



Glendale Water & Power Ratemaking Methodology

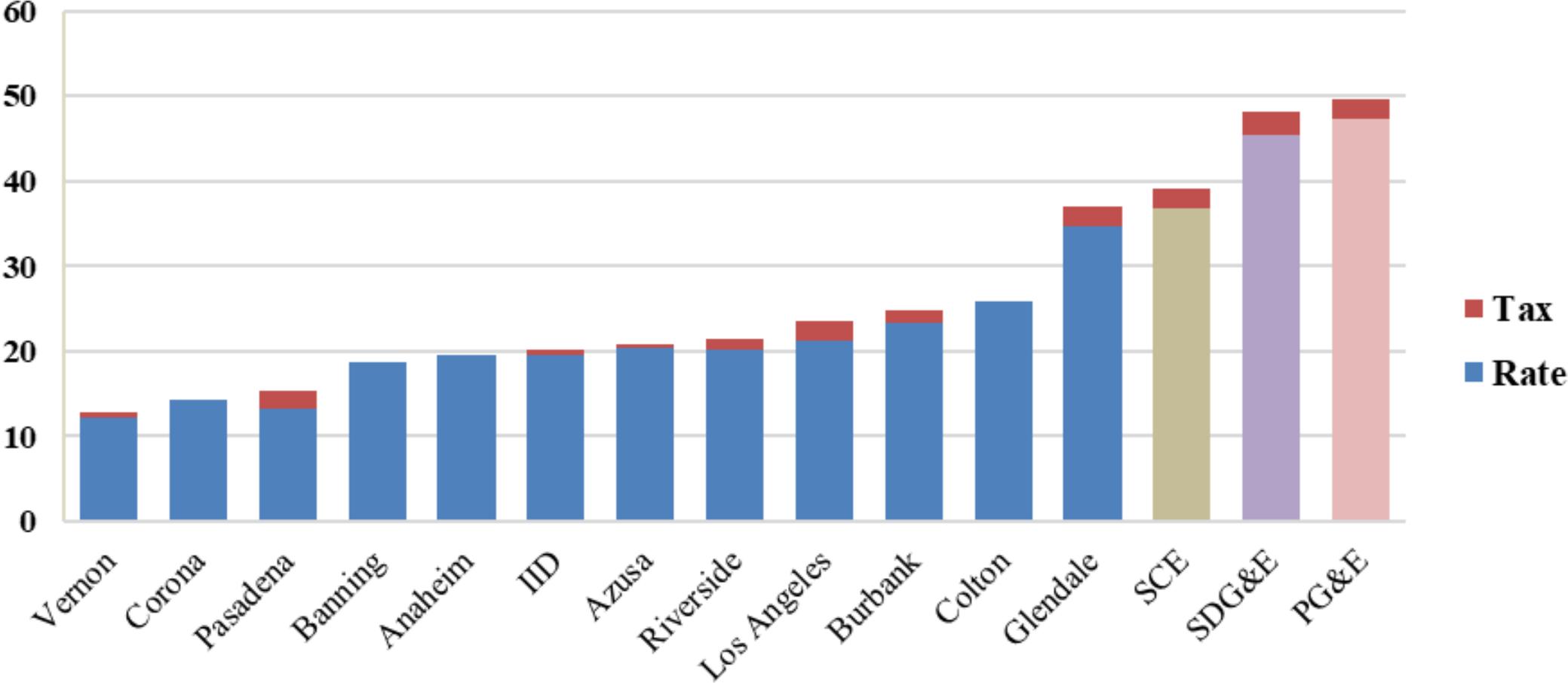
December 10, 2024

Manuel Robledo

Interim General Manager – Glendale Water & Power

