



Date: April 6, 2023
To: Mayor and City Council
From: Louis C. Vitola, Finance Director *LV*
Re: Introduction of Ordinance to Amend Electric Tariff; Electric Rate Study FY24-26

The enclosed redline changes to the Code of the City of Milford, Part II – General Legislation, Appendix B – Electric Rules and Regulations Including the Electric Tariff are being introduced on Monday, April 10, 2023 in connection with professional recommendations arising out of the City’s FY23 engagement with Utility Financial Solutions, LLC (UFS) to perform an electric rate study covering FY24-FY26. The results of the study are also enclosed. UFS also performed the most recent cost of service study and rate update for the electric fund as well as rate studies for the City’s water, sewer and solid waste funds. The Firm’s Vice President, Dawn Lund, will join City Council virtually on April 24, 2023 to present UFS findings, recommend the enclosed rate action, and respond to questions and inquiries related to the engagement.

Thank you in advance for the time and effort you invest in the review of the enclosed report.

APPENDIX B ELECTRIC RULES AND REGULATIONS

City of Milford

—Electric Division—

Rules and Regulations
Including the
Electric Tariff

For

City of Milford
201 South Walnut Street
Milford, Delaware 19963
Phone 302-424-3712
Fax 302-424-3558

APPENDIX B ELECTRIC RULES AND REGULATIONS¹

(Updated with Marked Changes Reflecting Recommendations in FY24-26 Electric Rate Study)

¹Editor's note(s)—Contained herein are the City of Milford Electric Rules and Regulations adopted June 22, 2015, and effective July 2, 2015. Where further amendatory ordinances have been incorporated, citations are in brackets following the amended provisions. The system of headings, catchlines, capitalization, citation to state statutes, and expression of numbers in text remains unchanged. See Code Comparative Table for detailed history of derivation.

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3. The word "Tariff" also is used to refer to all of the rules and regulations governing the operation of the Electric Department and the supply of electric service. Consequently, "Tariff" is sometimes synonymous with "Rules and Regulations".

2.30 UTILITY

"Utility" shall mean City of Milford Electric Department, or any successor organization, that provides electric service to the Customers in the City's service area.

2.31 YEAR ONE

June 1, ~~2020-2023~~ to June 30, ~~2021-2024~~

2.32 YEAR TWO

July 1, ~~2021-2024~~ to June 30, ~~2022-2025~~

2.33 YEAR THREE

July 1, ~~2022-2025~~ to June 30, ~~2023-2026~~

[Ord. No. 2020-13, § 2, 5-11-2020]

SECTION 3 APPLICATION AND CONTRACT FOR SERVICE

3.1 APPLICATION FOR SERVICE FOR OWNER OCCUPIED PROPERTIES

An application for the supply of service is required from each Applicant (prospective Customer). This application, when executed by the City and the Applicant, shall be subject to the terms of the applicable Service Classification and these Rules and Regulations. The City reserves the right to require reasonable evidence of the Applicant's identity and service address, satisfactory to the City, and to make a reasonable credit investigation of such prior to rendering service. The City reserves the right to require a written application from any Applicant executed in a form satisfactory to the City. Applicants shall be eighteen years of age or older.

3.2 APPLICATION FOR SERVICE FOR NON-OWNER OCCUPIED PROPERTIES

An application for the supply of service is required from each Applicant (prospective Customer). This application, when executed by the City and the Applicant, shall be subject to the terms of the applicable Service Classification and these Rules and Regulations. The City reserves the right to require reasonable evidence of the Applicant's identity by requiring the Applicant to provide a valid identification card or driver's license issued by the State of Delaware or a valid U.S. Military Identification card and service address satisfactory to the City and to make a reasonable credit investigation of such prior to rendering service. The City reserves the right to require a written application from any Applicant executed in a form satisfactory to the City. Applicants shall be eighteen years of age or older.

3.3 RIGHT TO REJECT APPLICATION

The City shall have the right to reject and may reject any application for Service if the Applicant does not meet all the requirements of the Rules and Regulations and Tariff. The Applicant shall be given the reason or reasons for rejection of the application for service in writing, if requested.

3.4 ONE POINT OF DELIVERY

The Service Classifications of the Tariff, unless otherwise stated, are based upon the supply of the Service to one entire premise through a single delivery and metering point. The City will supply only one metering installation for each Class of Service. The use of Service at two or more separate properties will not be combined for billing purposes. The City reserves the right to deliver Service to more than one point where

SECTION 24 FEES, CLASSIFICATIONS AND SCHEDULES

The Fee Schedule is attached as Appendix 1 and supporting Worksheets are attached as Appendix 2 to this Tariff. Some of these Fees are described here.

Returned Check Fee

The City of Milford seeks to recover from each Customer the costs of bank processing fees for a returned check from that Customer with no gain or loss for the City.

Late Payment Charge

To encourage Customers to pay their electric bills on time, the City's policy is to charge the Customer a penalty on the outstanding balance of the Customer's bill after the due date. The City will set penalty rates.

Meter Inaccessibility Fee

To discourage Customers from allowing conditions to exist that prohibit City personnel from conducting their normal duties as meter reading, the City's policy is to charge the offending Customer an increasing penalty prior to service cutoff. The amounts are designed to be attention catching without being oppressive.

Right-of-Way Agreement

Generally, a Customer's provision to the City for a Right-of-Way is for the benefit of the Customer. Technically, however, the City is assuming control of the Right-of-Way (albeit for the purpose of providing electric service to the Customer).

24-1. FEE SCHEDULE

SERVICE CLASSIFICATIONS

24-2. RES—RESIDENTIAL SERVICE SCHEDULE

1. AVAILABILITY

This rate applies to residences throughout the territory served by the City. Single phase electric Service will also be rendered to the dwelling appurtenances of single private family residences for domestic requirements and also for related farm or domestic purposes when such Service is supplied through one meter.

2. TERM OF SERVICE

Residential service is offered on a month-to-month basis until terminated unless a special contract is required as discussed in Section 3.6 of Rules and Regulations.

3. MONTHLY RATES

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$19.00 <u>21.25</u>	\$20.00 <u>21.50</u>	\$21.00 <u>21.75</u>
Energy Charge:			
Block 1 (0—2,500 kWh)	\$0.10 <u>560-10477</u>	\$0.10 <u>456-10603</u>	\$0.10 <u>353-10730</u>
Block 2 (Excess)	\$0.11 <u>760-11692</u>	\$0.11 <u>656-11832</u>	\$0.11 <u>553-11974</u>

4. BILLING PERIOD

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(Supp. No. 26, Update 1)

(SGS) provided that the Customer has not used more than 3,500 kWh for any two consecutive billing months within the most recent 12 months.

2. TERM OF SERVICE

Subject to conditions specified, Service is offered on a month-to-month basis until terminated unless a special contract is required as discussed in Section 3 of Rules and Regulations.

3. MONTHLY RATES

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$ 2530 .00	\$ 2731 .00	\$ 2932 .00
Energy Charge:			
All Energy	\$ 0. 11258-10918	\$ 0. 11039-11017	\$ 0. 10821-11127

4. BILLING PERIOD

Rates are stated on a monthly basis and bills are rendered monthly following the supply of Service based on the rate stated herein.

5. PURCHASED POWER COST ADJUSTMENT (PPCA) CHARGE

All kilowatt-hours billed under this Service Classification may be subject to Purchased Power Cost Adjustment (PPCA) charges. (Reference: Section 19)

6. GENERAL COST ADJUSTMENT

The monthly charge under this Service Classification may be subject to General Cost Adjustment Charge. (Reference: Section 20)

7. GREEN/RENEWABLE ENERGY FUND RATE

All kilowatt-hours billed under this Service Classification will be subject to Green/Renewable Energy Fund Rate. (Reference: Section 22)

8. MONTHLY FACILITIES CHARGE

A monthly charge to cover the fixed cost of supplying power to a Customer.

9. MINIMUM CHARGE

The minimum charge shall be the MONTHLY FACILITIES CHARGE. Minimum charge shall not be prorated.

10. LOAD MANAGEMENT

The City encourages its Customers to implement renewable energy and load management resources. The City offers two rate options for this purpose. These are LCSS - Load Control Service Schedule and Net Metering Service.

11. AGRICULTURAL IRRIGATION USAGE

If a part of the power supplies, under this rate schedule, is used for commercial agricultural irrigation purpose, such consumption will not be used for changing the rate classification of the Customer and will be billed at all applicable kWh related rates under the SGS Rate Schedule.

12. PUBLIC UTILITIES TAX

In addition to the charges stated in this Service Classification, including Purchased Power Cost Adjustment charges, the current Delaware Public Utilities Tax will be applied to the total bill for all non-residential services, unless the Customer is exempt from such tax. Manufacturing facilities may be eligible for a reduced rate. (Reference: Section 21)

13. RULES AND REGULATIONS

The City's Rules and Regulations shall govern the supply of Service under this Service Classification.

