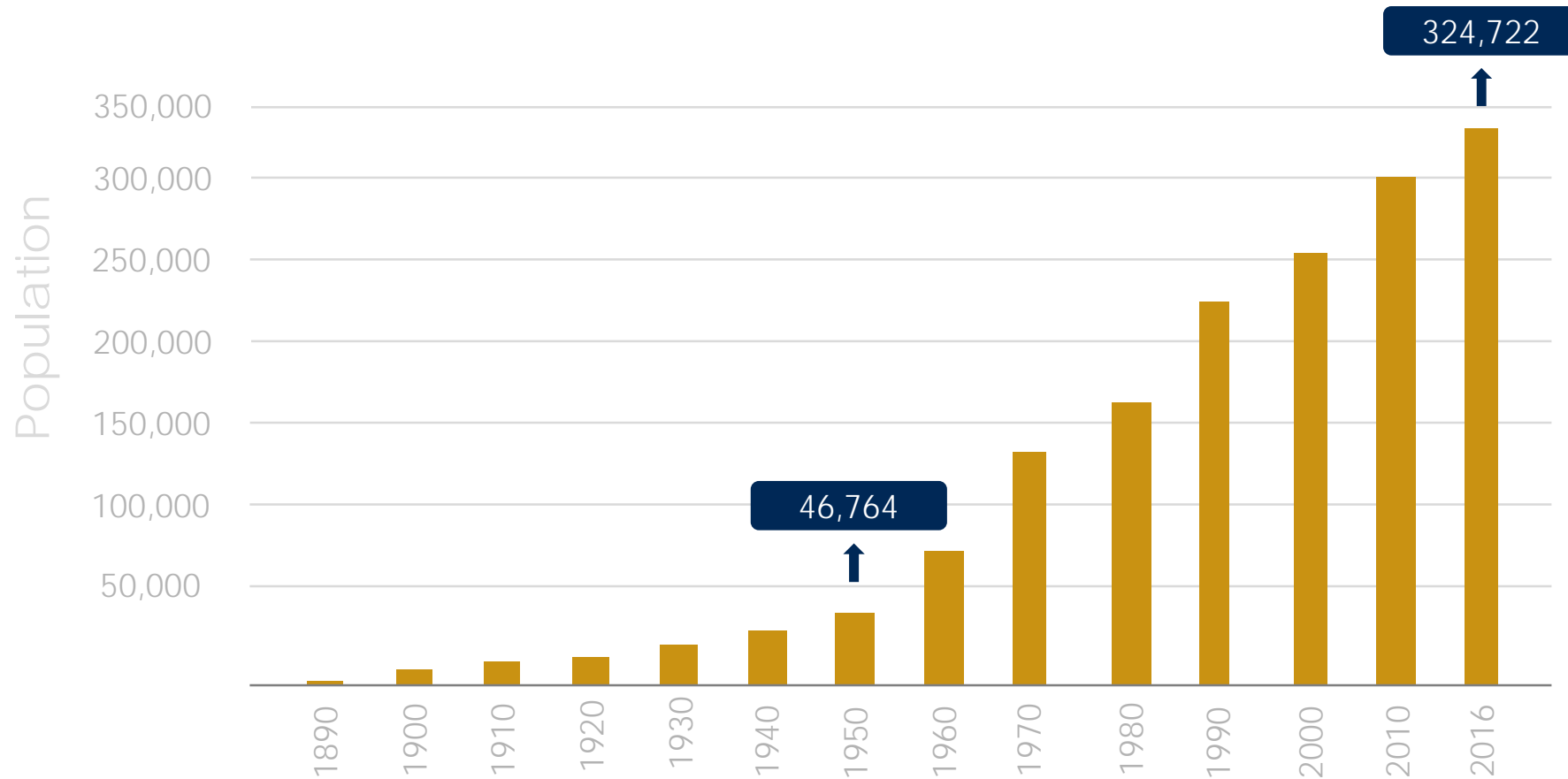
Proposed Electric and Water Utility Rate Increase

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 boom lift is parked. A worker in a white hard hat and brown shirt is standing near the truck. In the background, there are several metal structures with insulators and power lines. A large white number '65' is overlaid on the top left, and a large yellow number '10' is overlaid on the bottom left. A pink circle with the text '60+' is overlaid on the right side.

65

Substation Transformers

10

60+

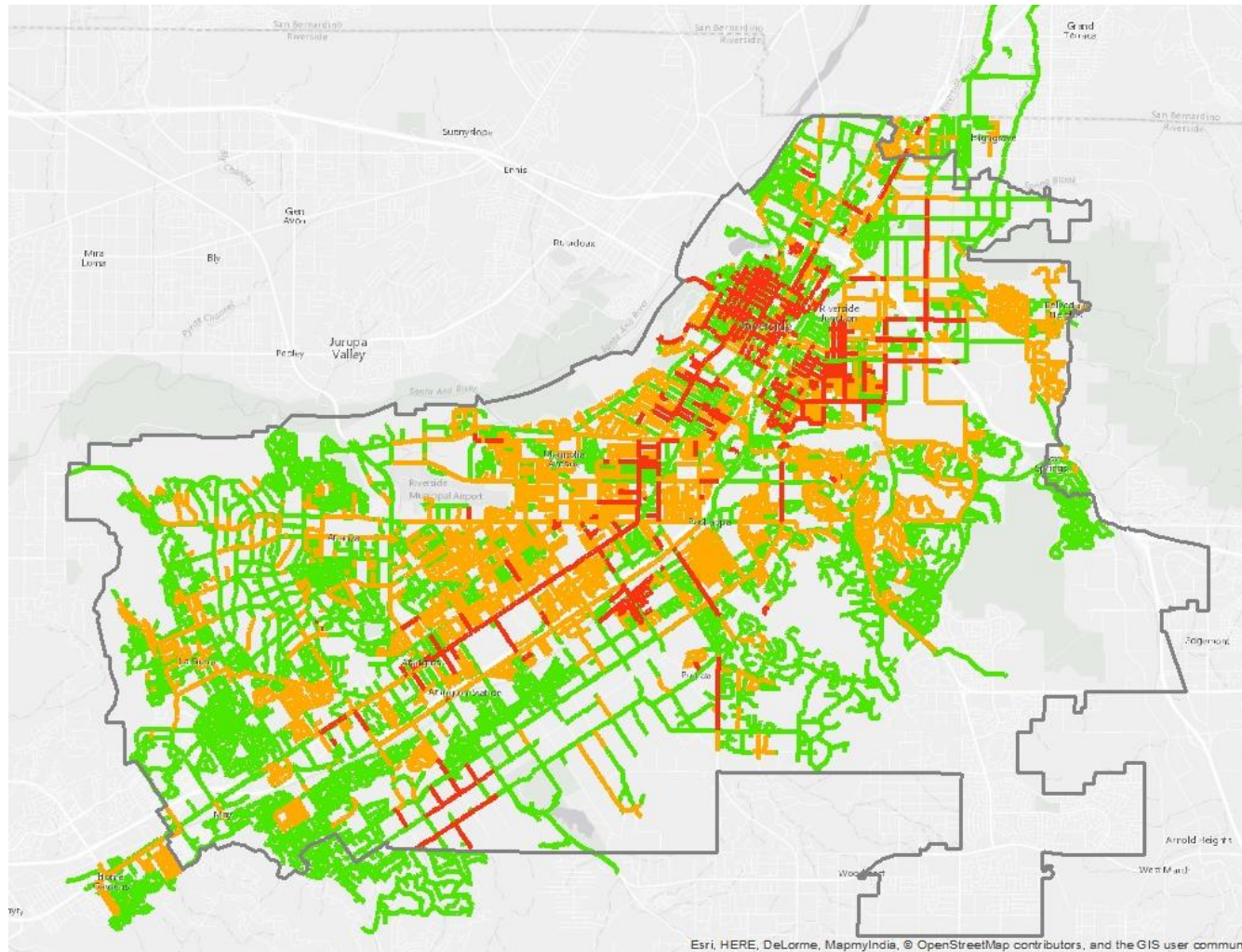
A photograph showing construction workers in a trench installing a large pipe. One worker is visible in the background wearing a yellow safety vest and blue pants. The pipe is being laid on a bed of gravel. In the foreground, a large brass fitting is attached to the pipe. The text '824 miles Distribution Mains' is overlaid in white.

