

ANNUAL UTILITY RATE PLAN UPDATE FOR THE RESULTS OF FY 2020-21

Riverside Public Utilities Department

City Council
December 14, 2021

RiversidePublicUtilities.com



1

1

BACKGROUND

May 22, 2018 – City Council approved the electric and water five-year rate plans and directed staff to provide an annual review of adopted rates

	Years 1-5	
Electric	January 2019	2.95%
	January 2020	3.0%
	January 2021	3.0%
	January 2022	3.0%
	January 2023	3.0%
Water	July 2018	4.50%
	July 2019	5.75%
	July 2020	5.75%
	July 2021	5.75%
	July 2022	6.50%

Implementation of the Third Year of the Electric Rate Plan was delayed six months and implemented July 1, 2021.

Based on system average, rate increases vary by customer class and consumption levels.

RiversidePublicUtilities.com



2

2

RESULTS OF FISCAL YEAR 2020-21

1. Local Emergency due to COVID-19 in March 2020
2. Resulted in:
 - A. Emergency Budget for FY 2020-21
 - B. Local Emergency continued throughout FY 2020-21
 - C. Third year of electric rate plan delayed 6 months until July 1, 2021- **\$4.4M of reduced revenue**
3. Final FY 2020-21 financial information will be included with the 2021 Financial Report in January 2022

