



CITY OF PORT ANGELES UTILITY RATE OPTIONS 2019 Budget Basis

Financial Principles:

- Meet revenue requirements
- Provide revenue stability to the utility
- Be easy to administer

Customer Requirements:

- Provide rate stability to the customer
- Be “just, reasonable, fair and equitable” – “not unduly discriminatory or preferential”
- Be easy to understand
- Be competitive/affordable

Other:

- Conform to generally accepted rate setting techniques
- Be cost based - COSA
- Encourage Economic Development/Conservation etc.

												UAC recommendation		
					5/8 & 3/4 Rate Comb		5/8 & 3/4 Rate Comb-w disc		One Residential Rate		One Residential Rate-w disc		One Residential Rate-w disc-UAC rev	
			COSA Option		Option 1		Option 2		Option 3		Option 4		Option 5	
Residential	Acct/Vol	2019 Rate	COSA Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	One Rate	Percent	One Rate	Percent	One Rate	Percent
		Base	Base		Base		Base		Base		Base		Base	
5/8"	6,727	32.75	32.43	-0.98%	32.78	0.08%	33.18	1.30%	32.96	0.63%	33.37	1.88%	32.97	0.66%
25% Discount							24.88	-24.04%			24.88		24.73	
35% Discount								21.56	-34.17%			21.56		21.43
3/4"	310	35.58	40.61	14.15%	32.78	-7.86%	33.18	-6.74%	32.96	-7.36%	33.37	-6.21%	32.97	-7.33%
1"	42	39.68	56.98	43.59%	57.63	45.24%	58.33	47.01%	32.96	-16.93%	33.37	-15.90%	32.97	-16.91%
1.5"	4	73.48	97.88	33.22%	99.06	34.82%	100.24	36.43%	32.96	-55.14%	33.37	-54.58%	32.97	-55.13%
Total	7,083	Usage	Usage		Usage		Usage		Usage		Usage		Usage	
Block 1 (0-1,000 cf)	42,716,632	0.025405	0.025933	2.08%	0.025933	2.08%	0.025880	1.87%	0.025933	2.08%	0.025880	1.87%	0.02588	1.87%
Block 2 (1,001-1,500 cf)	1,939,373	0.032131	0.032779	2.02%	0.032779	2.02%	0.032710	1.80%	0.032779	2.02%	0.032710	1.80%	0.03271	1.80%
Block 3 (1,501+)	1,192,049	0.03873	0.039522	2.04%	0.039522	2.05%	0.039440	1.83%	0.039522	2.05%	0.039440	1.83%	0.03944	1.83%
25% Discount							0.022500				0.022500		0.02250	
35% Discount							0.020880				0.020880		0.02088	
Total	45,848,054													
PUD	Acct/Vol	2019 Rate	COSA Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent
	14,887,340	0.022118	0.023133	4.59%	0.023133	4.59%	0.023114	4.51%	0.023133	4.59%	0.023114	4.51%	0.02311	4.51%

Water Utility Rate Options - Residential

													UAC recommendation											
													5/8 & 3/4		5/8 & 3/4		One Residential		One Residential		One Residential			
													COSA Option		Rate Comb		Rate Comb-w disc		Rate		Rate-w disc		Rate-w disc-UAC rev	
													Option 1		Option 2		Option 3		Option 4		Option 5			
Commercial	Acct/Vol	2019 Rate	COSA Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent								
		Base	Base		Base		Base		Base		Base		Base		Base									
5/8"	550	50.05	35.35	-29.36%	35.70	-28.67%	36.13	-27.81%	35.70	-28.67%	36.13	-27.81%	35.72	-28.63%										
3/4"	101	53.36	43.53	-18.41%	35.70	-33.10%	36.13	-32.29%	35.70	-33.10%	36.13	-32.29%	35.72	-33.06%										
1"	147	58.90	59.90	1.69%	60.55	2.80%	61.28	4.04%	60.55	2.80%	61.28	4.04%	62.60	6.28%										
1.5"	85	103.76	100.80	-2.85%	101.98	-1.72%	103.20	-0.54%	101.98	-1.72%	103.20	-0.54%	107.41	3.52%										
2"	90	157.91	149.89	-5.08%	151.69	-3.94%	153.50	-2.79%	151.69	-3.94%	153.50	-2.79%	161.18	2.07%										
3"	26	283.33	280.79	-0.90%	284.25	0.32%	287.63	1.52%	284.25	0.32%	287.63	1.52%	304.57	7.50%										
4"	11	463.08	428.05	-7.56%	433.38	-6.41%	438.53	-5.30%	433.38	-6.41%	438.53	-5.30%	465.88	0.60%										
6"	8	912.19	837.12	-8.23%	847.62	-7.08%	857.70	-5.97%	847.62	-7.08%	857.70	-5.97%	913.97	0.20%										
8"	2	1,450.91	1,327.99	-8.47%	1,344.72	-7.32%	1,360.69	-6.22%	1,344.72	-7.32%	1,360.69	-6.22%	1,451.67	0.05%										
Total	1,020	Usage	Usage		Usage		Usage		Usage		Usage		Usage											
All	28,470,734	0.022980	0.026576	15.65%	0.026576	15.65%	0.026980	17.41%	0.026576	15.65%	0.026980	17.41%	0.02698	17.41%										