24-4. MGS—MEDIUM GENERAL SERVICE SCHEDULE

1. AVAILABILITY

This rate applies throughout the territory served by the City of Milford. Electric service will be rendered through a single metering installation for the general lighting and/or power requirements of offices, institutions, professional or commercial establishments, and other applications outside the scope of other rate schedules.

This rate is available to any Customer having a maximum measured demand of less than 300 kW or a minimum of 3500 kWh and desiring service at the available secondary voltage as defined in Section 12.8. Any Customer taking service under this service classification whose measured demand in any four consecutive months is equal to or exceeds 300 kW shall be automatically transferred to Service Classification LGS, effective with the next succeeding billing month. Any Customer so transferred will remain on LGS, for at least 12 billing months, even though the Customer's maximum measured demand in succeeding months may be less than 300 kW.

After 12 billing months, at the Customer's request or when the City observes, upon a periodic review of the Customer's records, that the Customer has not exceeded 300 kW, the Customer will be transferred back to this service classification (MGS) provided that the Customer's monthly demand measurement has not exceeded 300 kW during any month within the most recent 12 months.

2. TERM OF SERVICE

Subject to conditions specified, Service is offered on a month-to-month basis until terminated unless a special contract is required as discussed in Section 3.

3. MONTHLY RATES

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$8299.50	\$90.00 <u>101.50</u>	\$97.50 <u>103.50</u>
Energy Charge:			
All Energy	\$0.05246 <u>04770</u>	\$0.04770 <u>05008</u>	\$0.04770
Demand Charge:			
All Demand	\$14.80 <u>16.20</u>	\$15.30 <u>16.60</u>	\$15.80 <u>17.00</u>

4. BILLING PERIOD

Rates are stated on a monthly basis and bills are rendered monthly following the supply of service based on the rate stated herein.

5. PURCHASED POWER COST ADJUSTMENT (PPCA) CHARGE

All kilowatt-hours billed under this service classification may be subject to Purchased Power Cost Adjustment charges. (Reference: Section 19)

6. GENERAL COST ADJUSTMENT

This rate is available to Customers having a maximum Measured Demand of 300 kW or greater who receive Service at the available secondary voltage as defined in Section 12.8. Any Customer served under this Service Classification shall remain on this Service Classification for at least 12 billing months, even though such Customer's maximum Measured Demand in succeeding months may be less than 300 kW. After 12 billing months, at the Customer's request or when the City observes, upon a periodic review of the Customer's records, that the Customer has not exceeded 300 kW, the Customer will be transferred back to Service Classification MGS provided that the Customer's monthly Measured Demand has not exceeded 300 kW during any month within the most recent 12 months.

2. TERM OF SERVICE

Service is offered on a month-to-month basis until terminated subject to the minimum period specified above and unless a special contract is required as discussed in Section 3 of Rules and Regulations.

3. MONTHLY RATES

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$165200.00	\$180205.00	\$195210.00
Energy Charge:			
On Peak	\$0.06185-05906	\$0.06045-05906	\$0.05906
Off Peak	\$0.05185-04906	\$0.05045-04906	\$0.04906
Demand Charge:			
All Demand	\$15.2517.00	\$15.7517.75	\$16.2518.50

4. BILLING PERIOD

Rates are stated on a monthly basis and bills are rendered monthly following the supply of Service based on the rate stated herein.

5. PURCHASED POWER COST ADJUSTMENT (PPCA) CHARGE

All kilowatt-hours billed under this service classification shall be subject to Purchased Power Cost Adjustment charges. (Reference: Section 19)

6. GENERAL COST ADJUSTMENT

The monthly charge under this Service Classification may be subject to General Cost Adjustment Charge. (Reference: Section 20)

7. GREEN/RENEWABLE ENERGY FUND RATE

All kilowatt-hours billed under this Service Classification will be subject to Green/Renewable Energy Fund Rate. (Reference: Section 22)

8. MEASURED DEMAND

The measured demand shall be the greatest demand established by the Customer during any fifteen (15) minute demand interval of a clock hour of the month during On-Peak hours as measured by the demand meter, taken to the nearest whole kilowatt.

9. ON-PEAK AND OFF-PEAK HOURS

On-peak hours are 6:00 AM to 10:00 PM Monday through Friday, excluding NERC holidays falling on weekdays. All other hours are Off-Peak hours.

10. POWER FACTOR

The average power factor of the Customer's installation, expressed to the nearest whole percent, shall be determined by metering installed by the City ratcheted to prevent reverse registration. If the actual average Power Factor is determined to be below a Base Power Factor as defined in Section 12.6 for any given month, the billing demand will be adjusted as per Section 12.6 of the Rules and Regulations.

11. BILLING DEMAND (TIME-OF-USE)

The Billing Demand shall be the maximum Measured Demand during On-Peak Hours in each month.

12. MONTHLY FACILITIES CHARGE

A monthly charge to cover the fixed cost of supplying power to a Customer.

13. MINIMUM CHARGE

The minimum monthly charge shall be the MONTHLY FACILITIES CHARGE. MINIMUM CHARGE SHALL NOT BE PRORATED.

14. LOAD MANAGEMENT

The City encourages its Customers to implement renewable energy and load management resources. The City offers two rate options for this purpose. These are LCSS - Load Control Service Schedule and Net Metering Service.

15. AGRICULTURAL IRRIGATION USAGE

If a part of the power supplies, under this rate schedule, is used for commercial agricultural irrigation purpose, such consumption will not be used for changing the rate classification of the Customer.

16. PUBLIC UTILITIES TAX

In addition to the charges stated in this Service Classification, including Purchased Power Cost Adjustment charges, the current Delaware Public Utilities Tax will be applied to the total bill for all non-residential services, unless the Customer is exempt from such tax. Manufacturing facilities may be eligible for a reduced rate. (Reference: Section 21).

17. RULES AND REGULATIONS

The City's Rules and Regulations shall govern the supply of Service under this Service Classification.

24-6. GSP—GENERAL SERVICE-PRIMARY VOLTAGE SCHEDULE

1. AVAILABILITY

This rate applies to existing GSP Customers throughout the territory served by the City. Service will be rendered through a single metering installation under this Rate Schedule for lighting and/or power requirements of offices, institutions, and professional, commercial, or industrial establishments at primary voltage when the Customer owns and maintains the required transforming, switching and protection equipment and expected peak loads will be greater than 500 kW.

2. TERM OF SERVICE

Service is offered on a month-to-month basis until terminated unless a special contract is required as discussed in Section 3 of Rules and Regulations.

3. MONTHLY RATES

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$330.00 420.00	\$370.00 430.00	\$410.00 440.00
Energy Charge:			

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On Peak	\$0. 06290-05997	\$0. 06143-05997	\$0.05997
Off Peak	\$0. 05290-04997	\$0. 05143-04997	\$0.04997
Demand Charge:			
All Demand	\$ 14.2915.90	\$ 14.7916.55	\$ 15.2917.20

4. BILLING PERIOD

Rates are stated on a monthly basis and bills are rendered monthly following the supply of Service based on the rate stated herein.

5. PURCHASED POWER COST ADJUSTMENT (PPCA) CHARGE

All kilowatt-hours billed under this service classification may be subject to Purchased Power Cost Adjustment (PPCA) charges. (Reference: Section 19)

6. GENERAL COST ADJUSTMENT

The monthly charge under this Service Classification may be subject to General Cost Adjustment Charge. (Reference: Section 20)

7. GREEN/RENEWABLE ENERGY FUND RATE

All kilowatt-hours billed under this Service Classification will be subject to Green/Renewable Energy Fund Rate. (See Section 22)

8. MEASURED DEMAND

The measured demand shall be the greatest demand established by the Customer during any fifteen (15) minute demand interval of a clock hour of the month during On-Peak hours as measured by the demand meter, taken to the nearest whole kilowatt.

9. ON-PEAK HOURS

On-peak hours are 6:00 AM to 10:00 PM Monday through Friday, excluding NERC holidays falling on weekdays. All other hours are Off-Peak hours.

10. POWER FACTOR

The average power factor of the Customer's installation, expressed to the nearest whole percent, shall be determined by metering installed by the City ratcheted to prevent reverse registration. If the actual average Power Factor is determined to be below a Base Power Factor as defined in Section 12.6 for any given month, the billing demand will be adjusted as per Section 12.6 of the Rules and Regulations.

11. BILLING DEMAND (TIME-OF-USE)

The Billing Demand shall be the maximum Measured Demand during On-Peak Hours in each month.

