



# 2009 Retail Rates

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Modesto Irrigation District

October 31, 2008



# Overview

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- Cost Increases Summary
  - Power Supply
  - State & Federal mandates
- Recommended Revenue Increase
  - Overall increase 15%
- Rate Increase Options
  - Tiers
  - Power Supply Surcharge
  - 2 Part Increase



# Budget Summary (\$M)

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	<u>2008 Budget</u>	<u>2009</u>
Power Supply	\$221.7	\$248.5
O&M	79.0	90.8
Debt Service	50.0	53.1
Capital		
Financed	96.9	97.1
Cash	4.9	3.8
Total	<hr/> <u>\$452.5</u>	<hr/> <u>\$493.2</u>

\$M = Millions of dollars

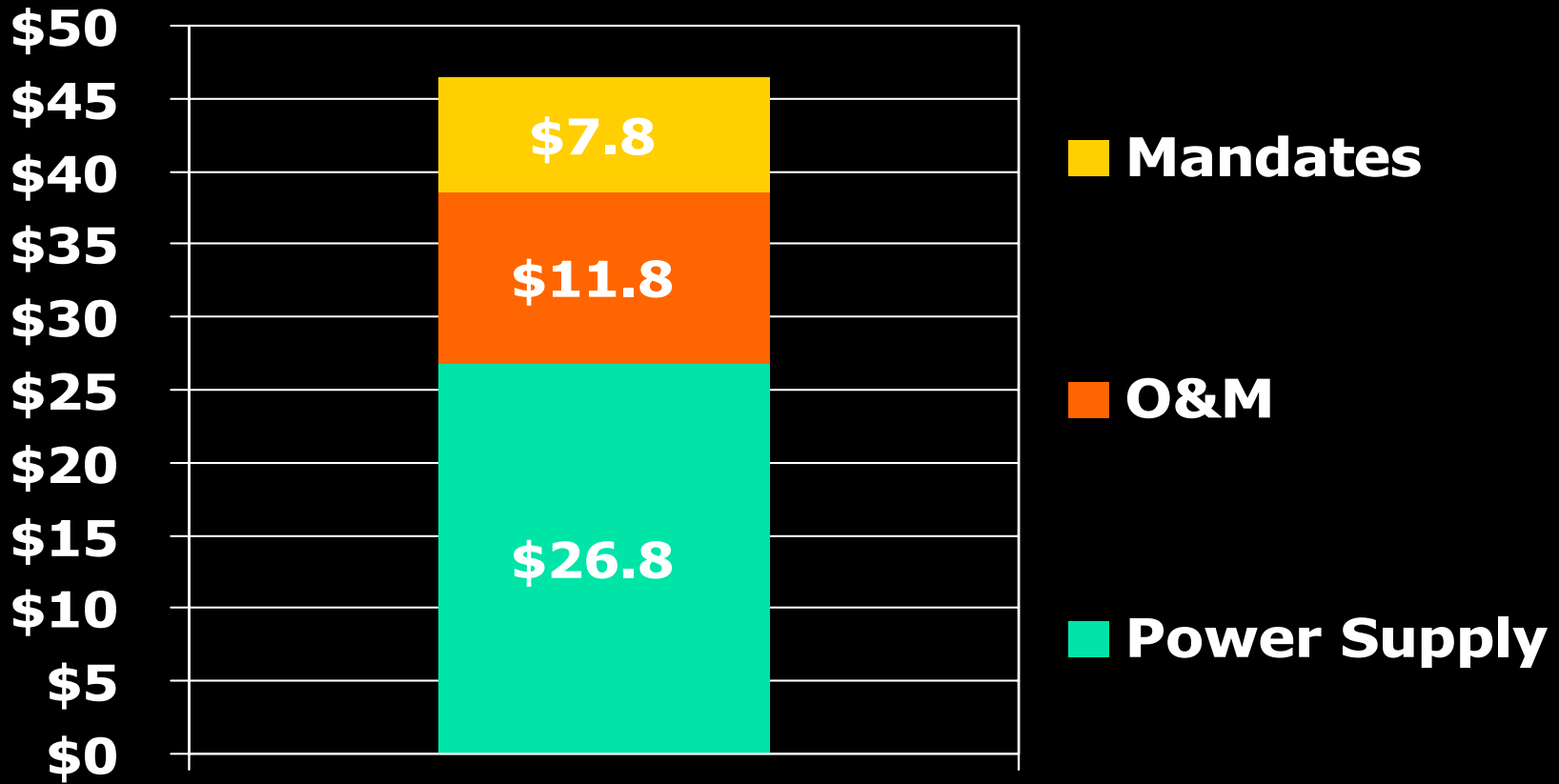


# Bridging Revenue Gap

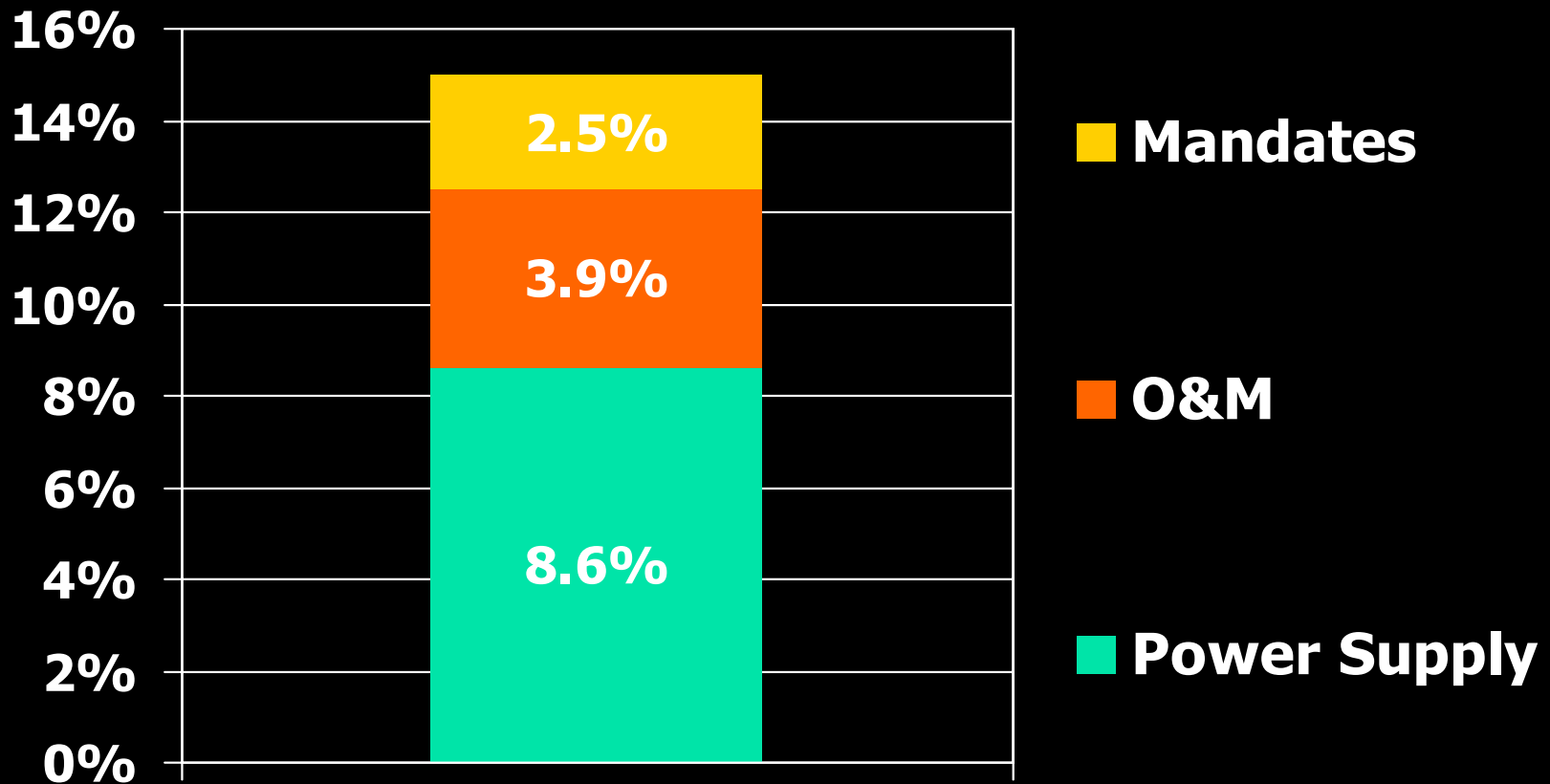
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- Eliminated 5 positions
- Reduced Travel/Training Budget
- Deferred Capital Expenses