											UAC recommendation											
											5/8 & 3/4		5/8 & 3/4		One Residential		One Residential		One Residential			
											COSA Option		Rate Comb		Rate Comb-w disc		Rate		Rate-w disc		Rate-w disc-UAC rev	
											Option 1		Option 2		Option 3		Option 4		Option 5			
Irrigation	Acct/Vol	2019 Rate	COSA Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Combo Rate	Percent						
		Base	Base		Base		Base		Base		Base		Base		Base							
5/8"	31	41.55	31.25	-24.79%	31.60	-23.95%	31.98	-23.03%	31.60	-23.95%	31.98	-23.03%	31.57	-24.02%								
3/4"	7	45.17	39.43	-12.70%	31.60	-30.04%	31.98	-29.20%	31.60	-30.04%	31.98	-29.20%	31.57	-30.11%								
1"	20	48.93	55.79	14.03%	56.45	15.37%	57.13	16.76%	56.45	15.37%	57.13	16.76%	58.45	19.46%								
1.5"	8	86.15	96.70	12.25%	97.88	13.62%	99.05	14.97%	97.88	13.62%	99.05	14.97%	103.26	19.86%								
2"	18	131.29	145.79	11.04%	147.59	12.42%	149.35	13.76%	147.59	12.42%	149.35	13.76%	157.03	19.61%								
3"	3	235.45	276.69	17.51%	280.14	18.98%	283.48	20.40%	280.14	18.98%	283.48	20.40%	300.42	27.59%								
4"	2	384.74	423.95	10.19%	429.27	11.57%	434.38	12.90%	429.27	11.57%	434.38	12.90%	461.73	20.01%								
Total	89	Usage	Usage		Usage		Usage		Usage		Usage		Usage									
All	5,757,331	0.024920	0.023142	-7.14%	0.023142	-7.14%	0.023450	-5.90%	0.023142	-7.14%	0.023450	-5.90%	0.02345	-5.90%								

									UAC recommendation			
			COSA Option		Split Base Rate		One Flat Rate		COSA with Disc			
					Option 1		Option 2		Option 3			
Residential	Acct/Vol	2019 Rate	COSA Rate	Percent	Combo Rate	Percent	One Rate	Percent	Rate	Percent		
		Base	Base		Base		Base		Base			
430 cf and under CSO	2,948	56.83	33.08	-41.79%	53.84	-5.26%	55.69	-2.01%	32.75	-42.37%		
Subtotal	2,948	20.49	13.68	-33.24%	20.70	1.02%	22.03	2.71%	13.68	-33.24%		
Over 430 cf CSO	3,632	77.32	all customers		74.54	-3.60%	all customers		46.43	-39.95%		
Subtotal	3,632	60.39			57.20	-5.28%			23.11	1.01%	average rates see individual rates below	
Total	6,580	83.27			80.31	-3.55%						
Residential 25% discount	43,495,060											
Residential 35% discount								0.0311				
CSO								0.0270				
Total	43,495,060		0.0152	100.00%				0.0157				
			0.0562	100.00%				0.0572				