12. MONTHLY FACILITIES CHARGE

A monthly charge to cover the fixed cost of supplying power to a Customer.

13. MINIMUM CHARGE

The minimum monthly charge shall be the MONTHLY FACILITIES CHARGE. MINIMUM CHARGE SHALL NOT BE PRORATED.

14. LOAD MANAGEMENT

The City encourages its Customers to implement renewable energy and load management resources. The City offers two rate options for this purpose. These are LCSS - Load Control Service Schedule and Net Metering Service.

15. AGRICULTURAL IRRIGATION USAGE

If a part of the power supplies, under this rate schedule, is used for commercial agricultural irrigation purpose, such consumption will not be used for changing the rate classification of the Customer.

16. PUBLIC UTILITIES TAX

In addition to the charges stated in this Service Classification, including Purchased Power Cost Adjustment charges, the current Delaware Public Utilities Tax will be applied to the total bill for all non-residential Services, unless the Customer is exempt from such tax. Manufacturing facilities may be eligible for a reduced rate. (Reference: Section 21)

17. RULES AND REGULATIONS

The City's Rules and Regulations shall govern the supply of Service under this Service Classification.

24-7. SCS—SPECIAL CONTRACT SERVICE-PRIMARY VOLTAGE SCHEDULE

1. AVAILABILITY

This rate applies to customers throughout the territory served by the City. Service will be rendered through a single metering installation under this rate schedule for lighting and/or power requirements of offices, institutions, and professional, commercial, or industrial establishments at primary voltage when the Customer has executed an Electric Service Agreement with the City for full requirements Service with a term of at least five years, and the Customer owns and maintains the required transforming, switching, and protection equipment, and expected peak loads will be greater than 500 kW.

2. TERM OF SERVICE

Service under this Service Schedule is available for the initial term and subsequent renewal terms as stated in the Electric Service Agreement. Upon expiration or cancellation of the Service Agreement, continued Service will be available under the appropriate Service Schedule then in effect.

3. MONTHLY RATES

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$395.00 <u>425.00</u>	\$405.00 <u>435.00</u>	\$415.00 <u>445.00</u>
Energy Charge:			
On Peak	\$0.06 <u>595-06170</u>	\$0.06 <u>382-06170</u>	\$0.06170
Off Peak	\$0.05 <u>595-05170</u>	\$0.05 <u>382-05170</u>	\$0.05170
Demand Charge:			
All Demand	\$12.68 <u>15.18</u>	\$13.68 <u>15.68</u>	\$14.68 <u>16.18</u>

4. BILLING PERIOD

Rates are stated on a monthly basis and bills are rendered monthly following the supply of Service based on the rate stated herein.

5. PURCHASED POWER COST ADJUSTMENT (PPCA) CHARGE

- h. The City will supply electricity, revamp when necessary, and maintain the equipment and optics which it owns. All other maintenance such as repairs/replacement of Customer owned pole will be at Customer's expense.
- i. It is the Customer's responsibility to notify the City of any outage or problem with the operation of the Customer's private area light. No prorated credit on the Customer's bill will be allowed by the City for lack of Service when the City has not been notified of a problem.
- j. Lamp renewals and/or maintenance will be performed during normal working hours within a reasonable period following notification of a problem by the Customer to the City.
- k. All Private Area Lighting installations must be accessible to the City's maintenance trucks and personnel for revamping and repairs.
- l. The City reserves the right to discontinue Service where cost of Service is excessive because of vandalism or other reasons.

7. Rate Schedules by equipment installation

Enclosed Asymmetric Luminaire with 2-1/2, 4 or 8 ft.

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
LED (100W)	\$7.89 <u>\$8.05</u>	\$7.89 <u>\$8.05</u>	\$7.89 <u>\$8.05</u>
LED (400W)	\$10.85 <u>\$11.07</u>	\$10.85 <u>\$11.07</u>	\$10.85 <u>\$11.07</u>
HPS (9500 Lumens)	\$7.89 <u>\$8.05</u>	\$7.89 <u>\$8.05</u>	\$7.89 <u>\$8.05</u>
HPS (16000 Lumens)	\$10.85 <u>\$11.07</u>	\$10.85 <u>\$11.07</u>	\$10.85 <u>\$11.07</u>
Mercury (22500 Lumens)	\$22.69 <u>\$23.14</u>	\$22.69 <u>\$23.14</u>	\$22.69 <u>\$23.14</u>
HPS (50000 Lumens)	\$24.27 <u>\$24.76</u>	\$24.27 <u>\$24.76</u>	\$24.27 <u>\$24.76</u>
Mercury (8600 Lumens)	\$11.34 <u>\$11.57</u>	\$11.34 <u>\$11.57</u>	\$11.34 <u>\$11.57</u>
250 Watt	\$12.36 <u>\$12.61</u>	\$12.36 <u>\$12.61</u>	\$12.36 <u>\$12.61</u>
MH (110000 Lumens)	\$53.27 <u>\$54.34</u>	\$53.27 <u>\$54.34</u>	\$53.27 <u>\$54.34</u>
MH (40000 Lumens)	\$24.27 <u>\$24.76</u>	\$24.27 <u>\$24.76</u>	\$24.27 <u>\$24.76</u>

The City does not offer Mercury, HPS, or Metal Halide lighting to any new Customer at this time.

8. GENERAL COST ADJUSTMENT

The monthly charges under this Service Classification may be subject to General Cost Adjustment Charge. (Reference: Section 20).

9. GREEN ENERGY FUND RATE

All kilowatt-hours billed under this Service Classification may be subject to Green/Renewable Energy Fund Rate. (Reference: Section 23).

10. RULES AND REGULATIONS

The City's Rules and Regulations shall govern the supply of Service under this Service Classification.

11. PUBLIC UTILITIES TAX

In addition to the charges stated in this Service Classification, the current Delaware Public Utilities Tax will be applied to the total bill for all non-residential services, unless the Customer is exempt from such tax. Manufacturing facilities may be eligible for a reduced rate (Reference: Section 21).

24-9. AGR—AGRICULTURAL SERVICE SCHEDULE

1. AVAILABILITY

This rate applies throughout the territory served by the City of Milford. Electric service will be rendered through a single metering installation for the general lighting and/or power requirements of active farms where the primary purpose of energy delivered is for the preparation of livestock.

Rates	Year 1	Year 2	Year 3
Monthly Facilities Charge:			
All Customers	\$82.50 <u>102.50</u>	\$90.00 <u>107.50</u>	\$97.50 <u>112.50</u>
Energy Charge:			
All Energy	\$0.05 <u>141-04577</u>	\$0.04 <u>847-04577</u>	\$0.04577
Demand Charge:			
All Demand	\$ 14.80 <u>16.05</u>	\$ 15.30 <u>16.30</u>	\$ 15.80 <u>16.55</u>

24-10. EDR—ECONOMIC DEVELOPMENT RATE SCHEDULE

1. PURPOSE

The purpose of this Economic Development Rate (EDR) is to provide a discount from the City's regular tariffs rates for Service to certain new and existing commercial and industrial Customers of the City if they make substantial new capital investments or create new employment opportunities and, in doing so, add or retain load in the City's Service territory.

2. AVAILABILITY

Customers to whom EDR is available are: (1) Customers eligible for or taking Service from the City under Service Classifications "MGS", "LGS", or "GSP"; (2) Whose operations at a facility in the City's Service territory, for which a discount under this Rate Schedule is sought, fall primarily under Standard Industrial Code classifications 20 through 38, and 60 through 67 except 65; (3) Who apply to the City in writing, for a discount under this Rate; and (4) Who satisfy all other EDR criteria described below.

Discounts under this Rate are available for New Load associated with either initial permanent Service (a "New Customer") or an expansion of existing Service (an "Expansion Customer") at a single integrated facility. The New Load of a New Expansion Customer must be at least 50 kW with a minimum of 60% load factor and the new Customer must have added at least 25 Investment Units as of the Operational Date. Discounts under this Rate may be available to the existing Customers, with a minimum load of 2,000 kW and a monthly load factor of 60% for enabling them to retain their loads.

The City shall have sole discretion in determining eligibility for discounts under this Rate, and the availability of such discounts may be limited or discontinued from time to time, as the City determines it is appropriate to do so. Examples of situations where discounts under this Rate are not available include when: (1) the identity of a Customer to whom the City currently provides, or has provided, Service has changed solely due to a name change, purchase, merger, consolidation, or reorganization; (2) A Customer has substituted one Service address in the City's Service territory for another; (3) Strikes, equipment failures, temporary plant shutdowns; or other similar circumstances are what allow the Customer to claim eligibility for discounts under this Rate; or (4) The economic development purpose of this Rate is not being served.