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

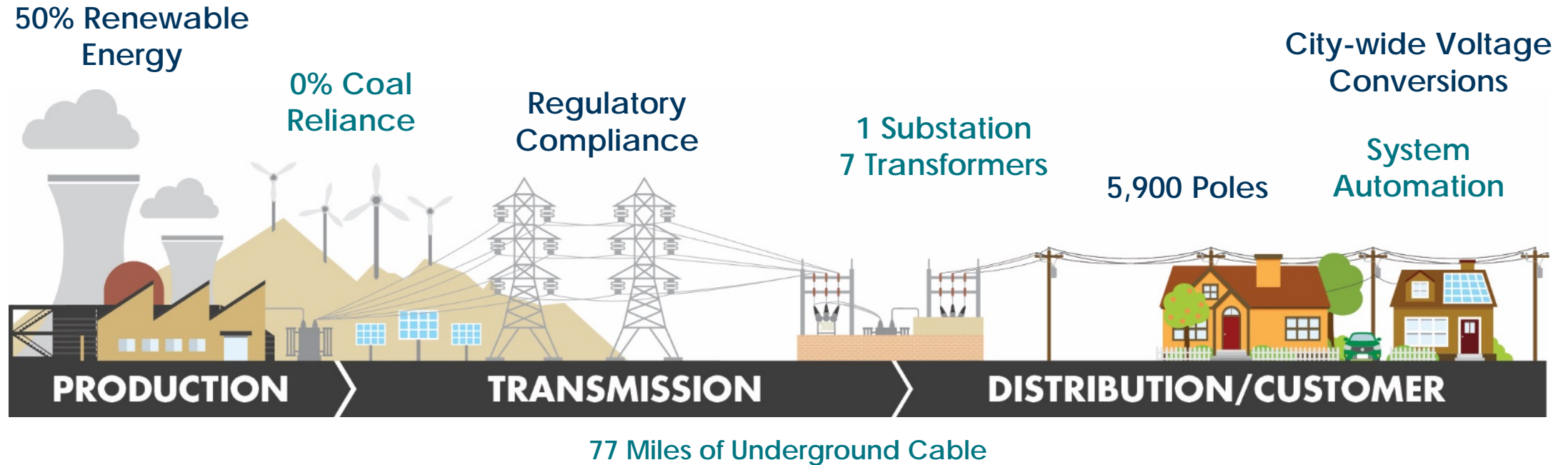


FLORIDA AMBULANCE 26

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

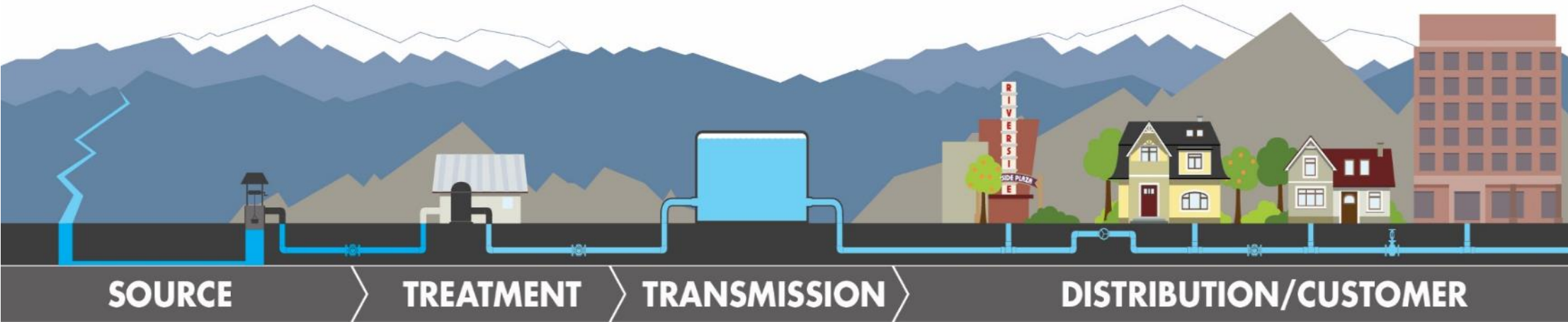


Electric System – 10 Year Plan



Water System – 10 Year Plan

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

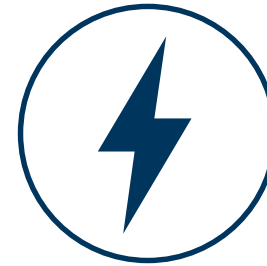