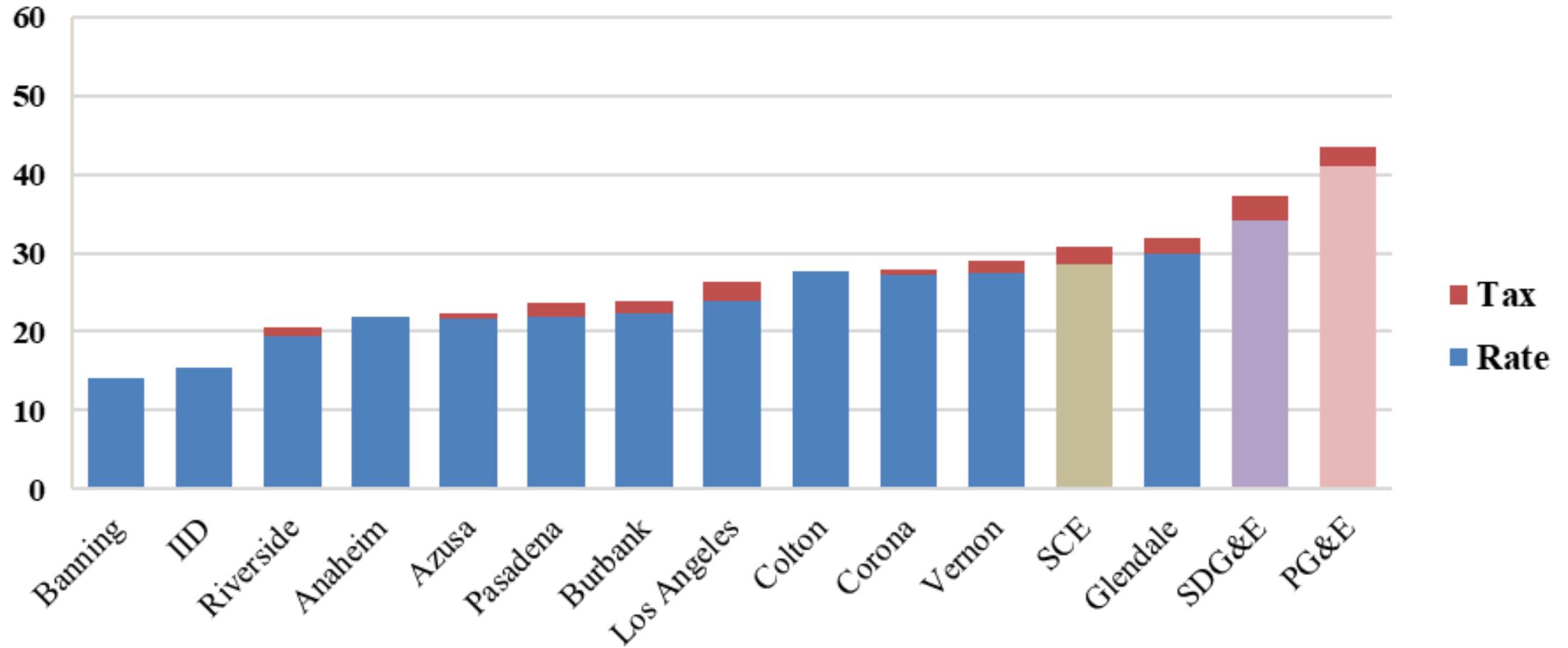
Residential Electric Bill Comparison

Average Residential Bills - 7/2024
(cents/kWh, Measured at 750 kWh/month)