3. DEFINITIONS

3.1 New Load - For a New Customer, New Load is the total Metered Demand and Energy attributable to initial permanent Service. For an Expansion Customer, New Load is the net demand and energy attributable to the expansion, as determined by the City.



City of Milford, DE

Electric Financial Projection

March 22, 2023



Corporate location:

Utility Financial Solutions, LLC

185 Sun Meadow Court

Holland, MI USA 49424



March 22, 2023

Mr. Louis Vitola
Finance Director
10 SE 2nd St.
Milford, DE 19963

Dear Mr. Vitola,

We are pleased to present this executive summary report for a financial projection in the Electric Department completed for the City of Milford. This report was prepared to provide the utility with a comprehensive examination of its existing financials by an outside party.

The specific purposes of this long-term financial projection study are:

- 1) Determine electric utility's revenue requirements for fiscal year 2024,
- 2) Projected rate adjustments needed to work toward targeted revenue requirements.

This report includes results of the financial projections and identifies projected future rate adjustments of the Electric Department. Specific findings included in this report are:

- 1) Projected rate tracks are based on the utilities ability to meet three factors listed below:
 - a. Debt Coverage Ratio,
 - b. Minimum Cash Reserves,
 - c. Optimal Net Income.

This report is intended for information and use by management and the Board of Directors for purposes stated above and is not intended to be used by anyone except the specified parties.

Sincerely,

Dawn Lund

Utility Financial Solutions, LLC
Dawn Lund
Vice-President

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INTRODUCTION

This report was prepared to provide the City of Milford with a long-term financial projection and rate track. The specific purposes of the financial plan are identified below:

- 1) ***Determine electric utility's revenue requirements for fiscal year 2024.*** The Electric Utility's revenue requirements were projected for the period from 2023 – 2027 and included adjustments for the following:
 - a. Anticipated power costs,
 - b. Capital improvements currently underway and scheduled over next five years. The Utility provided capital improvement information.

- 2) ***Projected rate adjustments needed to meet targeted revenue requirements.*** The primary purpose of this study is to identify appropriate revenue requirements and the rate adjustments needed to work toward requirements. The report includes a long-term rate track for the City of Milford to help ensure the financial stability of the utility in future years. The rate track was designed after discussions with management to work towards targets, while keeping rate adjustments to a certain threshold to minimized rate impact to customers.

The City of Milford retained Utility Financial Solutions, LLC to review the above items and report on findings on the appropriate course of action. This report includes results of the long-term financial projection.

Utility Revenue Requirements

Revenue requirements for the City of Milford were projected for 2024 based on 2022 actual, and 2023 Budget expenses. Revenues and expenses were analyzed with adjustments made to actual expenses to reflect projected operating characteristics.

Table One is the projected financial summary for the Electric Department from 2023 – 2027 without rate adjustments. Projections indicate an operating loss of (\$625,062) in 2023 and losses increase to an operating loss of (\$1.2) million in 2027. Cash balances and debt coverage ratios decline throughout the projection period.

Table One – Projected Financial Summary – (Without Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Capital Improvements Plan	Debt Coverage Ratio	Projected Expenses	Projected Revenues	Adjusted Operating Income	Target Operating Income	Projected Cash Balances	Targeted Minimum Cash
2023	0.0%	\$ 428,000	2.64	\$25,812,173	\$27,808,629	\$ (625,062)	\$ 885,529	\$19,739,289	\$ 9,284,307
2024	0.0%	672,000	2.60	25,711,947	27,680,776	\$ (652,687)	901,105	\$19,604,143	9,261,478
2025	0.0%	1,327,000	2.30	25,649,800	27,468,865	\$ (802,452)	946,168	\$18,708,343	9,272,698
2026	0.0%	1,628,000	1.92	25,772,130	27,419,127	\$ (974,520)	1,005,786	\$17,388,903	9,319,353
2027	0.0%	1,365,000	1.58	25,942,250	27,413,144	\$ (1,150,624)	1,053,993	\$16,214,629	9,373,292

1. The five-year capital improvement plan was provided by the Utility.
2. Financial projections should be updated during the budgeting process each year as expenses and capital expenditures change from projections.

DEVELOPMENT OF FINANCIAL TARGETS

When evaluating rates to charge customers, three key factors must be considered:

1. Debt Coverage Ratio
2. Minimum Cash Reserves
3. Optimal Net Income

Each of these factors is discussed below:

1. **Debt Coverage Ratio** – The minimum targeted debt coverage ratio for prudent financial planning purposes is 1.45 for the outstanding revenue bonds on the Electric Department. Maintaining a debt coverage ratio of 1.45 is good business practice and helps to achieve the following:
 - a. Helps to ensure adequate funds are available to meet debt service payments in years when sales are low due to cold summers or loss of a major customer(s).
 - b. Obtain higher bond rating, if revenue bonds are sold in the future, to lower interest cost.

Table Two below indicates projected debt coverage ratios from 2023-2027.

Table Two – Debt Coverage Ratio – (Without Rate Adjustments)

Description	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Debt Coverage Ratio					
Net Income	\$ (523,278)	\$ (545,583)	\$ (691,216)	\$ (862,956)	\$ (1,040,651)
Add Depreciation/Amortization Expense	1,308,996	1,322,436	1,362,416	1,421,516	1,481,376
Add Interest Expense	100,045	95,338	90,531	85,724	80,717
Cash Generated from Operations	\$ 885,763	\$ 872,191	\$ 761,731	\$ 644,284	\$ 521,443
Debt Principal and Interest	\$ 335,045	\$ 335,338	\$ 330,531	\$ 335,724	\$ 330,717
Projected Debt Coverage Ratio (Covenants)	2.64	2.60	2.30	1.92	1.58
Minimum Debt Coverage Ratio	1.45	1.45	1.45	1.45	1.45

2. **Minimum Cash Reserve Target** - To help ensure timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempt to quantify the minimum amount of cash the utility should keep in reserve, actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, rate base, capital improvements, and debt service. The establishment of minimum cash reserves should consider a number of factors including:
- **Working Capital Lag** - Timing differences between when expenses are incurred, and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner.
 - **Investment in assets** – Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however, FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.
 - **Annual debt service** – Debt service payments do not occur evenly throughout the year and often occurs at periodic times typically every six months. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.
 - **Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

The minimum cash reserves calculation for the Electric Department is \$9.3 million. The projected cash reserves meet minimum targets throughout the projected years. Table Three provides the minimum cash reserve calculation.

Table Three – Minimum Cash Reserves – 2023–2027 (Without Rate Adjustments)

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Operation & Maintenance Less Depreciation Expense	12.3%	\$ 774,143	\$ 789,926	\$ 803,461	\$ 817,389	\$ 831,720
Purchase Power Expense	12.3%	2,569,997	2,540,200	2,514,074	2,507,942	2,507,205
PCA Premium	10%	2,084,553	2,060,385	2,039,194	2,034,220	2,033,621
Historical Rate Base	3%	1,045,844	1,066,004	1,105,814	1,154,654	1,195,604
Current Portion of Debt Service Reserve	100%	335,338	330,531	335,724	330,717	330,710
Five Year Capital Improvements - Net of bond proceeds	20%	1,084,000	1,084,000	1,084,000	1,084,000	1,084,000
Loss of Major Customer	5%	1,390,431	1,390,431	1,390,431	1,390,431	1,390,431
Minimum Cash Reserve Levels		\$ 9,284,307	\$ 9,261,478	\$ 9,272,698	\$ 9,319,353	\$ 9,373,292
Projected Cash Reserves		\$ 19,739,289	\$ 19,604,143	\$ 18,708,343	\$ 17,388,903	\$ 16,214,629

Cash reserves meet minimum targets throughout the projection period.

Notes:

1. Operation and maintenance expenses exclude purchased power costs and exclude depreciation expense.
2. Rate base is historical investment in plant and equipment.
3. Average five-year capital is budgeted capital improvements for next five years and excludes capital improvements funded through debt issuances.

- 3. Optimal operating income targets** - The optimal target for setting rates is the establishment of a target operating income to help ensure the following:
1. Funding of Interest Expense on the outstanding principal on debt. Interest expense is below the operating income line and needs to be recouped through the operating income balance.
 2. Funding of the inflationary increase on the assets invested in the system. The inflation on the replacement of assets invested in the utility should be recouped through the Operating Income
 3. Adequate rate of return on investment to help ensure current customers are paying their fair share of the use of the infrastructure and not deferring the charge to future generations.

As improvements are made to the system, the optimal operating income target will increase unless annual depreciation expense is greater than yearly capital improvements. The target established for the projection period is approximately \$960,000. Rate of return falls below the targeted minimum throughout the projection period.