7 Years Without a Rate Increase



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

Source: Apple.com

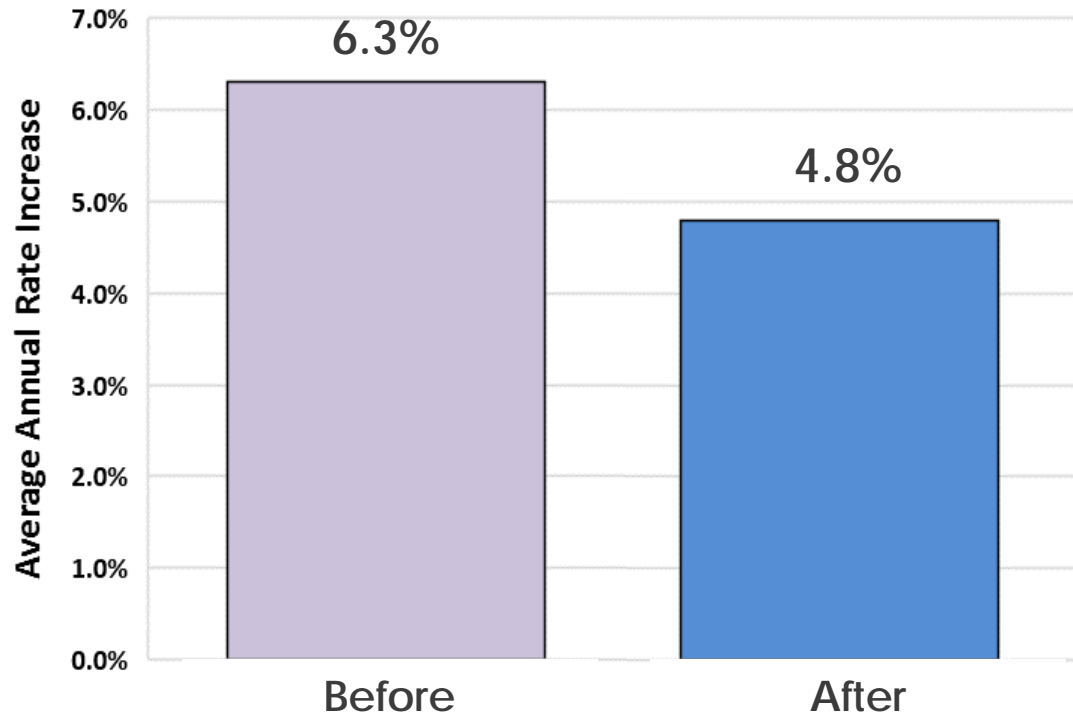
Keeping Rates as Low as Possible

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*

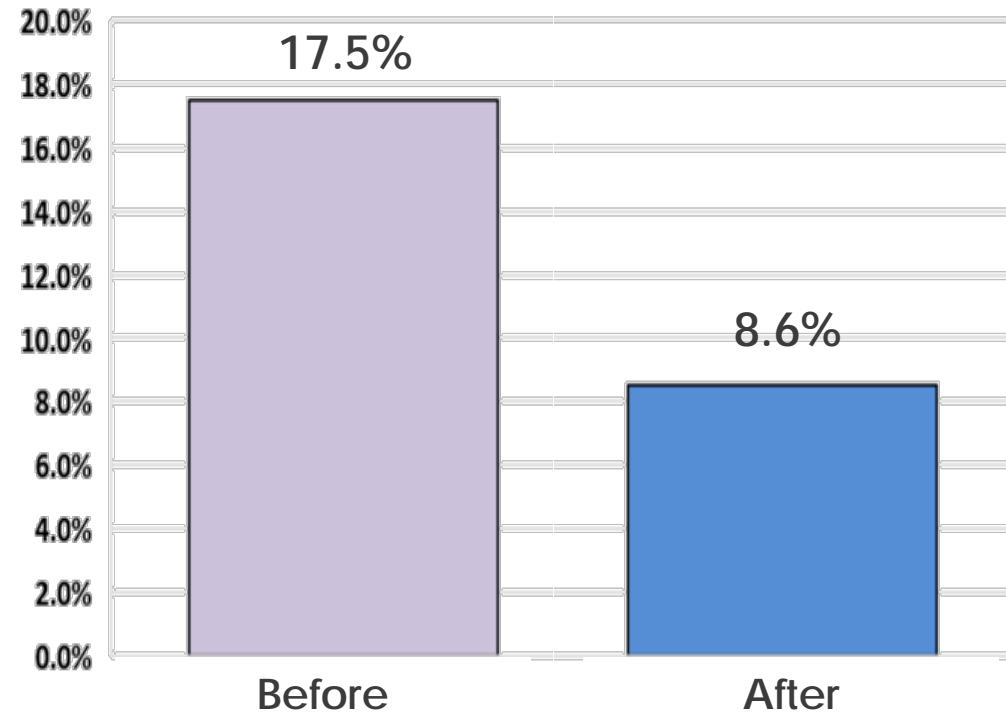


Rates Lowered to Stay Affordable

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