										UAC recommendation	
			COSA Option		Split Base Rate		One Flat Rate		COSA with Disc		
					Option 1		Option 2		Option 3		
Commercial	Acct/Vol	2019 Rate	COSA Rate	Percent	Combo Rate	Percent	Combo Rate	Percent	Rate	Percent	
		Base	Base		Base		Base		Base		
Commercial	969	18.43	72.30	292.30%	72.30	292.30%	72.30	292.30%	73.21	297.23%	
CSO		5.68	13.68	140.85%	13.68	140.85%	13.68	140.85%	13.68	140.85%	
Total	969	24.11	85.98	256.62%	85.98	256.62%	85.98	256.62%	86.89	260.39%	
		Usage	Usage		Usage		Usage		Usage		
Commercial	25,729,678	0.0562	0.0410	-27.05%	0.0410	-27.05%	0.0410	-27.05%	0.0415	-26.19%	
CSO		0.0195	0.0152	-22.05%	0.0152	-22.05%	0.0152	-22.05%	0.0157	-19.69%	
Total	25,729,678	0.0757	0.0562	-25.76%	0.0562	-25.76%	0.0562	-25.76%	0.0571	-24.52%	

							UAC recommendation			
Base Rate Calculation	Customer Water Meters			Rate			Discount	Rate with Discounts		
	Residential	Commercial	Municipal	Residential	Commercial	Municipal	Residential	Residential	Commercial	Municipal
5/8"	6,250	523	9	32.54	32.54	31.47	5,914	32.75	32.95	31.88
25% Discount							72	24.56		
35% Discount							264	21.29		
3/4"	288	96	2	40.83	40.83	39.50	288	41.09	41.35	40.00
1"	39	140	5	57.42	57.42	55.54	39	57.78	58.14	56.25
1.5"	4	81	1	98.88	98.88	95.66	4	99.50	100.13	96.86
2"		86	5		148.64	143.79			150.51	145.60
3"		25	1		281.34	272.16			284.86	275.56
4"		10	1		430.62	416.57			436.00	421.77
6"		8			845.29				855.84	
8"		2			1,342.89				1,359.65	
Total/Average	6,581	969	23	33.08	72.30	84.70	6,581	32.75	73.21	85.77

							UAC Rec	
Options	2019 Actual	2019 COSA	2019 COSA with Disc	2019 COSA 50% Disc	2019 COSA No cap	2019 COSA 3,000 sq/ft	2019 COSA 3,000 sq/ft w disc	2019 COSA Nocap & 3000
			Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Rate Revenue		2,102,500	2,102,500	2,102,500	2,102,500	2,102,500	2,102,500	2,102,500
Equivalent ERU		10,417	10,417	10,417	11,328	11,456	11,456	12,673
Rates	16.87	16.82	17.01	17.12	15.47	15.29	15.45	13.82
25%Disc			12.76				11.59	
35% Disc			11.06				10.05	
50% Disc				8.56				

Customer Rates 2019 Budget Basis

						UAC recommendation			
			2019 COSA			2019 COSA with disc			
	2019 Actual			Rate	Difference	% Total	Accounts	Rate	Difference
Res-Weekly	2,487	41.08	37.81	(3.27)	-8.0%	2,364	38.22	(2.86)	-7.0%
25% discount						26	28.67	28.67	
35% discount						96	24.84	24.84	
Res-EOW	4,877	25.65	25.11	(0.54)	-2.1%	4,638	25.41	(0.24)	-0.9%
25% discount						51	19.06	19.06	
35% discount						188	16.52	16.52	
Res-Yard Waste	2,930	9.03	8.50	(0.53)	-5.9%	2,930	8.50	(0.53)	-5.9%
Comm-90g	726	38.67	35.79	(2.88)	-7.4%	726	36.10	(2.57)	-6.6%
Comm-300g	969	97.76	93.23	(4.53)	-4.6%	969	94.06	(3.70)	-3.8%
Schools-Rec	7	13.80	15.93	2.13	15.4%	7	15.93	2.13	15.4%
City-90g	8	38.67	35.79	(2.88)	-7.4%	8	36.10	(2.57)	-6.6%
City-300g	49	97.76	93.23	(4.53)	-4.6%	49	94.06	(3.70)	-3.8%
Fed-300g	6	93.26	88.95	(4.31)	-4.6%	6	89.73	(3.53)	-3.8%
	12,058					12,058			

QUESTIONS??