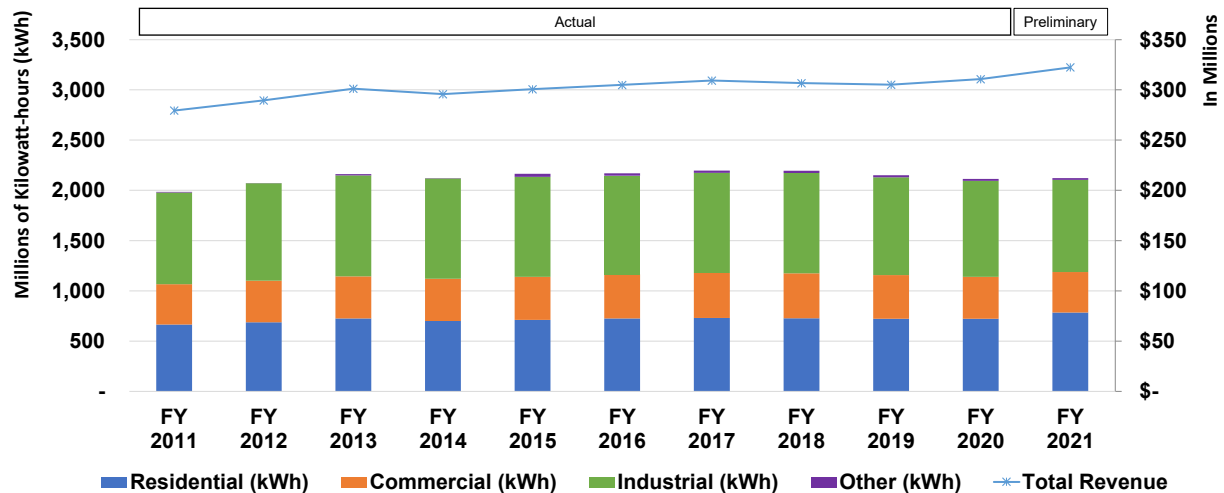
RiversidePublicUtilities.com



3

3

Electric Utility - June 30, 2021 HISTORICAL RETAIL SALES

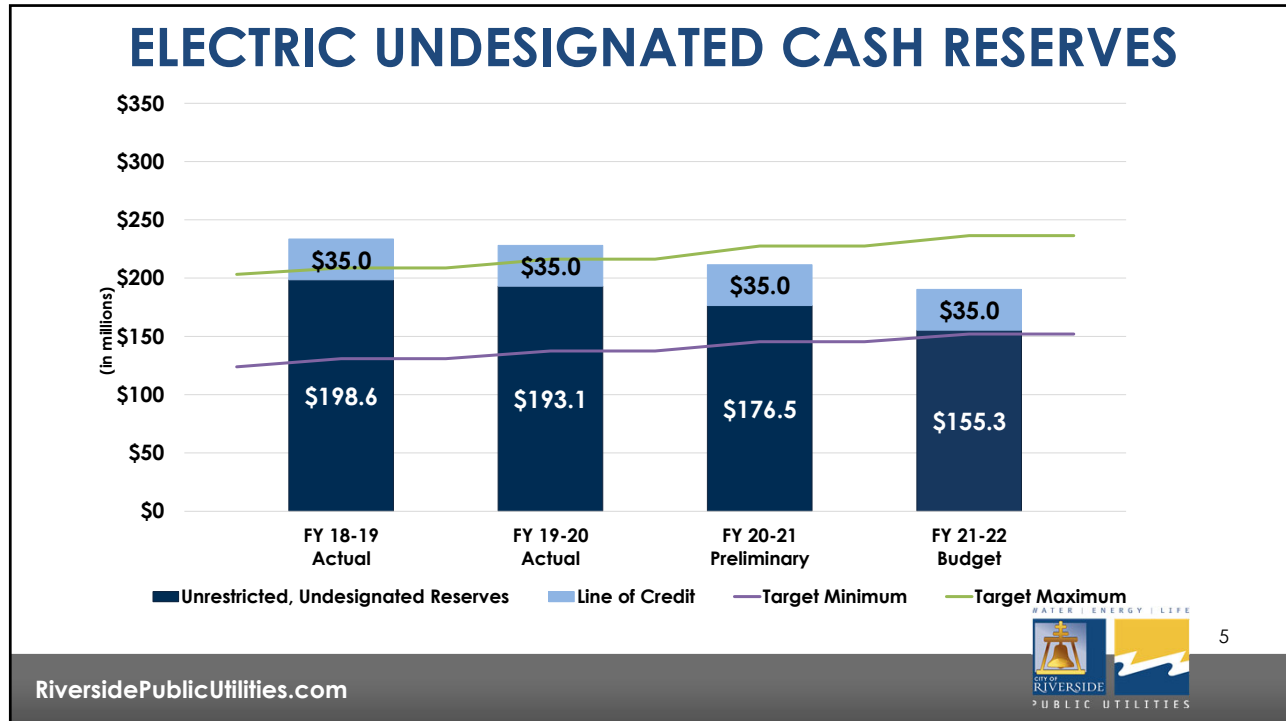


RiversidePublicUtilities.com

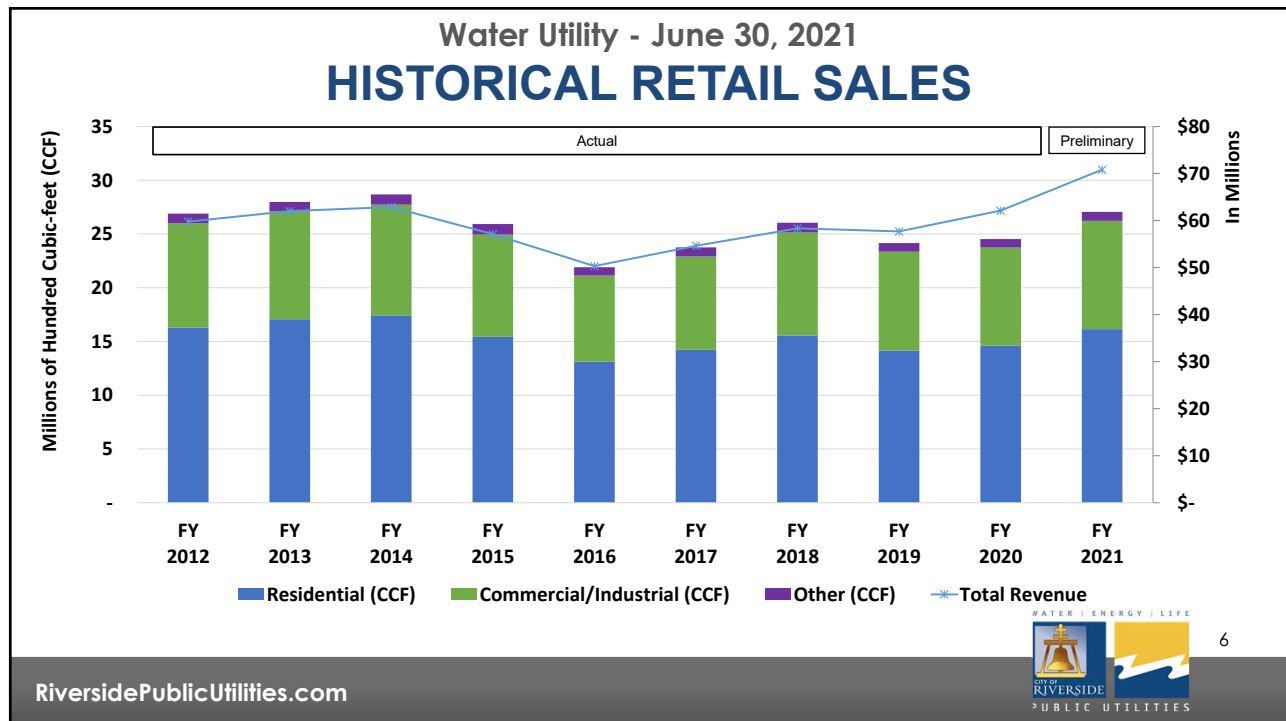


4

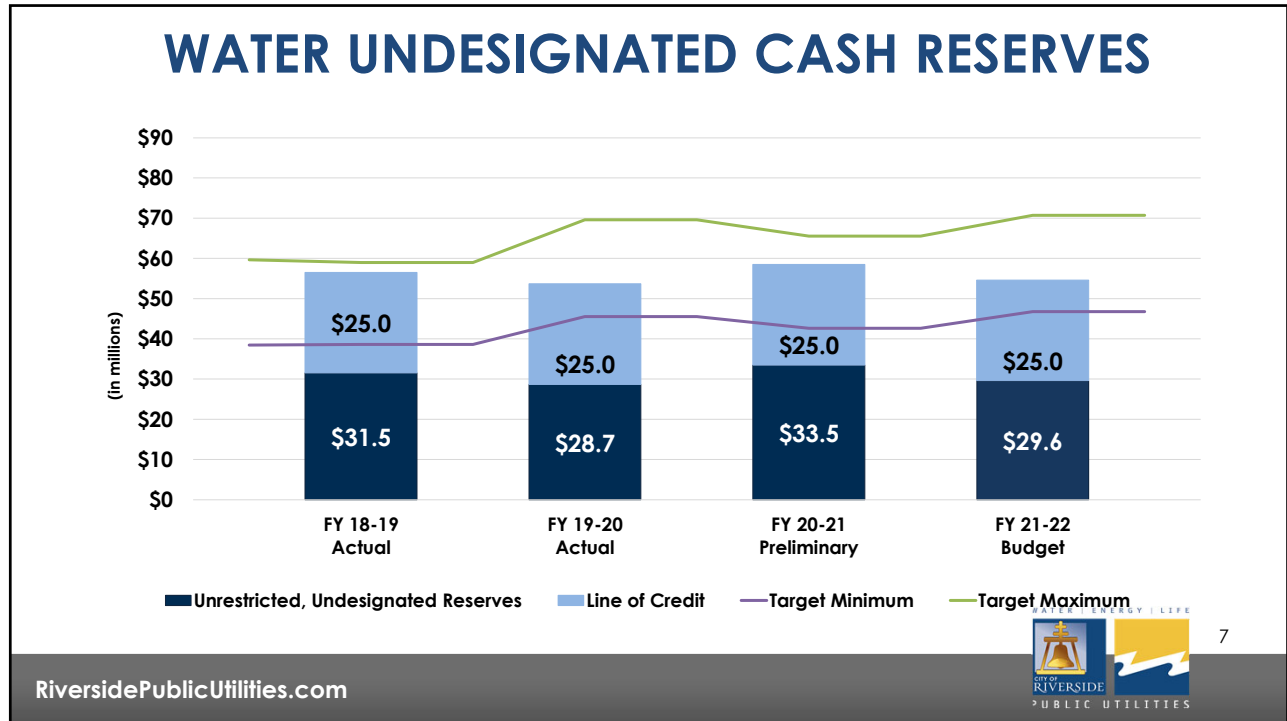
4



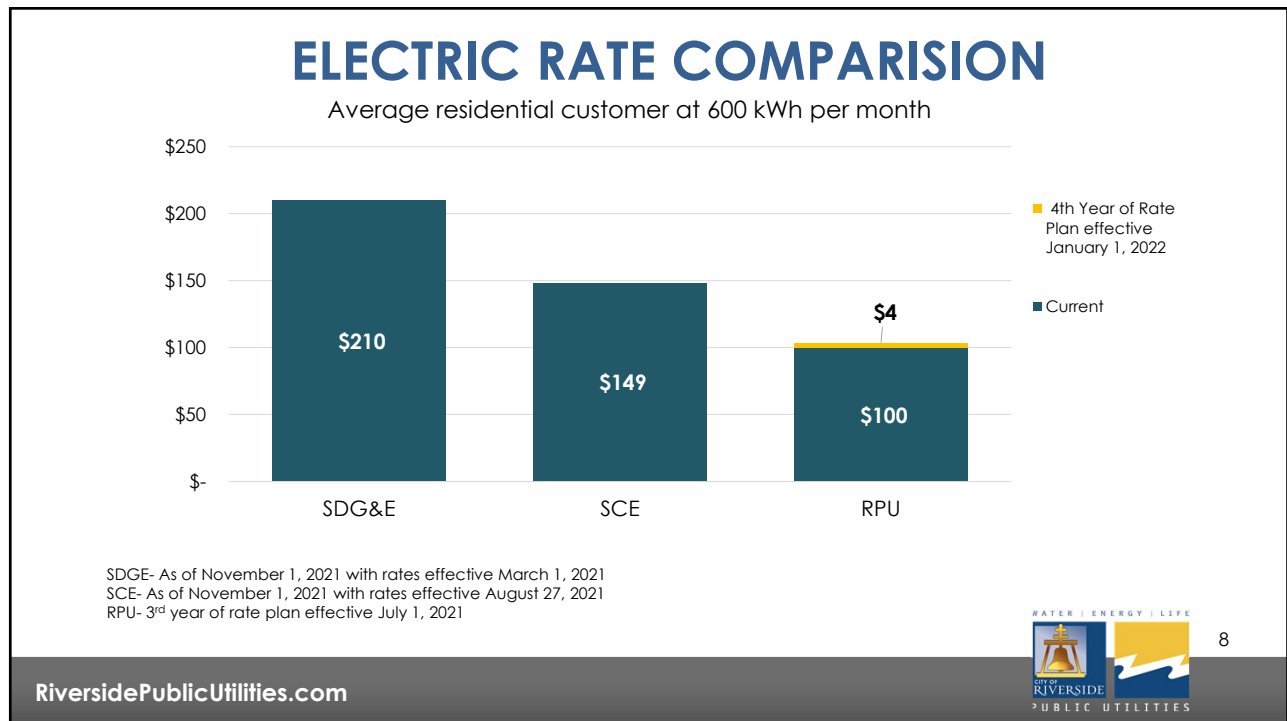
5



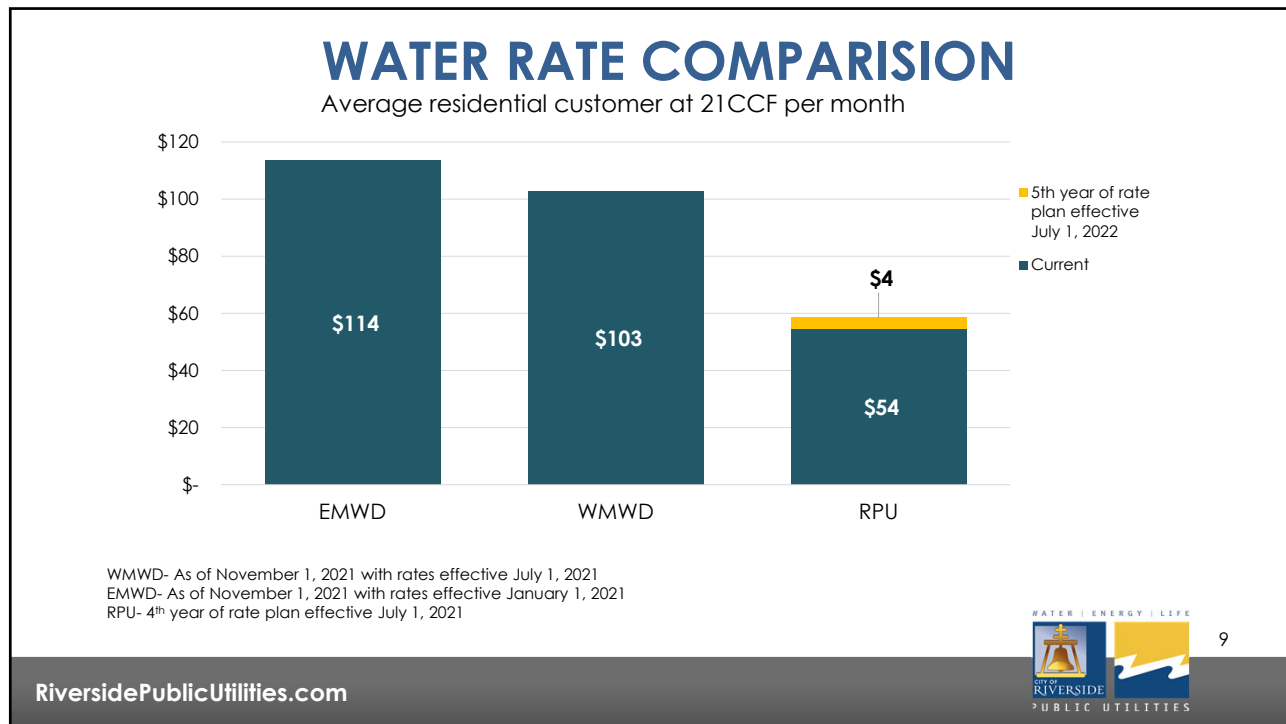
6



7



8




9

WHAT'S AHEAD?

- Implement Fourth Year of Electric Rates effective January 1, 2022