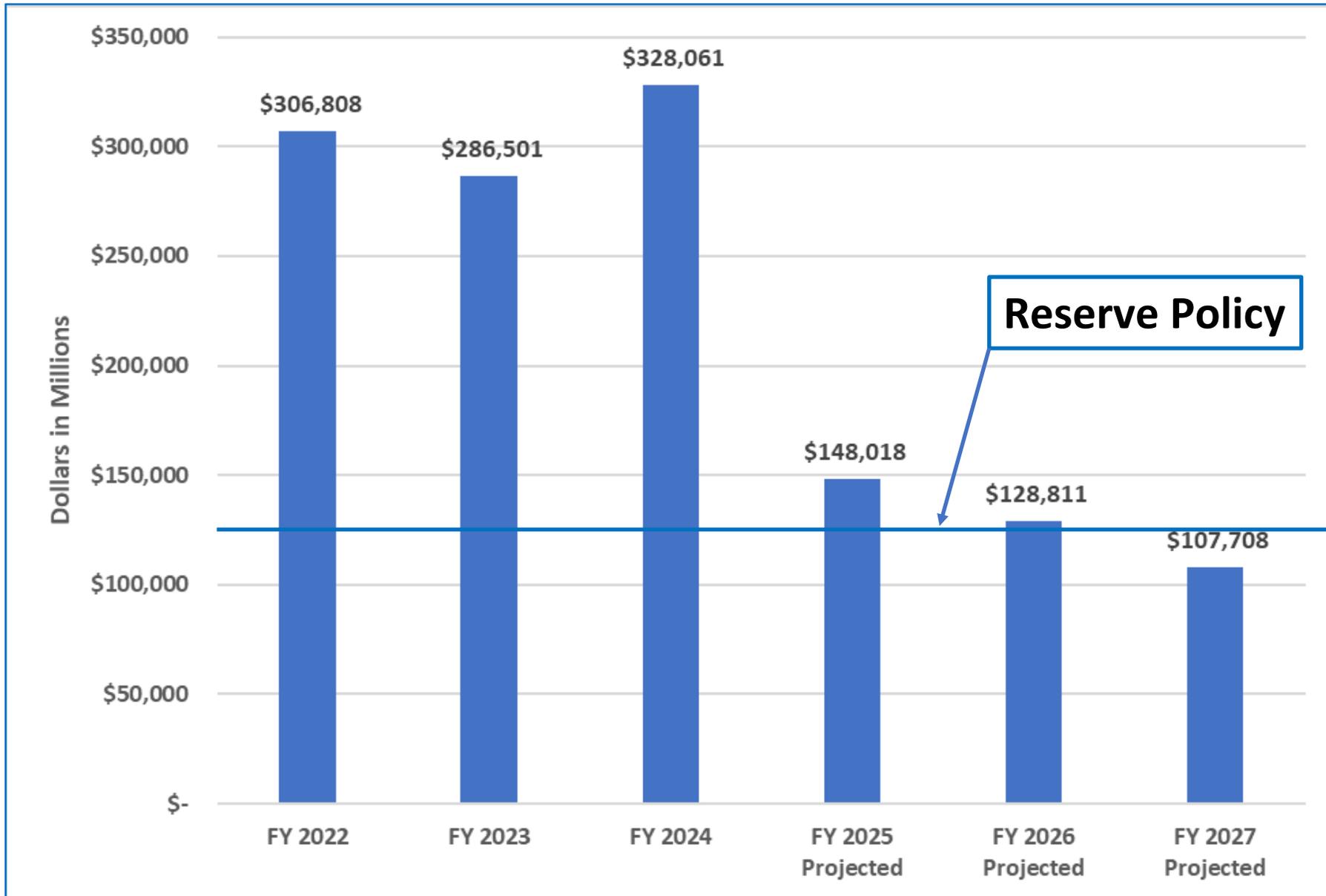


Commercial Electric Bill Comparison

Average Commercial Bills - 7/2024
(cents/kWh, Measured at 3500 kWh/month)