Table Four - Optimal Operating Income Targets Compared to Projected

Target Operating Income	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Interest on Debt	2.66%	\$ 100,045	\$ 95,338	\$ 90,531	\$ 85,724	\$ 80,717
System Equity	8.25%	\$ 785,484	\$ 805,767	\$ 855,637	\$ 920,062	\$ 973,276
Target Operating Income		\$ 885,529	\$ 901,105	\$ 946,168	\$ 1,005,786	\$ 1,053,993
Projected Operating Income		\$ (625,062)	\$ (652,687)	\$ (802,452)	\$ (974,520)	\$ (1,150,624)
Rate of Return in %		6.3%	6.7%	7.1%	7.4%	7.9%

The projected operating income is below optimal targeted operating income throughout the projection period.

SUMMARY OF FINANCIAL POSITION

PROPOSED RATE TRACK

Table Five below is the five-year financial projection with proposed rate increases of 1.2% in 2024-2027. The rate track was set to establish and operating income instead of losses. The rate track should be reviewed with the budget process as changes in expenses and capital can impact the rate track.

Table Five – Projected Financial Summary (With Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Capital Improvements Plan	Debt Coverage Ratio	Projected Expenses	Projected Revenues	Adjusted Operating Income	Target Operating Income	Projected Cash Balances	Targeted Minimum Cash
2023	0.0%	\$ 428,000	2.64	\$25,812,173	\$27,808,629	\$ (625,062)	\$ 885,529	\$19,739,289	\$ 9,284,307
2024	1.2%	672,000	3.58	25,711,947	28,010,673	\$ (322,791)	901,105	\$19,934,039	9,261,478
2025	1.2%	1,327,000	4.32	25,649,800	28,132,616	\$ (138,701)	946,168	\$19,703,639	9,272,698
2026	1.2%	1,628,000	4.92	25,772,130	28,420,739	\$ 27,093	1,005,786	\$19,390,788	9,319,353
2027	1.2%	1,365,000	5.67	25,942,250	28,756,672	\$ 192,904	1,053,993	\$19,570,052	9,373,292

Significant Assumptions

This section outlines the significant assumptions for the City of Milford electric study.

Forecasted Operating Expenses

Forecasted expenses were based on 2022 adjusted for power supply costs and inflation. Inflation for the period is expected to be 4.9% in 2023, 3.5% in 2024, and 2.9% in 2025-2027.

Power Supply

Power supply costs were provided by the Utility.

Sales Forecast

Growth rates were projected to be 0.0%.

Revenue Forecast

The revenue forecast was based on 2022 usages adjusted for growth and rate change assumptions.

Capital Improvement Program

The capital improvement program was provided by the Utility and is listed below.

Fiscal Year	Capital Improvements Plan
2023	\$ 428,000
2024	672,000
2025	1,327,000
2026	1,628,000
2027	1,365,000

Electric Department Findings

1. The projection indicates current revenues are not adequate to maintain the long-term financial health of the Utility. The rate track should be reviewed closely as part of the annual budget process as costs, revenues and capital may vary from projections and affect the rate track and bonding requirements. To ensure the utility meets financial targets and remains financially healthy, the following rate track should be considered.

Fiscal Year	Projected Rate Adjustments	Capital Improvements Plan	Debt Coverage Ratio	Projected Expenses	Projected Revenues	Adjusted Operating Income	Target Operating Income	Projected Cash Balances	Targeted Minimum Cash
2023	0.0%	\$ 428,000	2.64	\$25,812,173	\$27,808,629	\$ (625,062)	\$ 885,529	\$19,739,289	\$ 9,284,307
2024	1.2%	672,000	3.58	25,711,947	28,010,673	\$ (322,791)	901,105	\$19,934,039	9,261,478
2025	1.2%	1,327,000	4.32	25,649,800	28,132,616	\$ (138,701)	946,168	\$19,703,639	9,272,698
2026	1.2%	1,628,000	4.92	25,772,130	28,420,739	\$ 27,093	1,005,786	\$19,390,788	9,319,353
2027	1.2%	1,365,000	5.67	25,942,250	28,756,672	\$ 192,904	1,053,993	\$19,570,052	9,373,292

2. The financial projection revenue, expenses and cash flow should be updated annually with the budget process to determine if the rate track is on target. The rate track was set at a minimum and any changes in capital or expenses can affect the future rate track.

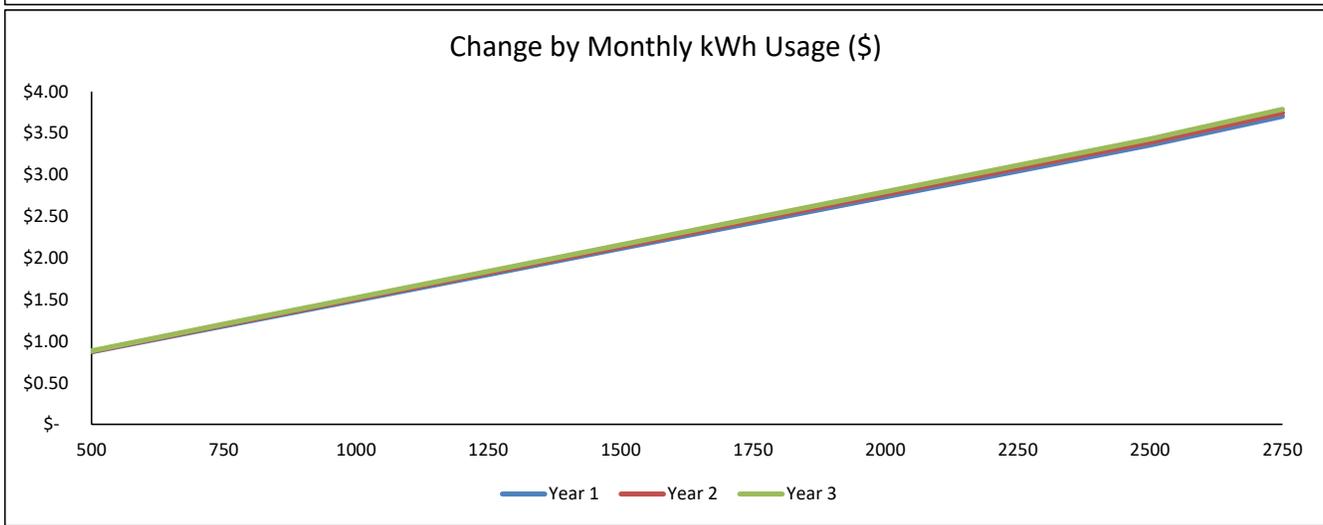
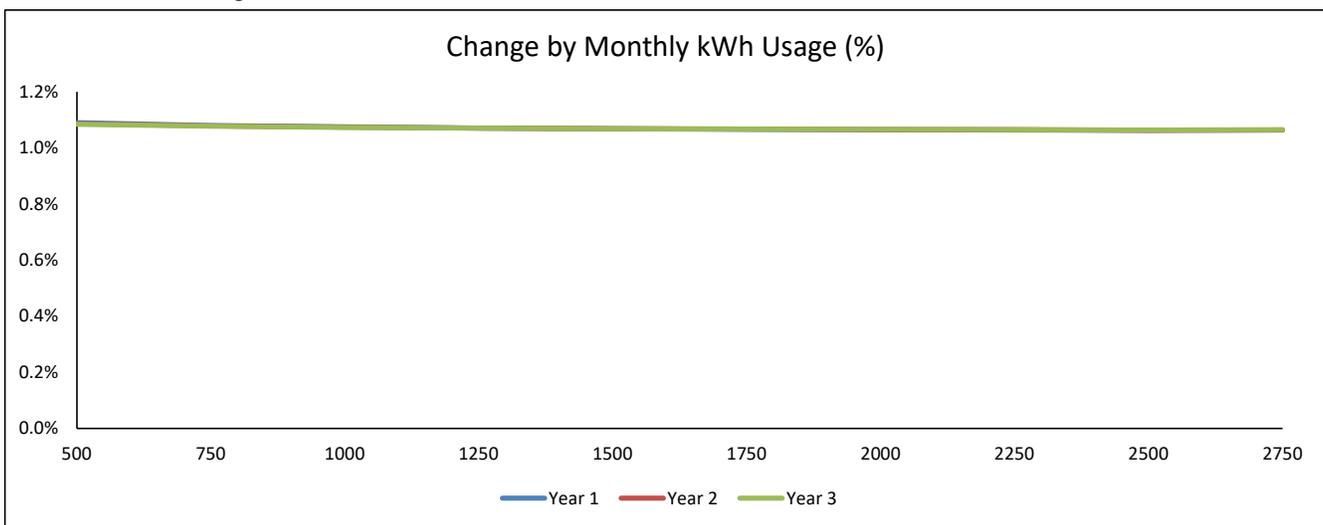
RATE DESIGN AND IMPACTS