# 2009 Revenue Increase Breakdown (\$M)



# 2009 Revenue Increase Breakdown 15%





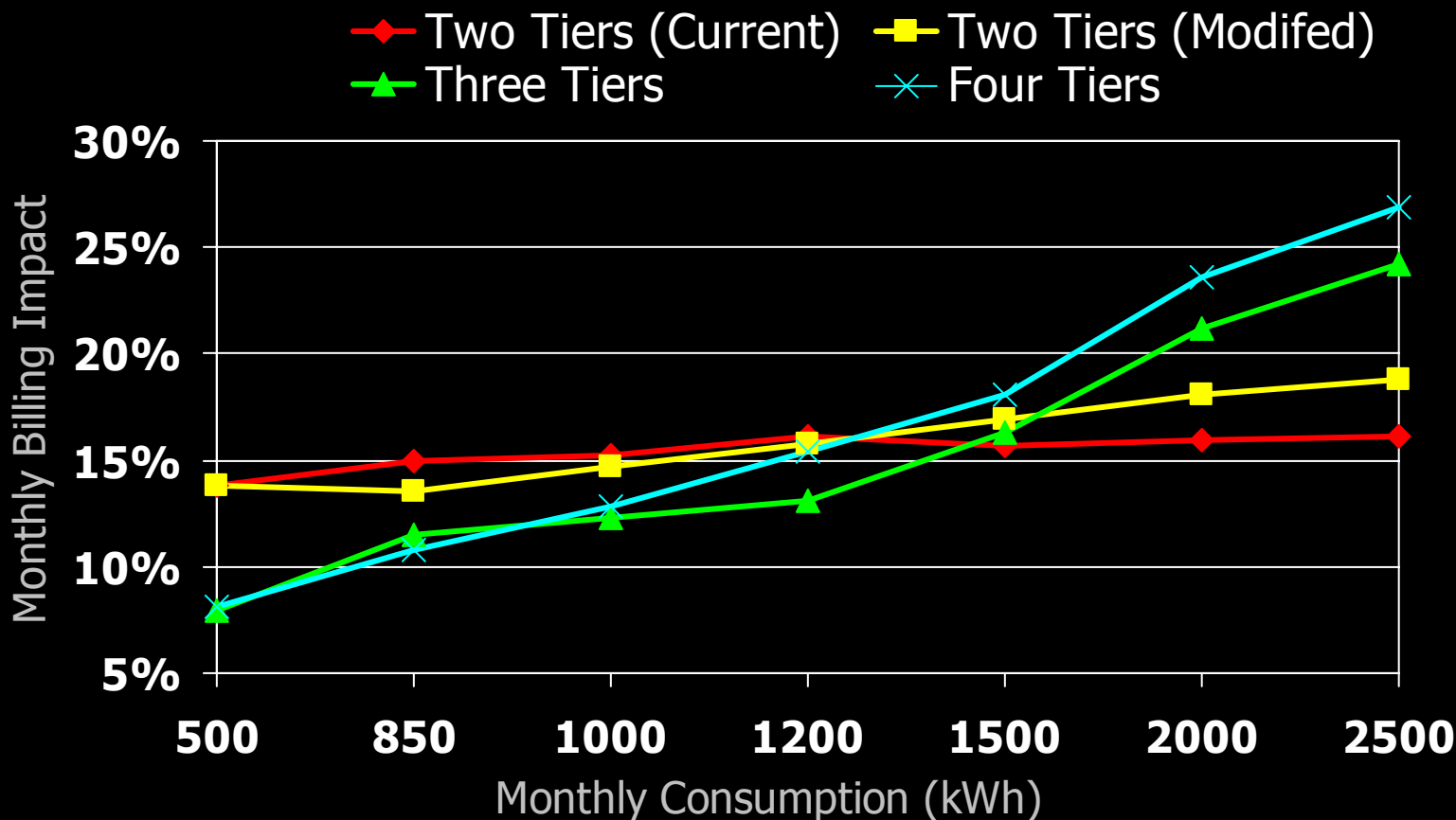
# Revenue Increases

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- Residential 15%
- Commercial 10,15%
- Industrial - TOU 15%
- Industrial - GS-3 20%
- IC-25 20%
- Private Lighting 15%
- Ag Pumping 15%

