RECOMMENDATION
The Utilities Advisory Commission (UAC) and staff recommend that the City Council adopt the attached resolution to increase the electric base revenue of FY 05-06 by approximately $14.1 million or 19.5 percent, to be effective July 1, 2005.

DISCUSSION
This rate increase proposal has two objectives: 1) to maintain Supply Rate Stabilization Reserve (SRSR) balance in line with the guidelines approved by the Council, which take into consideration all the uncertainties related to regulatory issues and market prices, and 2) to meet the high wholesale commodity prices which are expected for Fiscal Year 2005-06, as well as future years.

BOARD/COMMISSION REVIEW AND RECOMMENDATIONS
The UAC reviewed this recommendation and approved it on a unanimous vote (4-0, Dahlen absent) at the May 4, 2005 meeting.

RESOURCE IMPACT
Approval of this proposed rate increase will raise the Electric Fund base sales revenues by approximately $14.1 million for FY 05-06.

ATTACHMENTS
A: Resolution
B. Electric Rate Schedules E-1, E-1-G, E-2, E-2-G, E-4, E-4-G, E-4-TOU, E-7, E-7-G, E-7-TOU, E-14, E-16, E-18, and E-18-G
C: Minutes of the UAC meeting of May 5, 2004

PREPARED BY:  

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