Electric Cash Reserves Trend

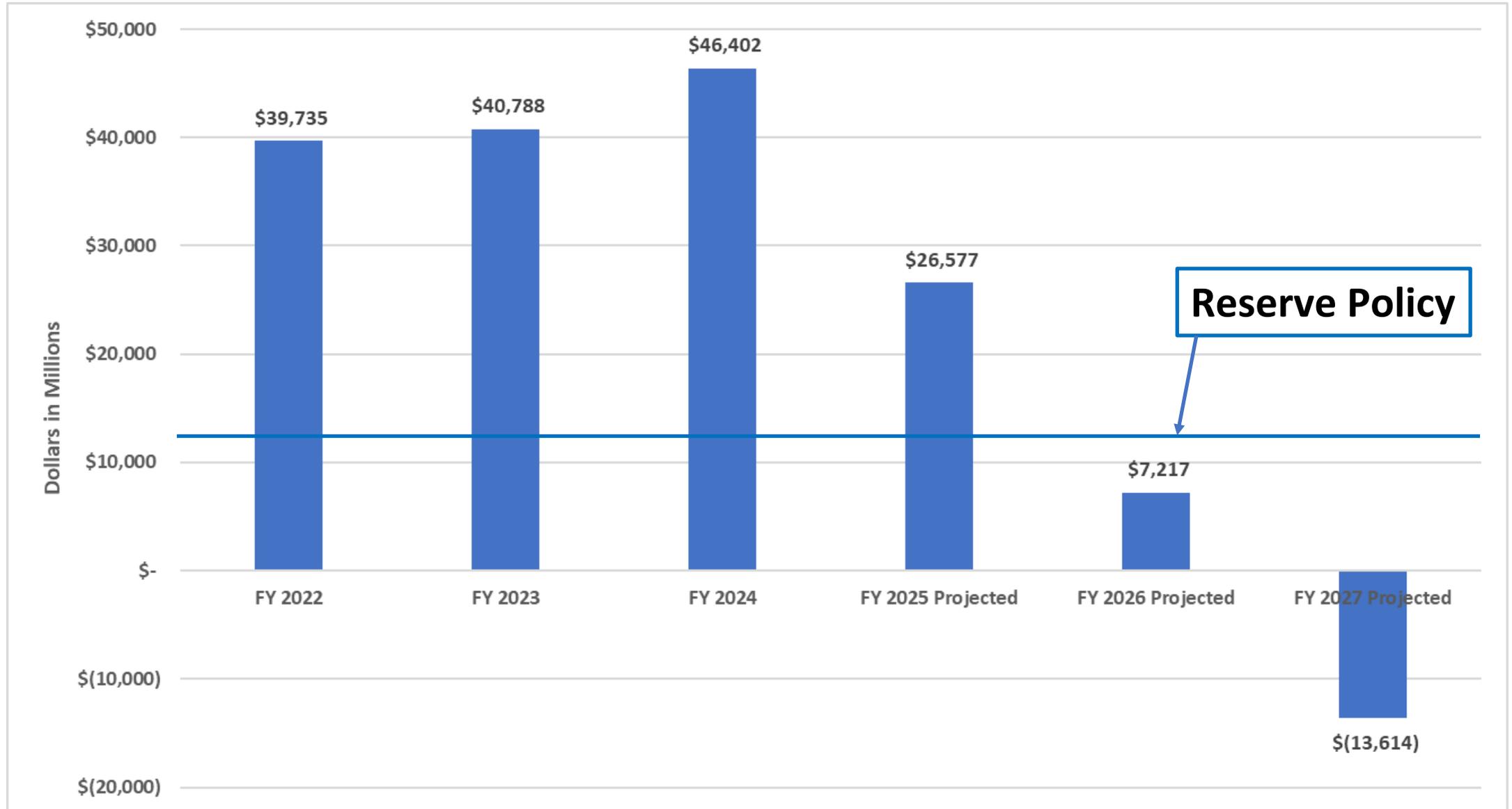


Electric Cash Reserve Policy

- On July 22, 2003, Council Adopted Electric System Cash Reserve Policy setting total cash reserve to \$124.1 million as follows:

Category	Amount
Operating Reserve	\$57,700,000
Contingency Reserve	\$40,400,000
Rate Stabilization Fund	\$10,000,000
Reserve for Gas Reserve Project	\$16,000,000
Total Cash Reserve	\$124,100,000