**Total revenue increase from all classes 15%**



# Residential Tiers



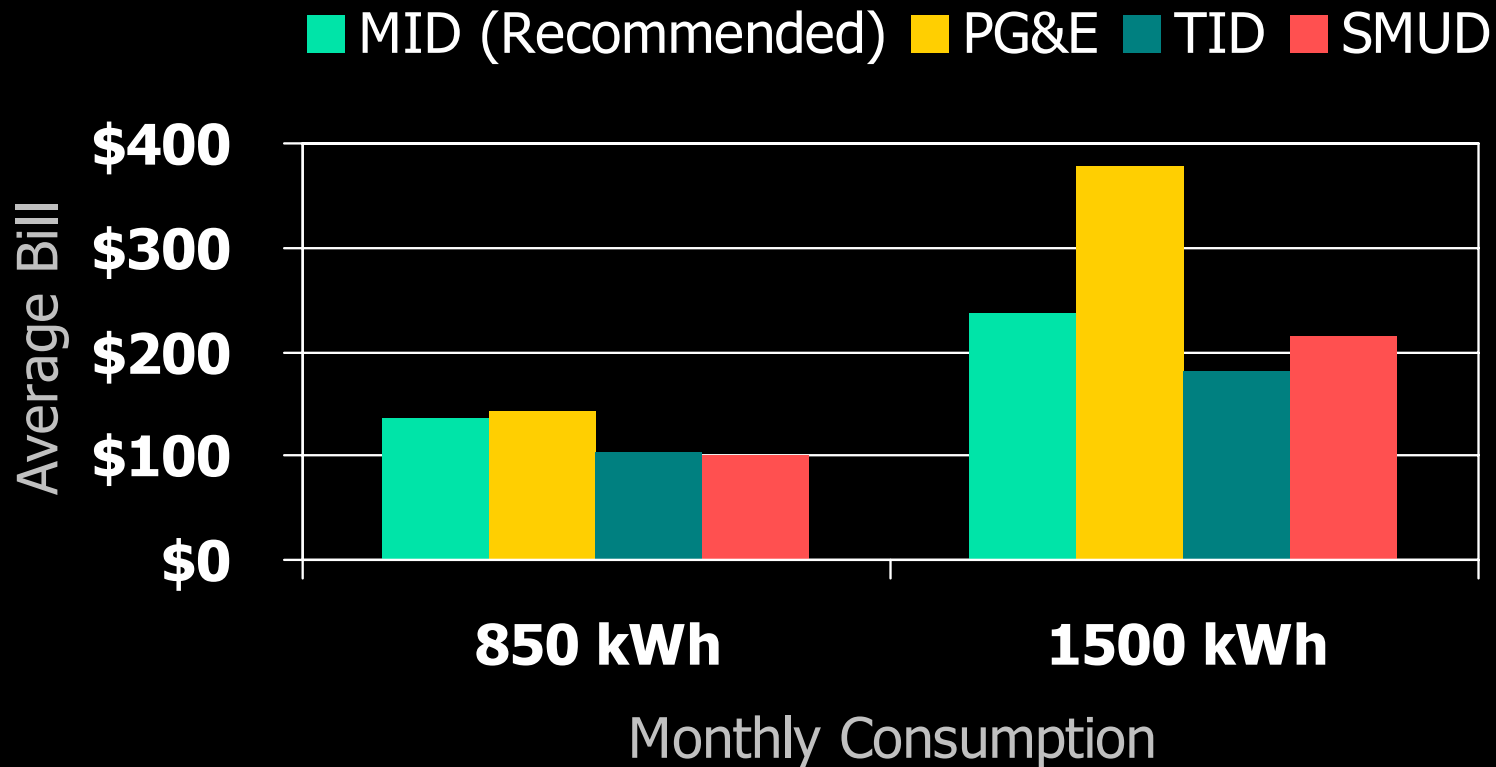


# Split Increase January 1/May 1

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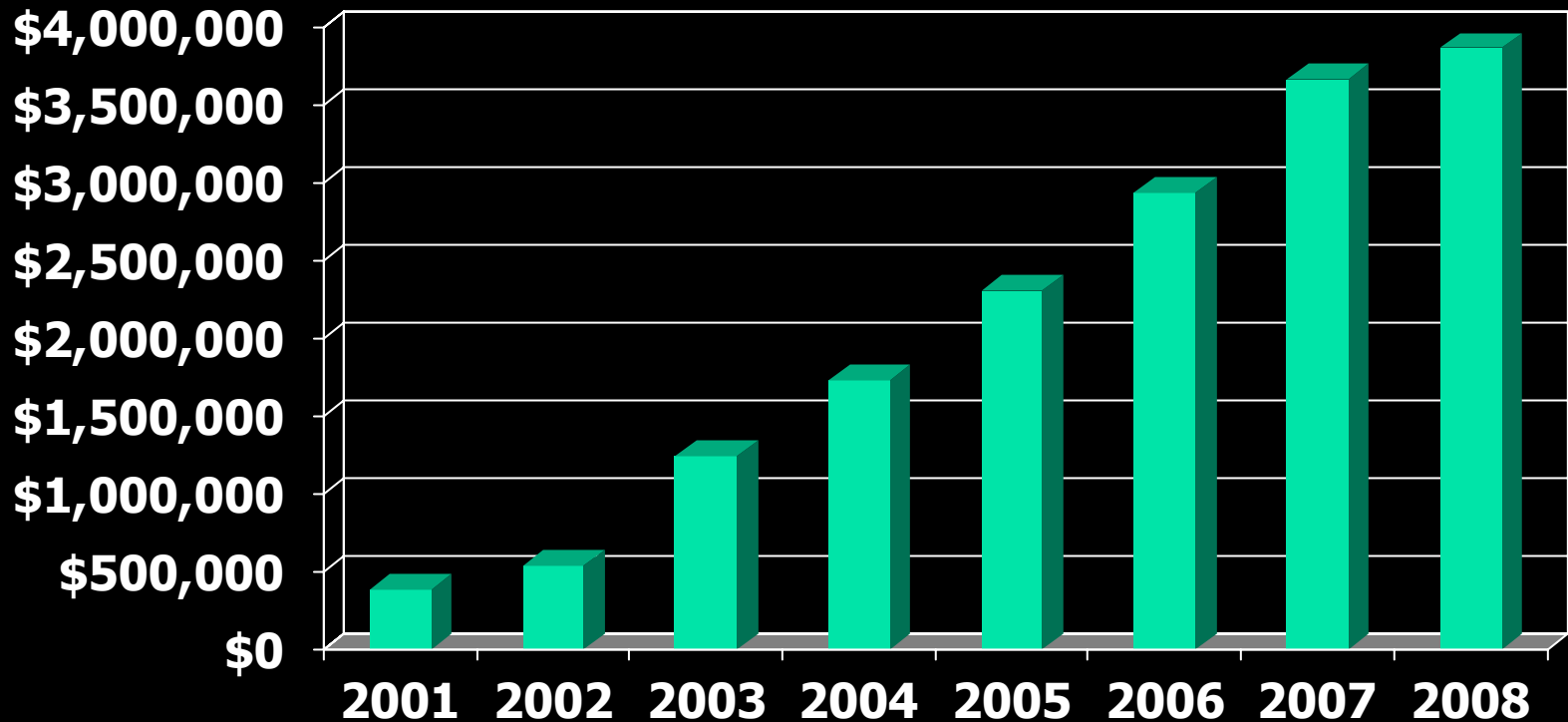
- 1 Step Increase
  - Residential (850 kWh)
    - Average monthly  \$17.80
- 2 Step Increase
  - Residential (850 kWh)
    - Average monthly  \$10.90
    - Average monthly  \$9.80

# Residential Monthly Bill Comparison





# Low Income Assistance



# Projected Reserve Level (\$M) (with revenue increase)

