



2021 Proposed Rates and Budget

The new rates will take effect on Jan. 1, 2021.

Residential rates

Residential Rate Changes

	Sample bill Nov. 1, 2020	Sample bill Jan. 1, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Electric	\$88.88	\$88.88	\$0	0%
Natural Gas	\$40.89	\$41.11	\$0.22	0.5%
Water	\$74.93	\$74.93	\$0	0%
Wastewater	\$33.88	\$33.88	\$0	0%
Total impact to sample monthly bill	\$238.08	\$238.30	\$0.22	0.1%

We file for changes to base rates each fall to take effect on Jan. 1. Base rates support the operations and maintenance expenditures (pipes, wire, plants) to maintain safe and reliable utility services. Our rates are based on the costs associated to serve a customer. We do not make a profit on customer rates.

Rate increases are necessary for natural gas services to meet the revenue requirement for that service for 2021.

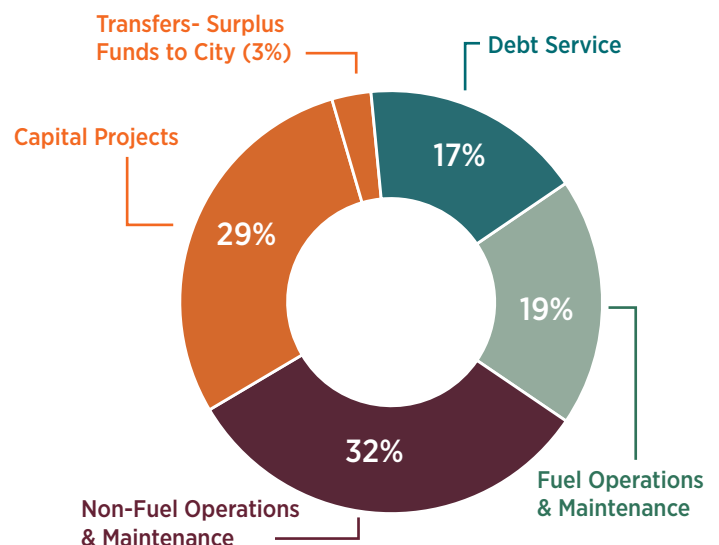
The slight increase to natural gas base rates is the first one since 2014 and is to support pipeline upgrades. The impact of the natural gas increases is incorporated into this sample four service total bill (see graphic at left).

Budget summary

The proposed 2021 budget appropriation is \$1.1 billion which is 16% higher (\$160.2 million) than the approved 2020 budget of \$954 million. This is driven by:

- Capital projects which make up 29% of the budget appropriation.
- Key capital projects include: Advanced metering infrastructure (\$25.5 million), Energy Distributed Generation Electric & Gas (\$19.5 million), Utilities Reliability Program (\$10 million), and the Gas Distribution Integrity Management Program (\$5.7 million).
- Total proposed Labor and Benefits budget increase is 1.7%.

2021 Total Budget: \$1.1 billion



Fuel cost adjustments

As a non-profit, community-owned utility, we pass changes in fuel costs — up or down — directly on to our customers through Gas and Electric Cost Adjustments (GCA and ECA). While we review fuel costs monthly, adjustments usually occur on a quarterly basis.

City Council approved increases to the electric and natural gas cost adjustments, effective Nov. 1, 2020. The monthly sample bill impacts are:

- Residential - \$11.35 or 5%.
- Commercial - \$194.60 or 14.6% .
- Industrial - \$3,544.08 or 8.9%.

This increase in fuel prices is affecting utilities nationwide.

Helping hand



We offer programs to help customers save, support sustainability and keep costs and rate impacts at a minimum.

Assistance programs

- **HEAP:** We partner with the Energy Resource Center to offer in-home efficiency energy and water audits to qualifying customers.
- **LEAP:** The Low-income Energy Assistance Program (LEAP) is a federally-funded program to help eligible households with home heating costs.
- **Project COPE:** Provides utilities payment assistance to families and individuals struggling financially due to a personal crisis or emergency, regardless of income.

Rebates and tips

We offer rebates for a variety of energy- and water-efficient products for residential and business customers. Visit csu.org to apply and tips for more ways to save.

Energy audits

For business customers we offer a free basic or advanced energy audit. For residential customers we offer an online tool to audit energy use. Visit csu.org.

TIMELINE

Oct. 27 City Council meeting	<ul style="list-style-type: none">• ECA/GCA decision• Rate hearing• First reading 2021 budget
Nov. 1	ECA/GCA effective
Nov. 10 City Council meeting	<ul style="list-style-type: none">• Budget second reading/decision• Rate decision and order
Jan. 1	New rates and budget effective

Renewable Energy

Renewable Energy net metering changes in 2021 include:





- Increase the maximum design capacity from 10 kilowatts to 15 kilowatts.
- Remove references to calendar year for determining 120% of customer's energy use.
- Clarify the annual credit of excess generation.

Additional changes include a rate adjustment to the Small Power Producers and Cogeneration rates.

A small subset of customers on Net Metering choose to cash out their excess generation annually instead of rolling their balances forward from year to year. The credit for those customers is based on the Small Power Producer rates. The on-peak, per kilowatt hour (KWh) will reduce from \$0.0471 to \$0.0195 and the off-peak, per KWh rate will increase from \$0.0175 to \$0.0180.

Commercial and industrial rates





Commercial Rate Changes

	Sample bill Nov. 1, 2020	Sample bill Jan. 1, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Electric 	\$583.63	\$583.63	\$0	0%
Natural Gas 	\$599.31	\$620.39	\$21.08	3.5%
Water 	\$231.21	\$231.21	\$0	0%
Wastewater 	\$116.26	\$116.26	\$0	0%
Total impact to sample monthly bill	\$1,530.41	\$1,551.49	\$21.08	1.4%

Like any business, we have certain revenue requirements to continue to provide quality services. Each fall we file changes to our base rates to support the revenue required to responsibly maintain a safe and reliable utilities system. Rate increases are necessary for natural gas services to meet the revenue requirement for that service for 2021. The increase to natural gas base rates is the first one since 2014 and is to support pipeline upgrades.

Customers in the variety of rate classes designed for commercial and industrial users will experience changes as their rates are adjusted to better align with the proportionate cost to serve them. An online rate calculator at [csu.org/bcalc/](https://www.csu.org/bcalc/) is the best source of information for commercial and industrial customers.

Industrial Rate Changes

	Sample bill Nov. 1, 2020	Sample bill Jan. 1, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Electric 	\$31,139.34	\$31,139.34	\$0	0%
Natural Gas 	\$5,780.90	\$5,991.70	\$210.80	3.6%
Water 	\$3,027.71	\$3,027.71	\$0	0%
Wastewater 	\$1,455.76	\$1,455.76	\$0	0%
Total impact to sample monthly bill	\$43,403.71	\$43,614.51	\$210.80	0.5%

Our business customers are also impacted by quarterly fuel cost adjustments, known as electric and gas cost adjustments (ECA and GCA). City Council approved increases to the electric and natural gas cost adjustments, effective Nov. 1, 2020.

Commercial and Industrial customers' use is varied and will affect them differently. Visit [csu.org](https://www.csu.org) to view information about the rate case, cost adjustments and use the bill calculator to see impacts of rate changes.