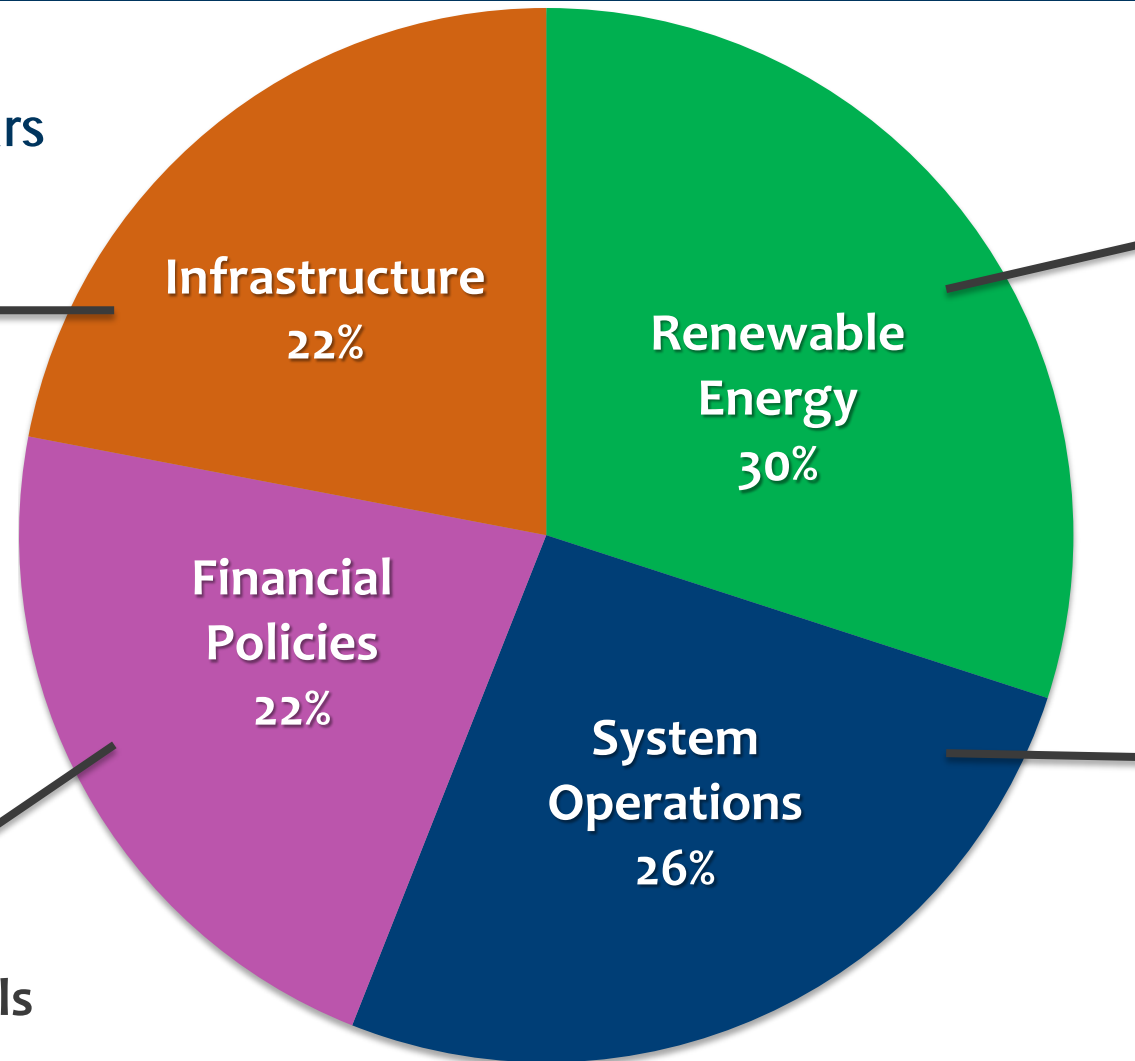
	Low-Use 355 kWh 12 CCF	Typical-Use 592 kWh 19 CCF	High-Use 1400 kWh 29 CCF
Electric	\$3.11 (5%)	\$5.18 (5%)	\$11.56 (4%)
Water	\$4.05 (12%)	\$4.56 (10%)	\$6.48 (8%)

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

What the Electric Rate Increase Pays For

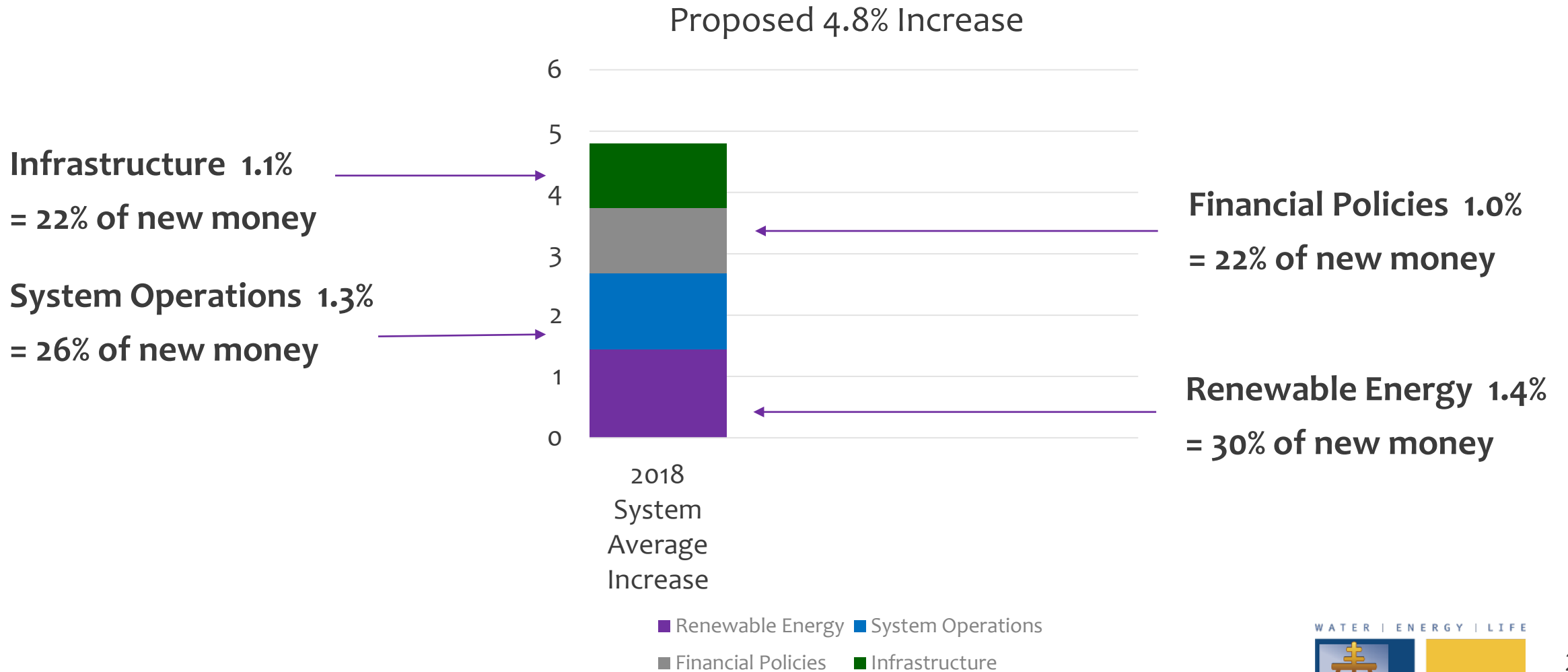
Electric: 4.8% first 5 years;
price escalator next 5 years