City of Milford
Rate Design
Rate Design Summary

Customer Class	Projected Revenues Under Current Rates	Projected Revenues Under Proposed Rates Year 1	Projected Revenues Under Proposed Rates Year 2	Projected Revenues Under Proposed Rates Year 3	Projected Revenue Change Year 1	Projected Revenue Change Year 2	Projected Revenue Change Year 3	Projected Percentage Change Year 1	Projected Percentage Change Year 2	Projected Percentage Change Year 3
Residential	\$ 10,993,338	\$ 11,111,674	\$ 11,231,187	\$ 11,351,891	\$ 118,336	\$ 119,513	\$ 120,704	1.1%	1.1%	1.1%
Small General Service	1,341,144	1,359,491	1,377,914	1,397,358	18,348	18,423	19,443	1.4%	1.4%	1.4%
Private Area Lighting	39,962	39,962	39,962	39,962	-	-	-	0.0%	0.0%	0.0%
Municipal Street Lighting	83,382	83,382	83,382	83,382	-	-	-	0.0%	0.0%	0.0%
Medium General Service	5,569,359	5,636,877	5,704,396	5,771,914	67,519	67,519	67,519	1.2%	1.2%	1.2%
Large General Service	1,170,509	1,191,338	1,212,166	1,232,995	20,829	20,829	20,829	1.8%	1.7%	1.7%
General Service Primary	1,871,180	1,898,761	1,928,057	1,957,352	27,581	29,295	29,295	1.5%	1.5%	1.5%
Special Contract Primary	6,728,217	6,798,240	6,868,262	6,938,285	70,023	70,023	70,023	1.0%	1.0%	1.0%
Agricultural Service	61,378	62,124	62,870	63,616	746	746	746	1.2%	1.2%	1.2%
Totals	\$ 27,858,469	\$ 28,181,850	\$ 28,508,197	\$ 28,836,756	\$ 323,381	\$ 326,347	\$ 328,559	1.2%	1.2%	1.2%

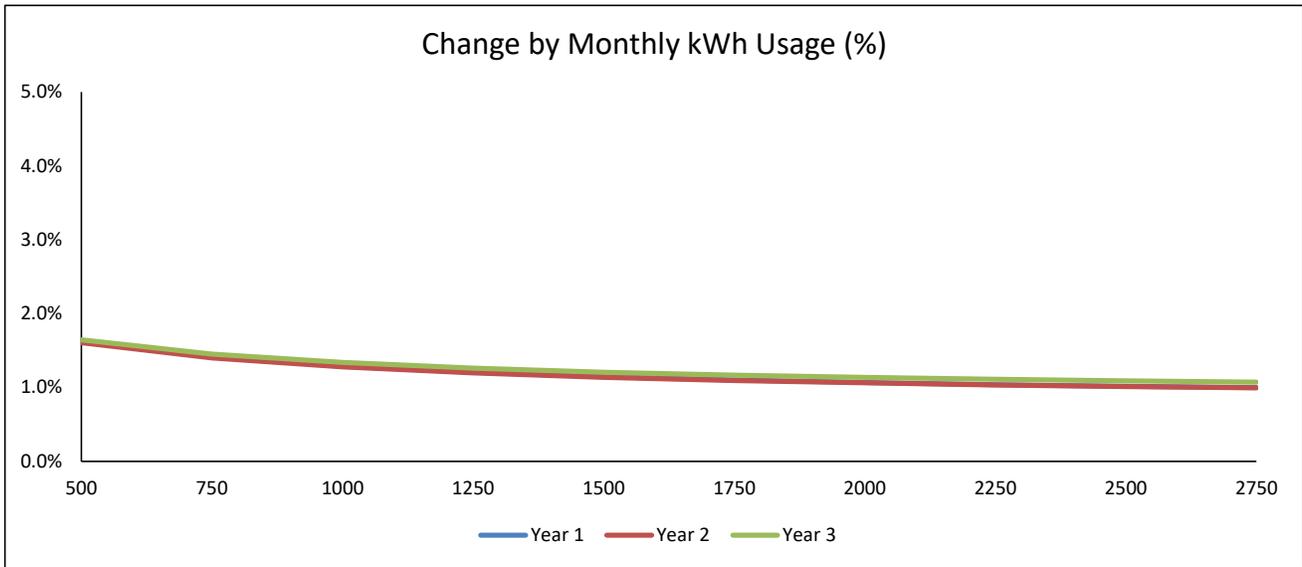
City of Milford - Electric
Rate Design
Projected Residential Rates

Rates	Current	Year 1	Year 2	Year 3
Monthly Facilities Charge:				
All Customers	\$ 21.00	\$ 21.25	\$ 21.50	\$ 21.75
Energy Charge:				
Winter Block 1 (0 - 2,500 kWh)	\$ 0.10353	\$ 0.10477	\$ 0.10603	\$ 0.10730
Winter Block 2 (Excess)	\$ 0.11553	\$ 0.11692	\$ 0.11832	\$ 0.11974
Summer Block 1 (0 - 2,500 kWh)	\$ 0.10353	\$ 0.10477	\$ 0.10603	\$ 0.10730
Summer Block 2 (Excess)	\$ 0.11553	\$ 0.11692	\$ 0.11832	\$ 0.11974
Power Cost Adjustment:				
All Energy	\$ 0.01438	\$ 0.01438	\$ 0.01438	\$ 0.01438
Revenue from Rate	\$ 10,993,338	\$ 11,111,674	\$ 11,231,187	\$ 11,351,891
Change from Previous		1.1%	1.1%	1.1%



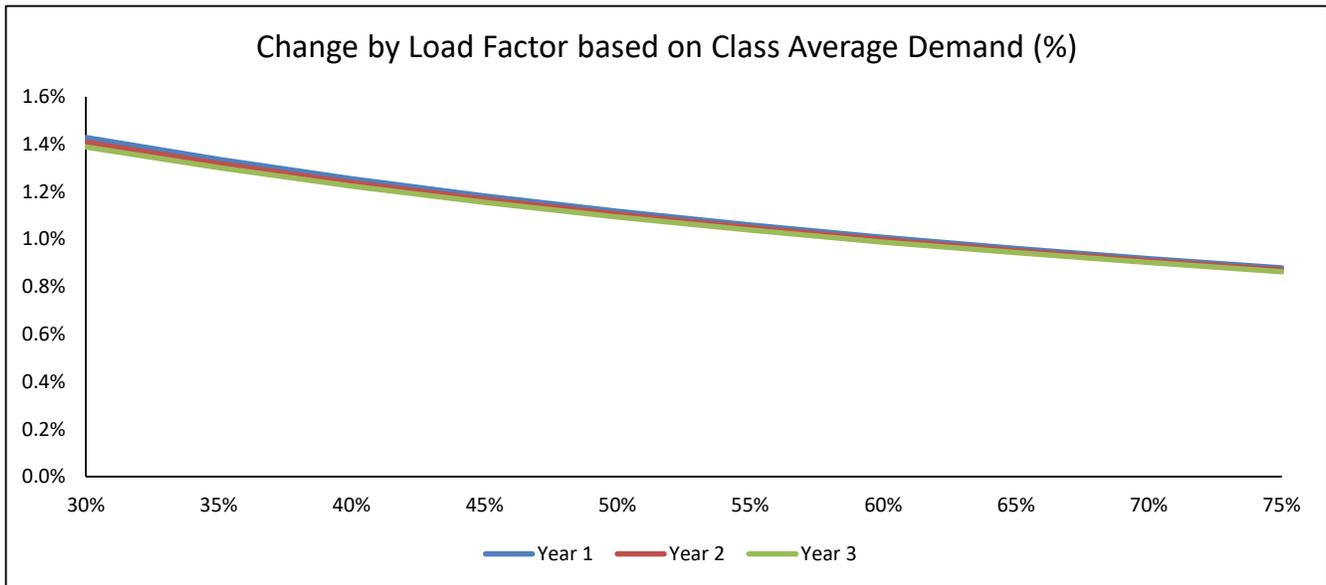
City of Milford - Electric
Rate Design
Projected Small General Service Rates

	2023	2024	2025	2026
Rates	Current	Year 1	Year 2	Year 3
Customer Charge:				
All Customers	\$ 29.00	\$ 30.00	\$ 31.00	\$ 32.00
Energy Charge:				
Winter Energy	\$ 0.10821	\$ 0.10918	\$ 0.11017	\$ 0.11127
Summer Energy	\$ 0.10821	\$ 0.10918	\$ 0.11017	\$ 0.11127
Power Cost Adjustment:				
All Energy	\$ 0.01438	\$ 0.01438	\$ 0.01438	\$ 0.01438
Revenue from Rate	\$ 1,341,144	\$ 1,359,491	\$ 1,377,914	\$ 1,397,358
Change from Previous	-	1.4%	1.4%	1.4%



