



# City of Palo Alto

## Gas Utility

# 5 Year Revenue Projections

\$(000's)

		Fiscal Year	A	B **	C **	D **	E **	F **	G **
		Actual 05-06	Adjusted 06-07	Projected 07-08	Projected 08-09	09-10	10-11	11-12	
1	<b>% CHANGE IN TOTAL SYSTEM RETAIL RATE</b>	<b>15.0%</b>	<b>20.0%</b>	<b>9.5%</b>	<b>9.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
2	PROJECTED TOTAL SYSTEM AVERAGE RATE (\$/Therm)	\$ 1.24	\$ 1.37	\$ 1.50	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.63	
3	PROJECTED COMMODITY COST (\$/Therm)	\$ 0.67	\$ 0.70	\$ 0.83	\$ 0.87	\$ 0.85	\$ 0.82	\$ 0.78	
4	SALES IN THERMS	32,101	30,615	30,942	30,942	31,035	31,129	31,222	
5	PERCENTAGE OF SUPPLY UNDER CONTRACT		81%	57%	27%	0%	0%	0%	
6	PROJECTED CHANGE IN RETAIL SALES REVENUE	4,449	5,782	4,957	4,498	-	-	-	
7									
8	<b>Utilities Retail Sales</b>	36,433	40,652	46,146	50,589	50,811	50,881	50,770	
9	<b>Service connection charges &amp; capacity fees</b>	427	563	580	597	615	633	652	
10	<b>Other Revenues</b>	118	90	91	91	0	0	0	
11	<b>Interest plus gain or loss on investment</b>	(91)	450	591	403	556	720	921	
12	<b>Total Sources of Funds</b>	36,886	41,755	47,408	51,680	51,982	52,234	52,343	
13									
14	<b>Purchases</b>	21,375	22,346	26,293	27,566	26,993	26,372	25,155	
15	<b>Supply Operating Budget</b>	923	1,039	1,013	1,049	1,085	1,123	1,163	
16	<b>Distribution Operating Budget</b>	4,583	7,053	7,300	7,555	7,820	8,094	8,377	
17	<b>Debt Service payments (Prin &amp; Int)</b>	946	947	948	949	947	947	948	
18	<b>Rent</b>	143	148	161	166	172	177	182	
19	<b>Transfers to General Fund</b>	2,869	2,955	3,044	3,135	3,229	3,326	3,426	
20	<b>Other Transfers Out</b>	1,424	508	320	354	354	354	354	
21	<b>Capital Improvement programs</b>	4,699	6,787	6,945	7,182	7,333	7,555	7,025	
22	<b>Operating Encumbrances &amp; reconciliation</b>	1,279	0	0	0	0	0	0	
23	<b>Total Uses of Funds</b>	38,242	41,783	46,024	47,956	47,932	47,948	46,630	
24									
25	<b>Into/ (Out of) Reserves</b>	(1,356)	(27)	1,384	3,724	4,050	4,286	5,713	
26									
27	<b>Ending Supply RSR</b>	2,801	5,157	4,279	6,355	9,235	12,844	17,639	
28	<b>Ending Distribution RSR</b>	3,868	1,447	3,391	4,709	5,543	5,874	6,473	
29	<b>Ending Plant Replacement Reserve</b>	972	1,010	1,328	1,657	1,993	2,339	2,658	
30									
31	<b>Short Term Risk Assessment Value -Supply RSR</b>			<b>3,700</b>	<b>3,811</b>				
32	<b>Short Term Risk Assessment Value- Distribution RSR</b>			<b>3,300</b>	<b>3,353</b>				
33									
34	<b>Long Term Rate Stabilization Guidelines</b>								
35	<b>Supply RSR Minimum</b>	7,620	10,012	9,202	9,648	9,447	9,230	8,804	
36	<b>Supply RSR Maximum</b>	15,240	20,023	19,719	20,674	20,244	19,779	18,867	
37									
38	<b>Distribution RSR Minimum</b>	2,952	3,133	4,001	4,042	4,054	4,066	4,078	
39	<b>Distribution RSR Maximum</b>	5,904	6,266	10,001	10,105	10,135	10,166	10,196	
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\*\* Reserve ending balances are projected