- 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

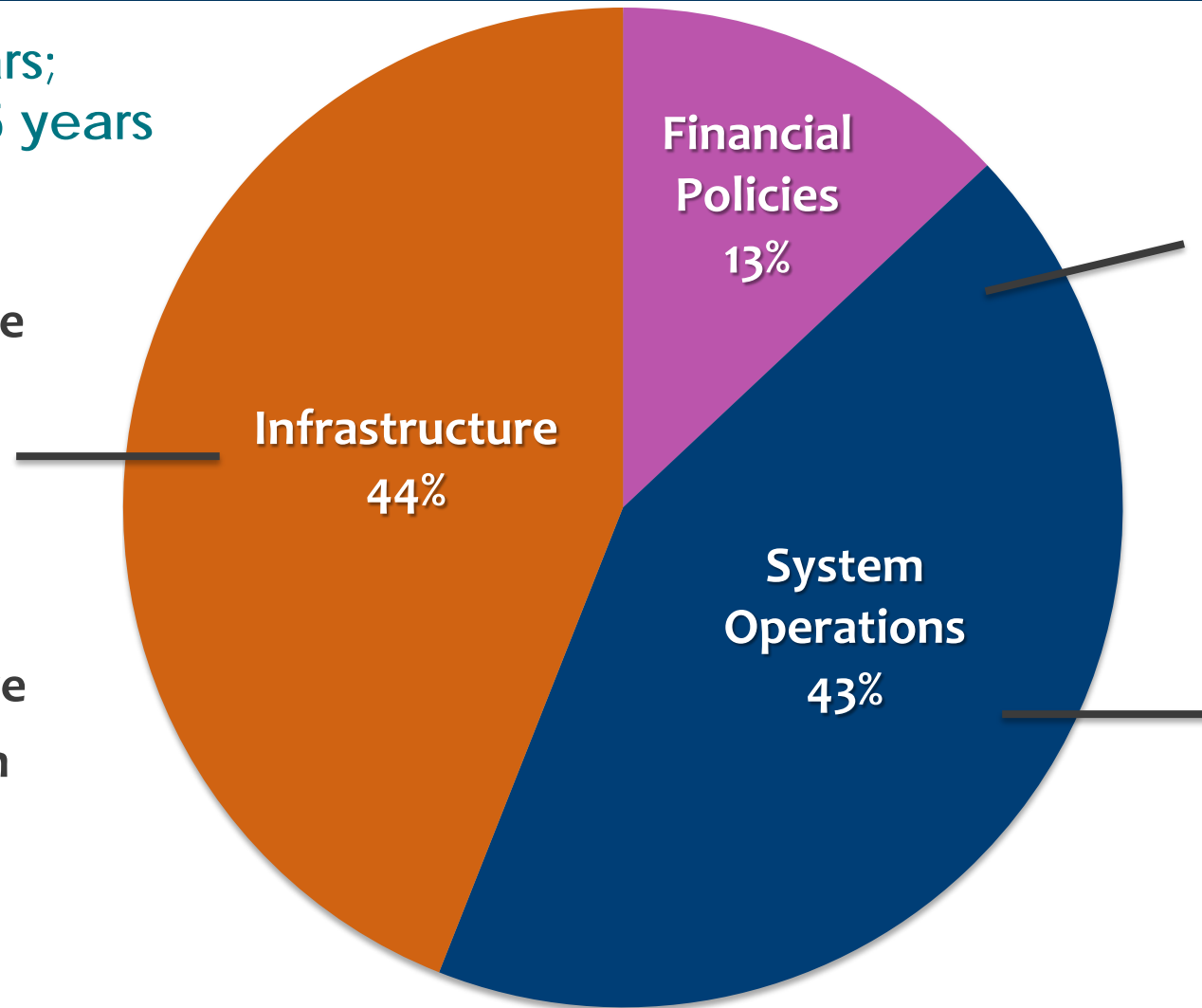
What the Electric Rate Increase Pays For



What the Water Rate Increase Pays For

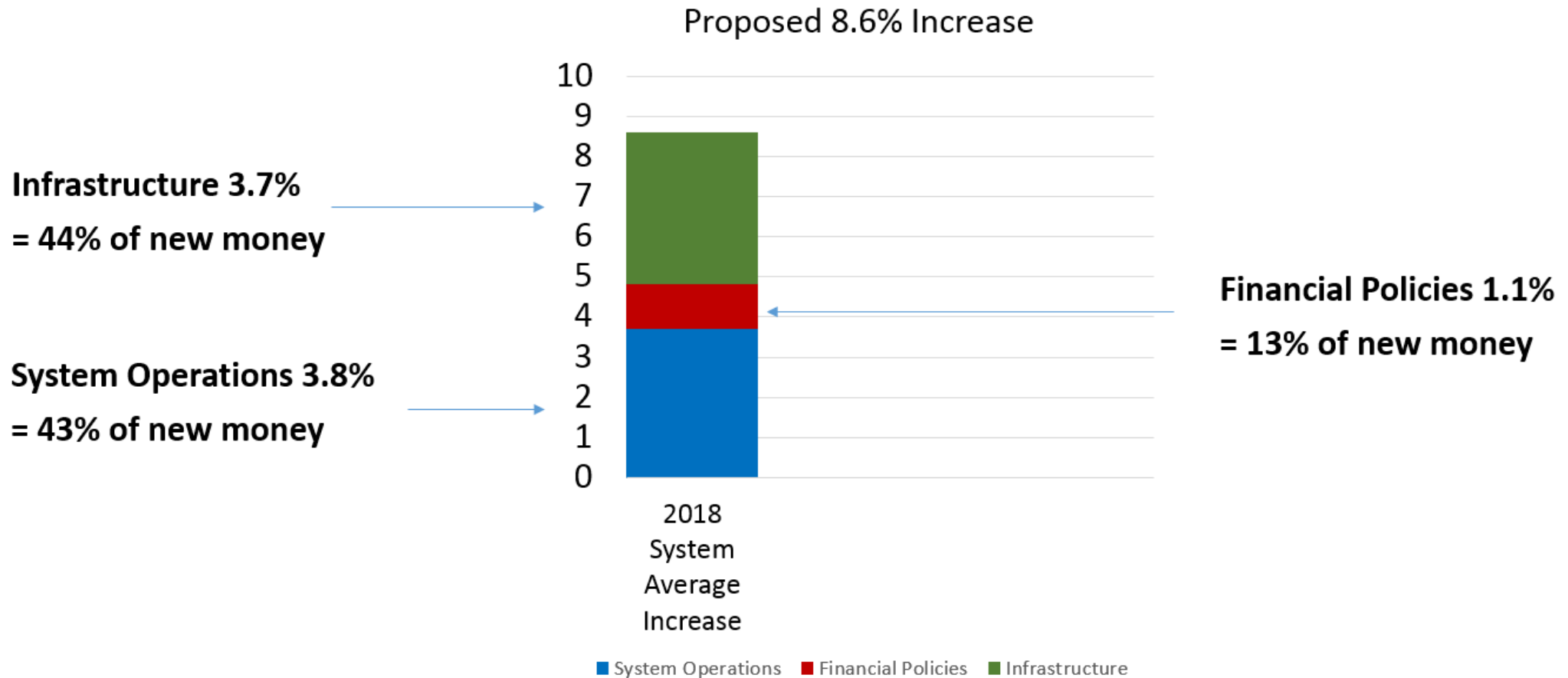
Water: 8.6% first 5 years;
price escalator next 5 years