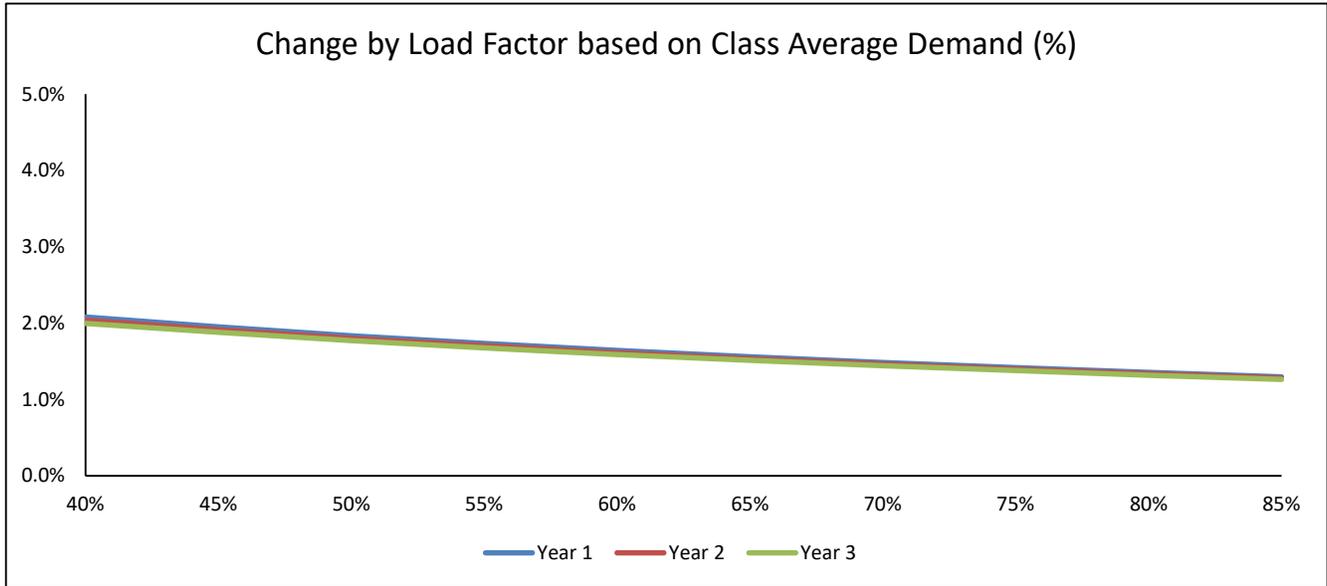
City of Milford - Electric
Rate Design
Projected Medium General Service Rates

	2023		2024		2025		2026	
Rates	Current		Year 1		Year 2		Year 3	
Monthly Facilities Charge:								
All Customers	\$	97.50	\$	99.50	\$	101.50	\$	103.50
Energy Charge:								
Winter Energy	\$	0.04770	\$	0.04770	\$	0.04770	\$	0.04770
Summer Energy	\$	0.04770	\$	0.04770	\$	0.04770	\$	0.04770
Demand Charge:								
Winter Demand	\$	15.80	\$	16.20	\$	16.60	\$	17.00
Summer Demand	\$	15.80	\$	16.20	\$	16.60	\$	17.00
Power Cost Adjustment:								
All Energy	\$	0.01438	\$	0.01438	\$	0.01438	\$	0.01438
Revenue from Rate	\$	5,569,359	\$	5,636,877	\$	5,704,396	\$	5,771,914
Change from Previous				1.2%		1.2%		1.2%



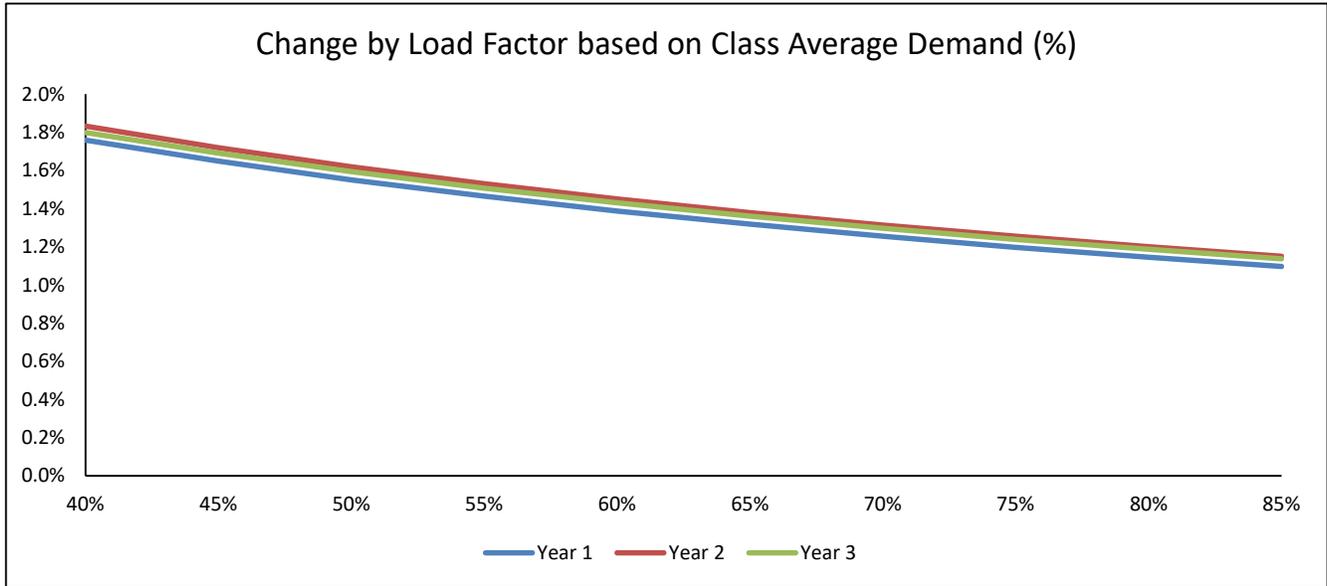
City of Milford - Electric
Rate Design
Projected Large General Service Rates

	2023		2024		2025		2026	
Rates	Current		Year 1		Year 2		Year 3	
Monthly Facilities Charge:								
All Customers	\$	195.00	\$	200.00	\$	205.00	\$	210.00
Energy Charge:								
On-Peak Energy	\$	0.05906	\$	0.05906	\$	0.05906	\$	0.05906
Off-Peak Energy	\$	0.04906	\$	0.04906	\$	0.04906	\$	0.04906
Demand Charge:								
Winter Demand	\$	16.25	\$	17.00	\$	17.75	\$	18.50
Summer Demand	\$	16.25	\$	17.00	\$	17.75	\$	18.50
Power Cost Adjustment:								
All Energy	\$	0.01438	\$	0.01438	\$	0.01438	\$	0.01438
Revenue from Rate	\$	1,170,509	\$	1,191,338	\$	1,212,166	\$	1,232,995
Change from Previous				1.8%		1.7%		1.7%



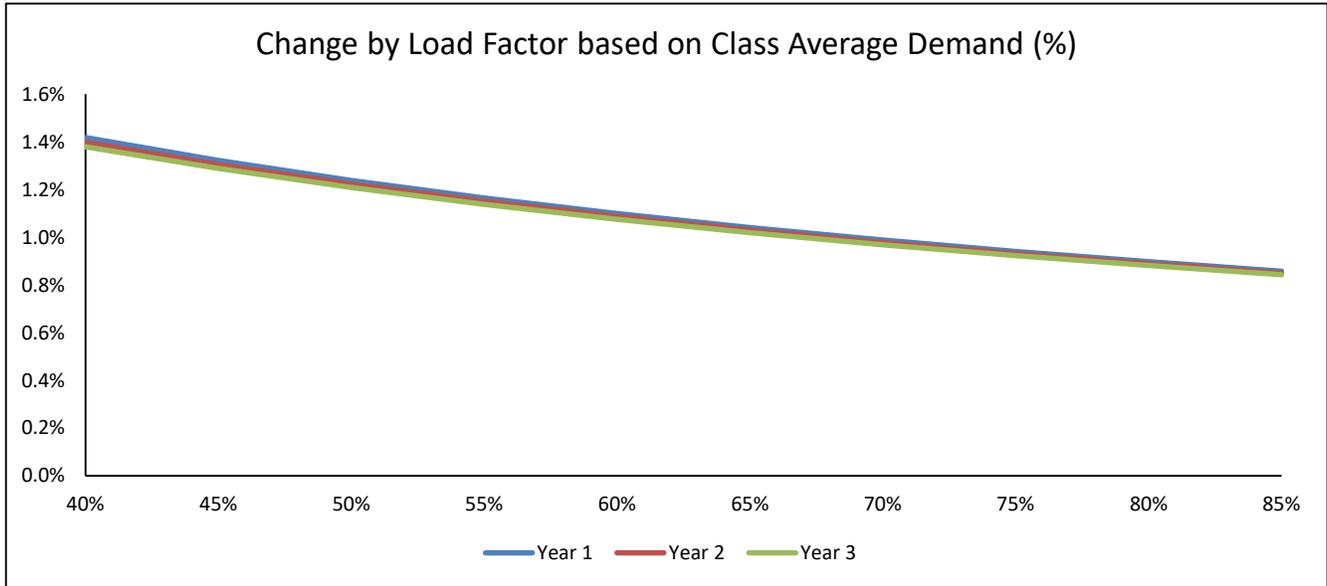
City of Milford - Electric
Rate Design
Projected General Service Primary Rates