Water Cash Reserves Trend

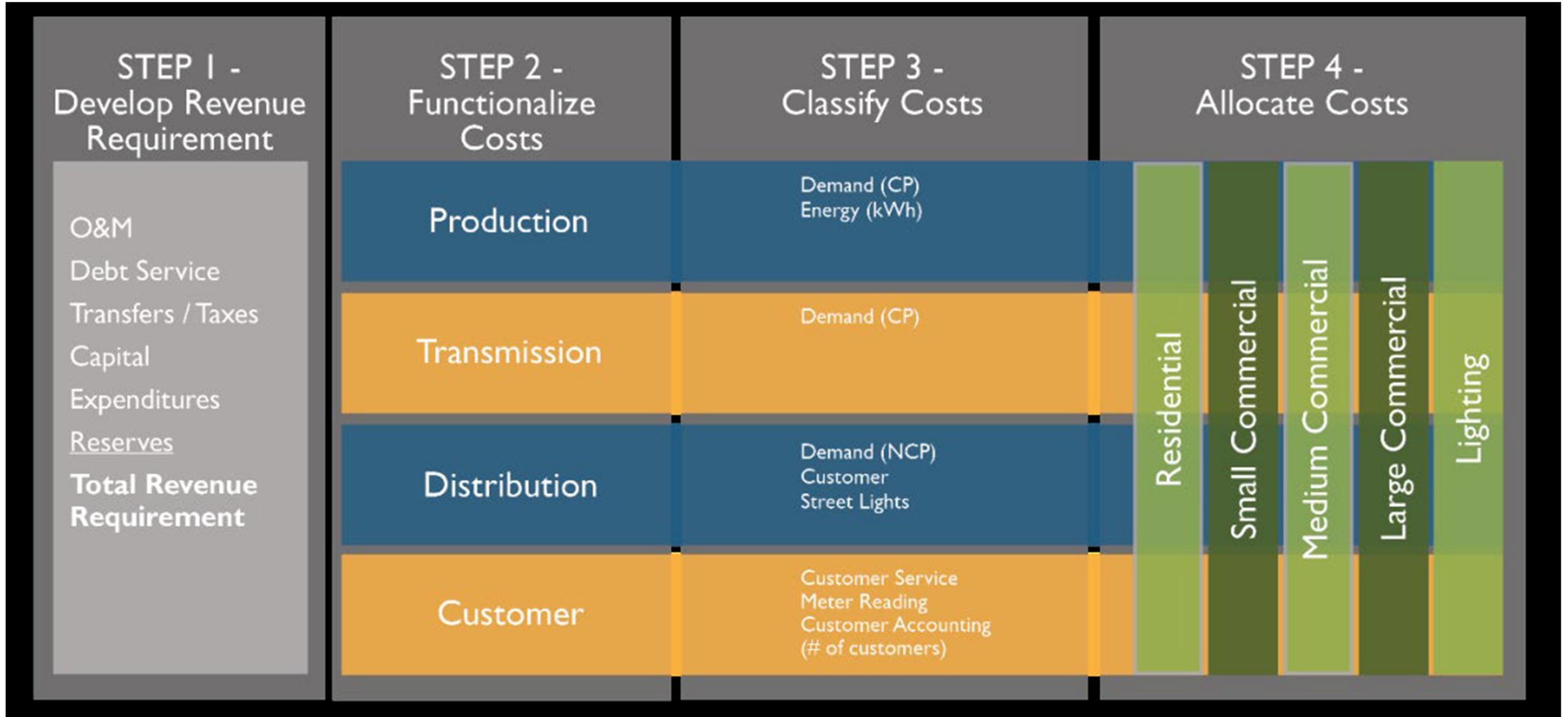


Water Cash Reserve Policy

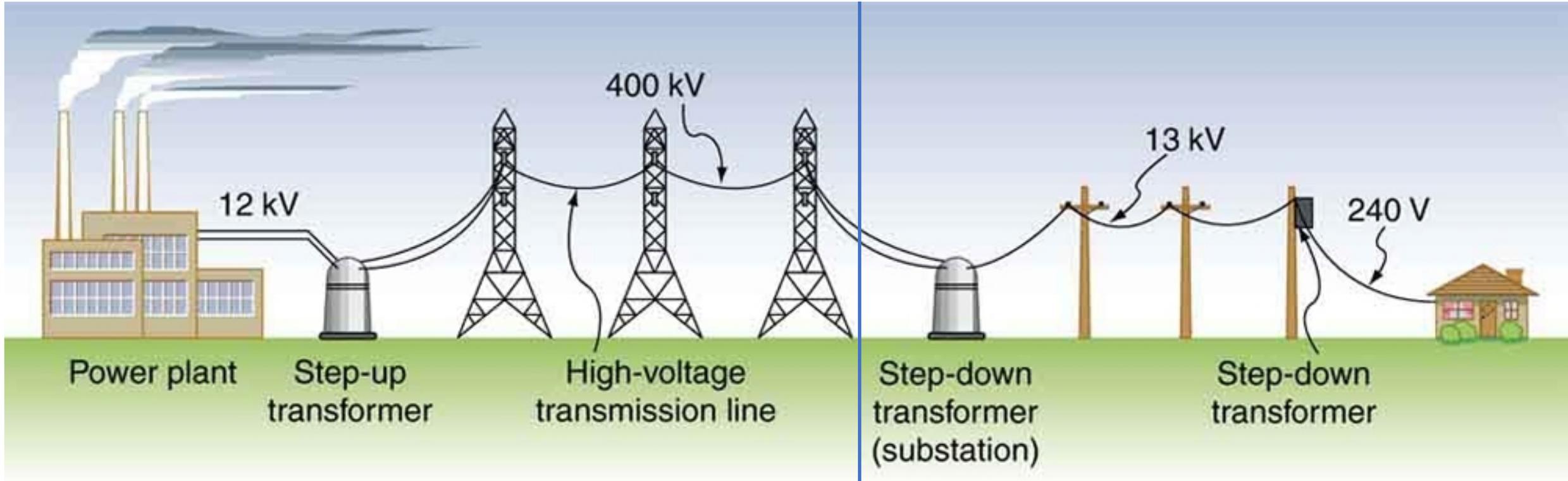
- On December 16, 2003, Council Adopted Water System Cash Reserve Policy setting total cash reserve to \$11.3 million as follows:

Category	Amount
Operating Reserve	\$3,800,000
Contingency Reserve	\$6,500,000
Rate Stabilization Fund	\$1,000,000
Total Cash Reserve	\$11,300,000

Cost of Service Analysis (COSA)



Function and Classification of Costs



Fixed Costs
plus Variable Energy Costs

Fixed Costs
Regardless of Energy Usage

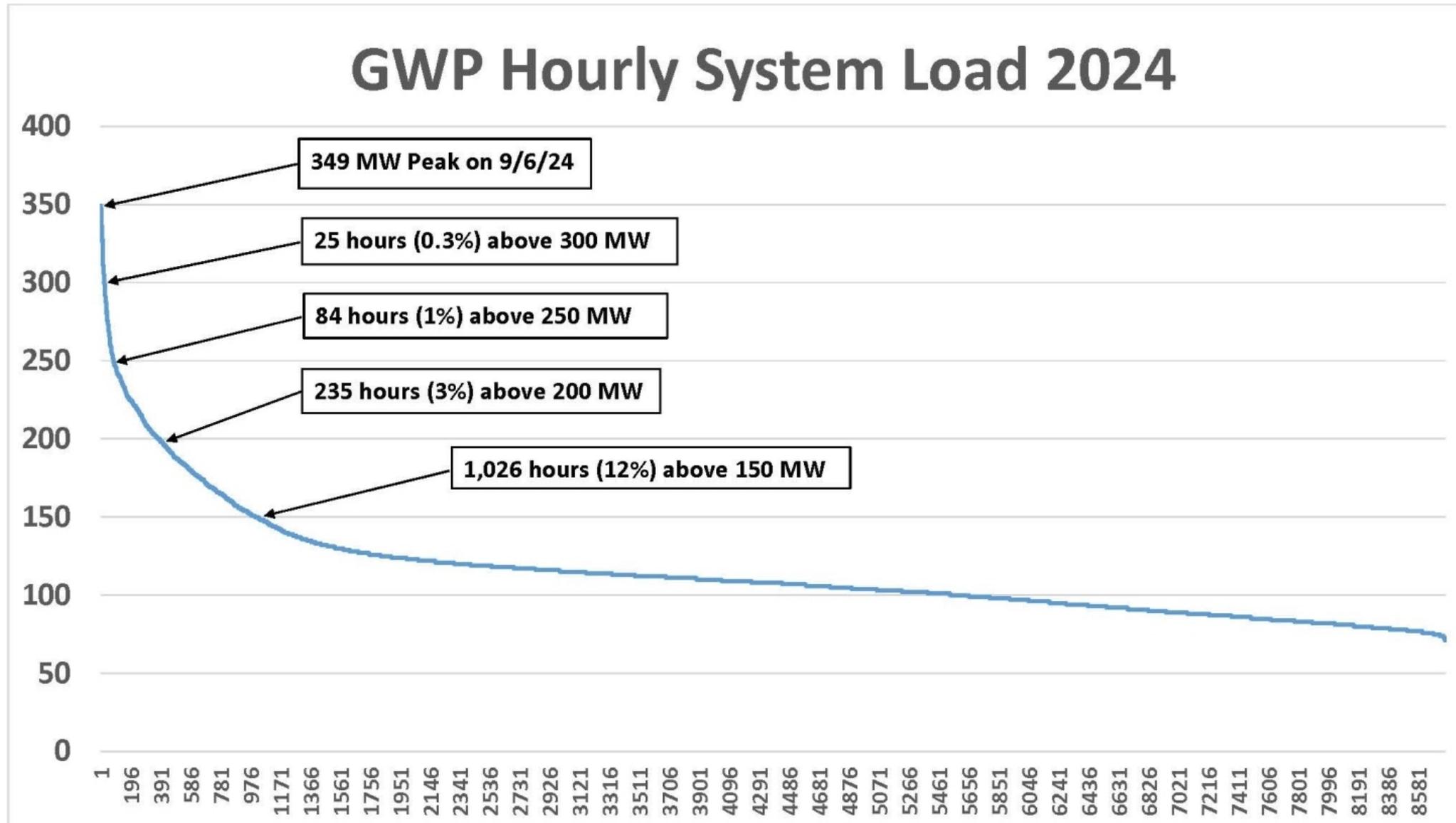
Revenue Requirement by Function

Electric & PBC Funds	FY 2024			FY 2026		
	\$000	%	¢/kWh	\$000	%	¢/kWh
Revenue						
Residential	\$105,618	42%	28	\$153,628	46%	41
Commercial & Industrial	135,583	54%	23	168,731	51%	28
Public Benefits Charge (PBC)	8,995	4%	1	9,270	3%	1
Total Revenue	\$250,195	100%	26	\$331,629	100%	34
Expenses						
Power Generation (Net)	\$123,029	54%	13	\$162,941	58%	17
Electric Distribution	31,771	14%	3	42,610	15%	4
Customer Service & Admin	38,014	17%	4	37,348	13%	4
PBC Customer Programs	8,995	4%	1	9,270	3%	1
General Fund Transfer	24,120	11%	2	30,640	11%	3
Total Expenses	\$225,929	100%	23	\$282,809	100%	29
Net Cash Income	\$24,267			\$48,820		