- 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

What the Water Rate Increase Pays For



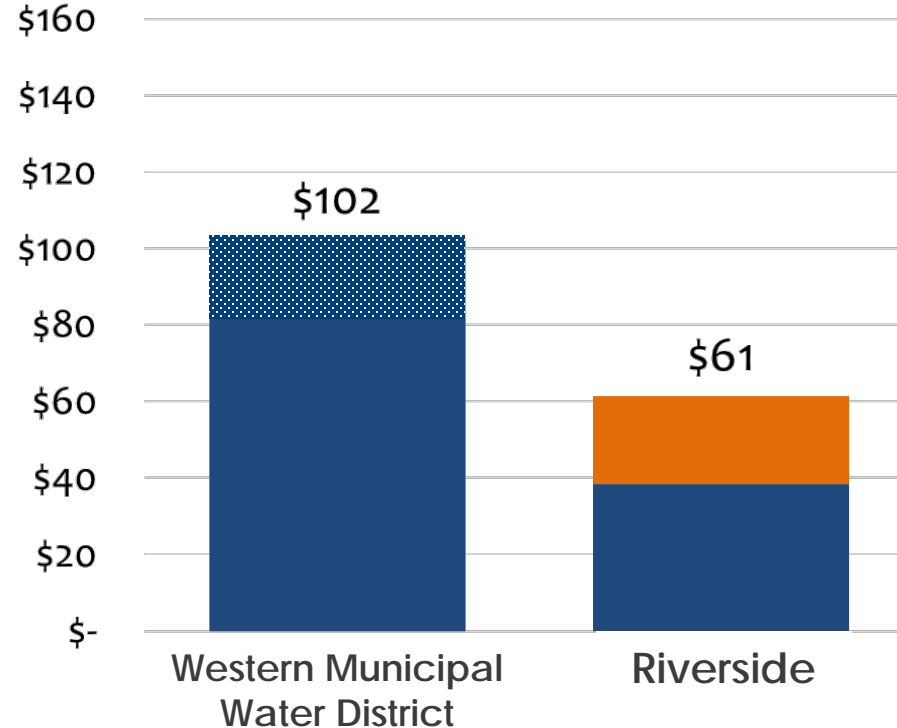
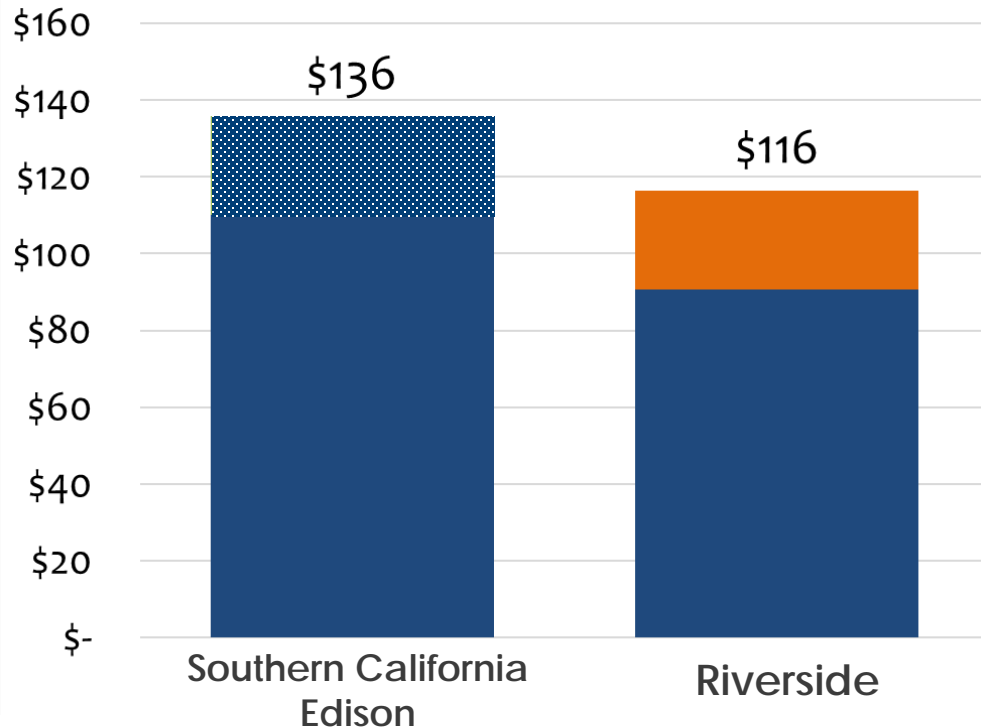
Rates Remain Lower Than Other Agencies

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:

Current Bill
\$91



Proposed Bill Increase



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

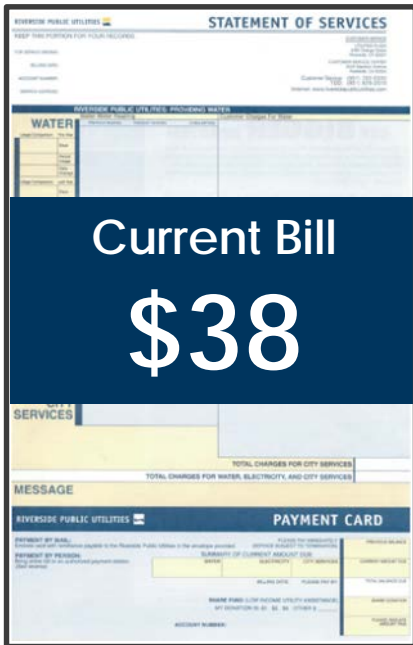
Decrease if Implemented



New Net Bill
\$89

What Can I Do?

