

FOR BOARD ACTION

Agenda Item # 4

Meeting Date:

4/26/11

SUBJECT:

Cost of Service/Electric Unbundling Study Results, dated February 16, 2011

PREPARED BY:

Bryan Blom, Manager of Finance & Accounting

ITEM DESCRIPTION:

During the informal planning session following the March 2011 Utility Board Meeting, Mark Beauchamp with Utility Financial Solutions presented the results of the Cost of Service/Electric Unbundling Study and distributed copies of the report to the Board for their review and comments.

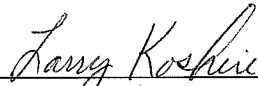
The objectives of the study were to determine the Electric Utility's revenue requirements for 2011, identify cross-subsidies that may exist between rate classes, recommend rate adjustments needed to meet targeted revenue requirements, provide information regarding unbundled electric rates, and to identify the appropriate monthly customer charge for each customer class. The study includes recommendations on the above items, presents a long-term financial plan/rate track for the Electric Utility, and includes additional recommendations regarding cash reserve policies and power cost adjustment factors.

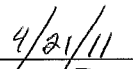
FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Not Applicable

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Board approve a motion to accept the Cost of Service/Electric Unbundling Study report dated February 16, 2011 and place it on file.


General Manager


Date