- Fiscal Year 2020/21 Annual Audit Report and Financial Results
- Proposed Budget for Fiscal Year 2021/22
- Implement Fifth Year of Water Rates effective July 1, 2022

10

RiversidePublicUtilities.com



10

STRATEGIC PLAN ALIGNMENT

This item contributes to Strategic Priority No. 6 Infrastructure, Mobility & Connectivity and Goal No. 6.2. - Maintain, protect and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

STRATEGIC PLAN ALIGNMENT

Cross-Cutting Threads:

1. **Community Trust** – The utility rate plans are transparent and developed with our customers' and the community's wellbeing as a top priority.
2. **Equity** – The utility rate plans include an equitable allocation of costs among customer classes.
3. **Fiscal Responsibility** – The utility rate plans incorporate forecasted operating and capital expenditures funded by the prudent use of rate revenue, bond proceeds, and reserves in accordance with RPU's Fiscal Policies.
4. **Innovation** – The utility rate plans fund operating and capital expenditures to continually improve our utility system in order to meet the current and future needs of its customers.
5. **Sustainability & Resiliency** – The utility rate plans equitably recover costs while maintaining the financial health of RPU and help ensure the long-term sustainability of our electric and water infrastructure.

RECOMMENDATION

That City Council receive the annual electric and water utility rate plan update for the results of Fiscal Year 2020/21.