Typical Residential Monthly Water Bill:



\$5

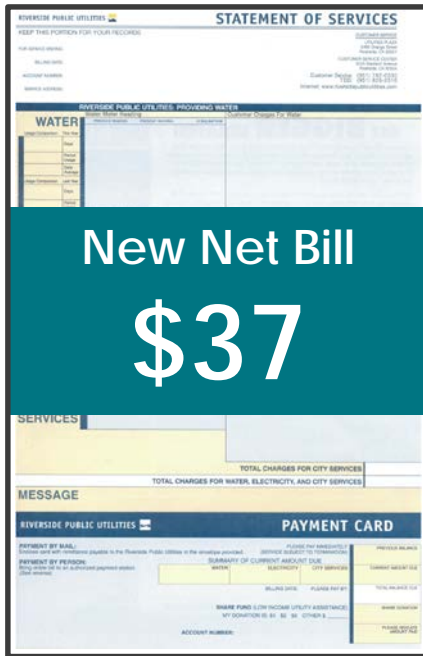
Proposed Bill Increase

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

\$6



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. **Upcoming Community Meetings**

The screenshot shows the Riverside Public Utilities website. The header includes navigation links for RIVERSIDECA.GOV, ENGAGE RIVERSIDE, PUBLIC UTILITIES, GREEN RIVERSIDE, and EN ESPAÑOL, along with a search bar. The main navigation menu lists Residents, Businesses, Developers, and About RPU. A banner image of a utility worker is overlaid with a white box containing the text 'About RPU' and 'Customer-owned since 1895.' Below the banner, 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 call-to-action boxes: 'Public Health & Safety' (with a warning icon), 'Affordable Rates' (with a piggy bank icon), 'Rates Calculator' (with a calculator icon), and 'More Information' (with an information 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

Community Outreach

PROPOSAL

August 28 – RPU Board
September 26 – City Council

OUTREACH

October - November

WORKSHOP

November 28 –
Joint RPU
Board/City Council

RECOMMENDATION

January – RPU Board
February – City Council

IMPLEMENTATION

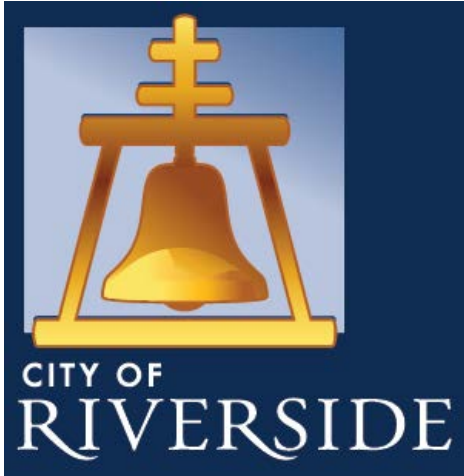
April 2, 2018

Outreach Goals

1. Describe proposal
2. Answer questions
3. Get feedback

Outreach Process

1. Community meetings in all Wards
2. Informational mailers



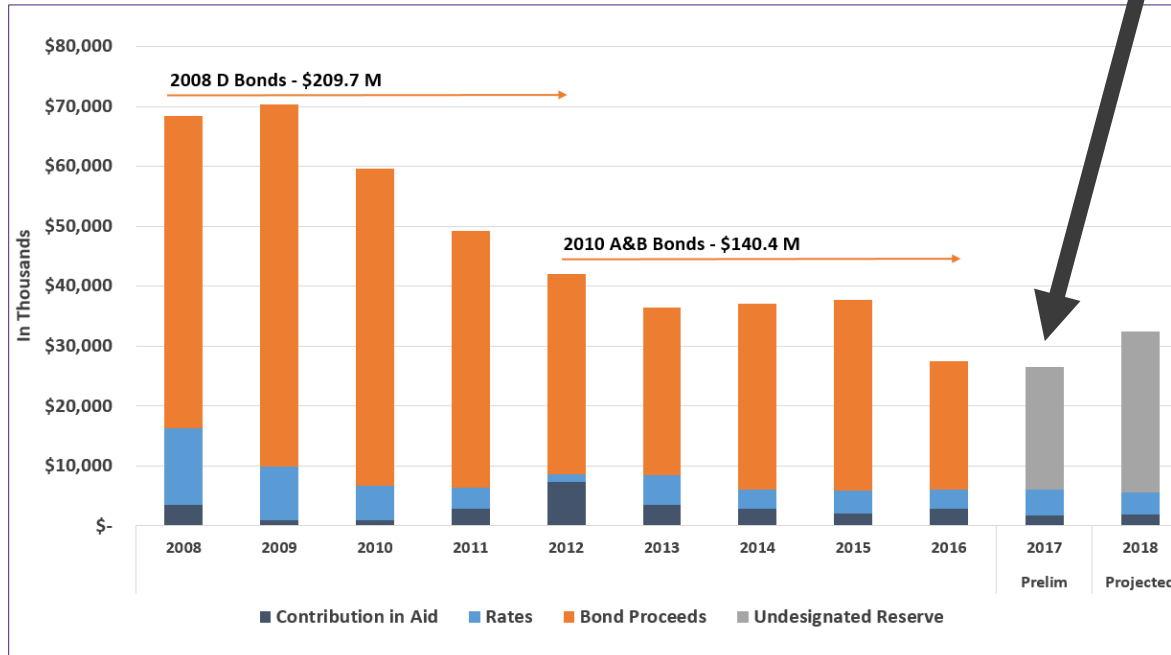
Proposed Electric and Water Utility Rate Increase