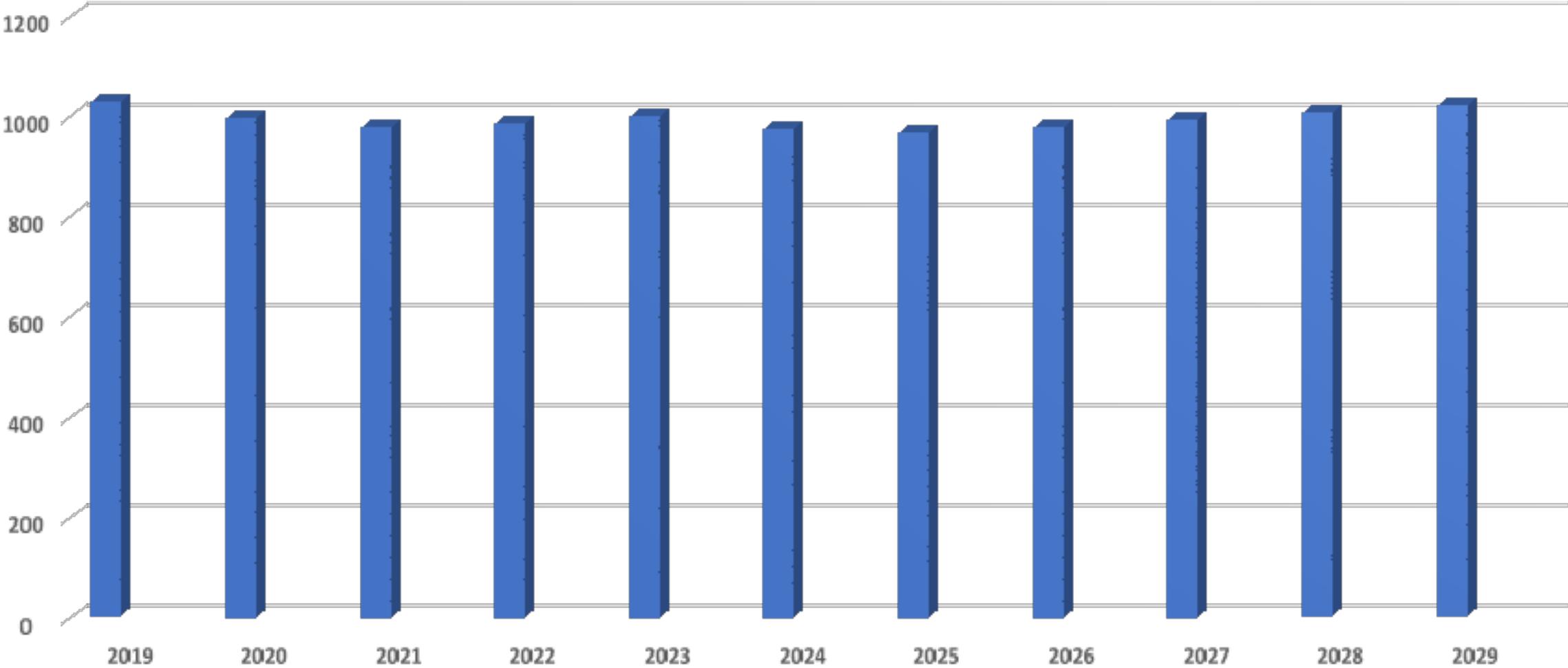
Classification by Power Resource

Power Resource	Fuel	Class	Capacity & Energy			¢/ kWh
			MW	MWh	CF	
Grayson	Natural Gas	Demand	103	138,678	15%	26
Magnolia	Natural Gas	Demand	47	260,000	63%	9
Intermountain	Natural Gas	Demand	39	245,000	72%	11
Palo Verde	Nuclear	Demand	11	82,000	85%	5
Hoover	Hydro	Demand	12	40,000	38%	7
Scholl Biogas	Landfill Gas	Demand	11	91,200	95%	6
Tieton	Sm Hydro	Demand	7	20,000	34%	17
Whitegrass	Geothermal	Demand	4	21,000	60%	7
Star Peak	Geothermal	Demand	10	54,000	62%	11
Grayson Battery	Various	Demand	75	75,000	11%	28
Pebble Springs	Wind	Energy	20	42,000	24%	13
Townsite	55% Solar	Energy	50	300,000	68%	10
Eland	Solar	Energy	25	84,334	39%	6
Customer Solar	Solar	Energy	29	46,457	18%	34
GWP Solar	Solar	Energy	5	7,769	18%	13
System Average						17

Allocation by Peak Demand (MW)



Allocation by Energy (GWh)



Rate Design

• Residential

- Fixed Customer Charge per Day
- Tiered Usage Charges (¢/kWh)
 - Tier 1 – First 300 kWh/month
 - Tier 2 – Next 300 kWh/month
 - Tier 3 – Remaining kWh used
- Optional Time-of-Use (¢/kWh)
 - On-peak 2 pm to 8 pm
 - Off-peak 8 pm to 2 pm
- Summer Rates: July – October
- Pass-through Charges (¢/kWh)
 - Energy/Compliance Costs, Sales Volume
 - Adjusts up or down
 - Reset to \$0 after 2023 COSA

• Commercial

- Fixed Customer Charge per Day
- Flat Usage Charge (¢/kWh)
- Demand Charge (\$/kW/day)
 - Large Commercial
> 20 kW or > 5,000 kWh/month
 - Rolling 12-month demand
- Optional Time-of-Use (¢/kWh)
 - On-peak 2 pm to 8 pm
 - Off-peak 8 pm to 2 pm
- Summer Rates: July – October
- Reactive Power Charge (\$/kVAR/day)
- Pass-through Charges (¢/kWh)
 - Reset to \$0 after 2023 COSA

Thank You!