	2023		2024		2025		2026	
Rates	Current		Year 1		Year 2		Year 3	
Monthly Facilities Charge:								
All Customers	\$	410.00	\$	420.00	\$	430.00	\$	440.00
Energy Charge:								
On-Peak Energy	\$	0.05997	\$	0.05997	\$	0.05997	\$	0.05997
Off-Peak Energy	\$	0.04997	\$	0.04997	\$	0.04997	\$	0.04997
Demand Charge:								
Winter Demand	\$	15.29	\$	15.90	\$	16.55	\$	17.20
Summer Demand	\$	15.29	\$	15.90	\$	16.55	\$	17.20
Power Cost Adjustment:								
All Energy	\$	0.01438	\$	0.01438	\$	0.01438	\$	0.01438
Revenue from Rate	\$	1,871,180	\$	1,898,761	\$	1,928,057	\$	1,957,352
Change from Previous				1.5%		1.5%		1.5%



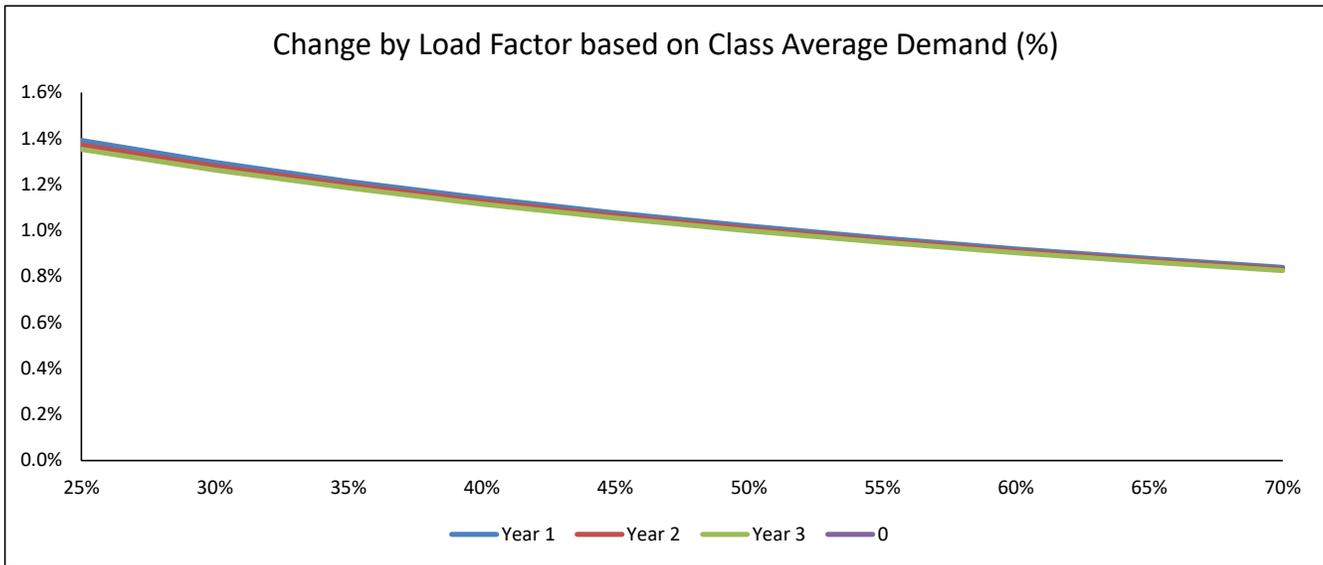
City of Milford - Electric
Rate Design
Projected Special Contract Primary Rates

	2023	2024	2025	2026
Rates	Current	Year 1	Year 2	Year 3
Monthly Facilities Charge:				
All Customers	\$ 415.00	\$ 425.00	\$ 435.00	\$ 445.00
Energy Charge:				
On-Peak Energy	\$ 0.06170	\$ 0.06170	\$ 0.06170	\$ 0.06170
Off-Peak Energy	\$ 0.05170	\$ 0.05170	\$ 0.05170	\$ 0.05170
Demand Charge:				
Winter Demand	\$ 14.68	\$ 15.18	\$ 15.68	\$ 16.18
Summer Demand	\$ 14.68	\$ 15.18	\$ 15.68	\$ 16.18
Power Cost Adjustment:				
All Energy	\$ 0.01438	\$ 0.01438	\$ 0.01438	\$ 0.01438
Revenue from Rate	\$ 6,728,217	\$ 6,798,240	\$ 6,868,262	\$ 6,938,285
Change from Previous		1.0%	1.0%	1.0%



City of Milford - Electric
Rate Design
Projected Agricultural Service Rates

	2023	2024	2025	2026
Rates	Current	Year 1	Year 2	Year 3
Monthly Facilities Charge:				
All Customers	\$ 97.50	\$ 102.50	\$ 107.50	\$ 112.50
Energy Charge:				
Winter Energy	\$ 0.04577	\$ 0.04577	\$ 0.04577	\$ 0.04577
Summer Energy	\$ 0.04577	\$ 0.04577	\$ 0.04577	\$ 0.04577
Demand Charge:				
Winter Demand	\$ 15.80	\$ 16.05	\$ 16.30	\$ 16.55
Summer Demand	\$ 15.80	\$ 16.05	\$ 16.30	\$ 16.55
Power Cost Adjustment:				
All Energy	\$ 0.01438	\$ 0.01438	\$ 0.01438	\$ 0.01438
Revenue from Rate	\$ 61,378	\$ 62,124	\$ 62,870	\$ 63,616
Change from Previous		1.2%	1.2%	1.2%



City of Milford - Electric

Rate Design

Projected Municipal Street Lighting Rates - Draft

	2023	2024	2025	2026
Rates	Current	Year 1	Year 2	Year 3
Monthly Facilities Charge:				
City Security Lights - CISL	\$ 1,101.71	\$ 1,101.71	\$ 1,101.71	\$ 1,101.71
City Street Lights - CIST	\$ 5,795.70	\$ 5,795.70	\$ 5,795.70	\$ 5,795.70
Street Lights - State - STAT	\$ 51.13	\$ 51.13	\$ 51.13	\$ 51.13
Revenue from Rate	\$ 83,382	\$ 83,382	\$ 83,382	\$ 83,382
Change from Previous		0.0%	0.0%	0.0%

Final Rate Design to reflect 2.0% Recommended Increase

City of Milford - Electric

Rate Design

Projected Private Area Lighting Rates - Draft

	2023	2024	2025	2026
Rates	Current	Year 1	Year 2	Year 3
Monthly Facilities Charge:				
LED (100W)	\$ 7.89	\$ 7.89	\$ 7.89	\$ 7.89
LED (400W)	\$ 10.85	\$ 10.85	\$ 10.85	\$ 10.85
HPS (9500 Lumens)	\$ 7.89	\$ 7.89	\$ 7.89	\$ 7.89
HPS (16000 Lumens)	\$ 10.85	\$ 10.85	\$ 10.85	\$ 10.85
Mercury (22500 Lumens)	\$ 22.69	\$ 22.69	\$ 22.69	\$ 22.69
HPS (50000 Lumens)	\$ 24.27	\$ 24.27	\$ 24.27	\$ 24.27
Mercury (8600 Lumens)	\$ 11.34	\$ 11.34	\$ 11.34	\$ 11.34
250 Watt	\$ 12.36	\$ 12.36	\$ 12.36	\$ 12.36
MH (110000 Lumens)	\$ 53.27	\$ 53.27	\$ 53.27	\$ 53.27
MH (40000 Lumens)	\$ 24.27	\$ 24.27	\$ 24.27	\$ 24.27
Revenue from Rate	\$ 39,962	\$ 39,962	\$ 39,962	\$ 39,962
Change from Previous		0.0%	0.0%	0.0%

Final Rate Design to reflect 2.0% Recommended Increase