Questions/Comments

Extra Slides

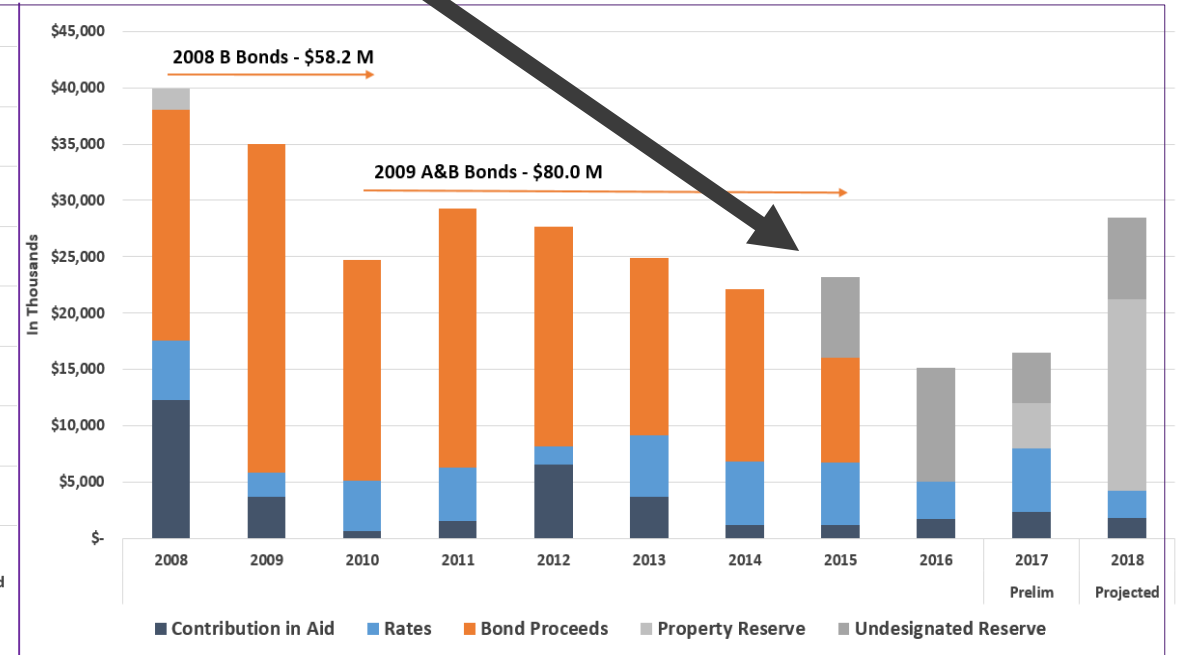
Bonds – All Proceeds Used up 6/30/16

Electric



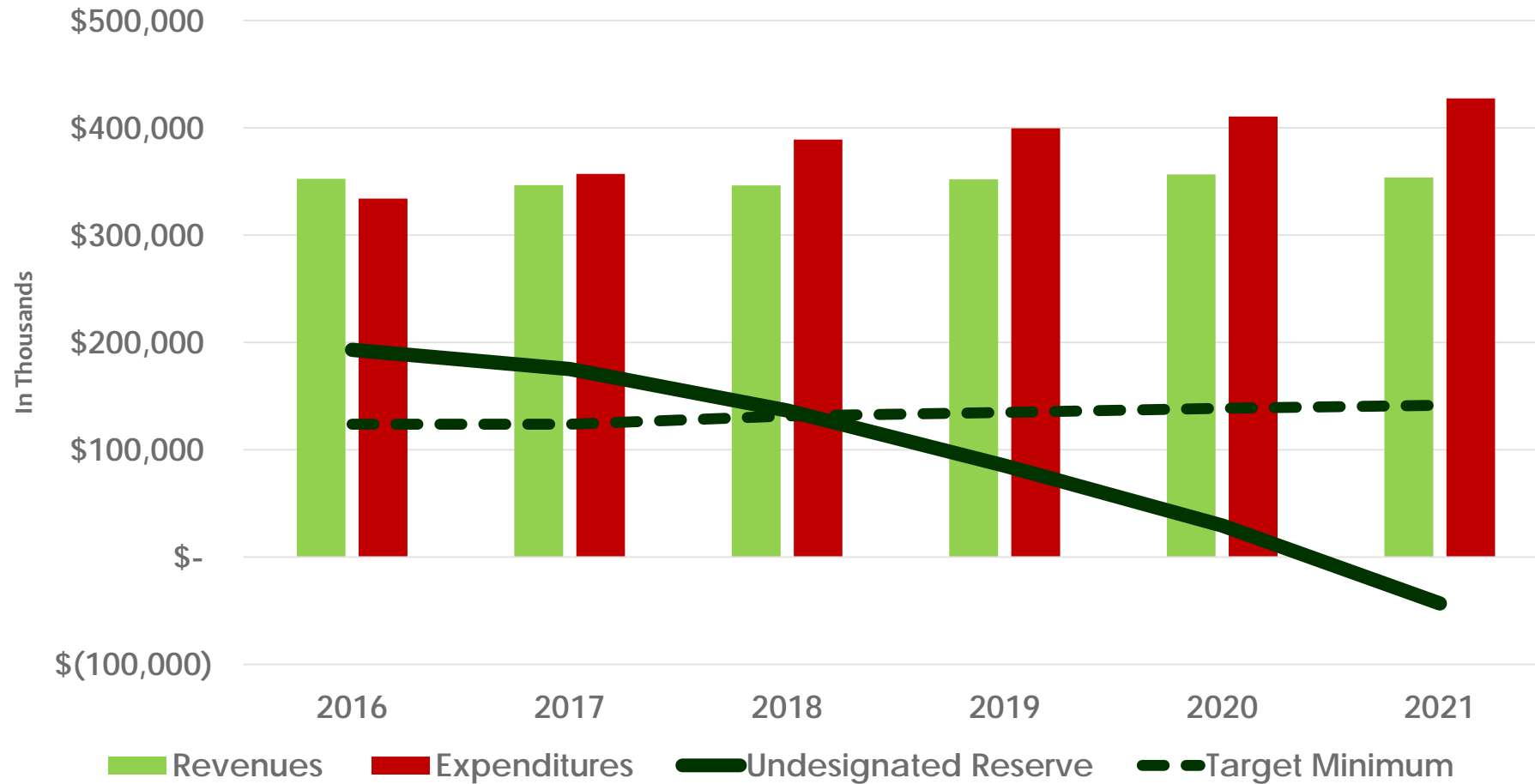
Reserves being drawn down

Water



Reserves (Electric)

Falls Below Minimum in a Year



Reserves (Water)

Falls Below Minimum in a Year

