



AGENDA

September 28, 2021

PUBLIC UTILITIES COMMISSION

6:00 p.m.

Council Chambers

311 Vernon Street

Roseville, California

www.roseville.ca.us/CORTV

The meeting may be viewed on Comcast channel 14, Consolidated Communications channel 73, and AT&T U-Verse. Public Utilities Commission meetings are also video streamed live on the City's website at roseville.ca.us/watch and roseville.ca.us/agenda, and the City's YouTube channel at youtube.com/CityofRosevilleCa.

Members of the public may offer public comment by phone:

Dial in Phone Number: 916-774-5353

If you need a disability-related modification or accommodation to participate in this meeting, please contact Voice: 916-774-5200, TDD: 916-774-5220. Requests must be made as early as possible.

THE CITY OF ROSEVILLE WELCOMES YOUR PARTICIPATION

If an agenda item is open to public comment, such public comment shall be addressed to the chair of the meeting.

Public Comment - Speakers have three minutes under Public Comment to speak on issues that are not listed on the agenda and are within the City's jurisdiction. The Brown Act does not permit any action or discussion on items not listed on the agenda.

Consent Calendar - If applicable, the Consent Calendar consists of routine items that may be approved by one motion. Any person can remove an item from the Consent Calendar to be discussed separately.

Agenda Items - Speakers have five minutes to address items that are listed on the agenda.

Americans with Disabilities Act - Notify the City Clerk or Secretary at least 72 hours in advance if special assistance is required to participate in a meeting including the need of auxiliary aids or services.

Audio/Visual Presentations - If making a presentation regarding an agenda item, audio/visual materials must be submitted to the City Clerk or Secretary at least 72 hours in advance.

Roseville City Clerk 311 Vernon Street, Roseville, CA 916-774-5200 TDD 916-774-5220

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS

5. MINUTES

5.1. Approval of August 24, 2021 Minutes

6. REQUESTS/PRESENTATIONS

6.1. Roseville Electric Utility Monthly Update

Report by Electric Utility Director, Michelle Bertolino, summarizing the monthly status of Electric Utility issues, for information.

6.2. Roseville Electric Proposed Rate Case

Presentation by Roseville Electric Utility's Assistant Director, Shawn Matchim, and Financial Administrator, Eric Campbell, on the electric utility's proposed rate adjustments, for recommendation.

6.3. Environmental Utilities Monthly Update

Report by Environmental Utilities Refuse and Stormwater Manager, Devin Whittington, summarizing the monthly status of Environmental Utilities activities, for information.

6.4. Environmental Utilities Waste Services SB 1383 Update

Presentation by Environmental Utilities Refuse and Stormwater Manager, Devin Whittington, with an update on Waste Services SB 1383, for information.

7. BOARD MEMBER / COMMISSIONER / STAFF REPORT

8. ADJOURNMENT



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Public Utilities Commission
Contact:

Meeting Date: 9/28/2021
Item #: 01.



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Approval of August 24, 2021 Minutes

Contact:

Meeting Date: 9/28/2021

Item #: 5.1.

ATTACHMENTS:

Description

August 24, 2021 PUC Draft Minutes



MINUTES

August 24, 2021

PUBLIC UTILITIES COMMISSION MEETING

6:00 P.M.

**Council Chambers
311 Vernon Street
Roseville, California**

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meeting, please contact:

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possible.

1. CALL TO ORDER

Chair Webb called the meeting to order at 6:00 p.m.

2. ROLL CALL

Present: Commissioners Bielski, De Lacy, DeMarchi, Granger, Knox, Webb

Absent: Commissioner Maisch

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Commissioner Knox.

4. PUBLIC COMMENTS

No public comment received.

5. MINUTES

5.1. Approval of July 27, 2021 Minutes

Motion by Commissioner De Lacy, seconded by Commissioner DeMarchi, Approve Motion. The Motion Passed.

Roll call vote: Ayes: Commissioners Bielski, DeLacy, De Marchi, Granger, Knox, Webb

Absent: Commissioner Maisch

6. REQUESTS/PRESENTATIONS

6.1. Roseville Electric Utility Monthly Update

Report by Electric Utility Assistant Directors, Shawn Matchim and Todd White, summarizing the monthly status of Electric Utility issues, for information.

No public comment received.

6.2. Roseville Electric Energy Risk Management Overview

Presentation by Electric Risk and Compliance Supervisor, Petra Wallace, giving an overview of Roseville Electric Utility Energy Risk Management, for information.

No public comment received.

6.3. Environmental Utilities Monthly Update

Report by Environmental Utilities Assistant Director, Sean Bigley, summarizing the monthly status of Environmental Utilities activities, for information.

No public comment received.

6.4. Environmental Utilities Recycled Water Program Update

Presentation by Process Engineer, Todd Jordan, with an update on the Recycled Water Program, for information.

No public comment received.

7. BOARD MEMBER / COMMISSIONER / STAFF REPORT

Chair Webb welcomed Commissioner Bielski and Commissioner De Marchi to the Public Utilities Commission and thanked them in advance for their time.

8. ADJOURNMENT

The Public Utilities Commission meeting was adjourned at 7:01 p.m.

Motion to adjourn by Commissioner DeLacy, seconded by Commissioner Granger, approve the Motion. The Motion Passed.

Roll call vote: Ayes: Commissioners Bielski, DeLacy, De Marchi, Granger, Knox, Webb.

Absent: Commissioner Maisch

Elaine Webb
Chair

Lynn Garcia
Recording Secretary



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Roseville Electric Proposed Rate Case

Contact:

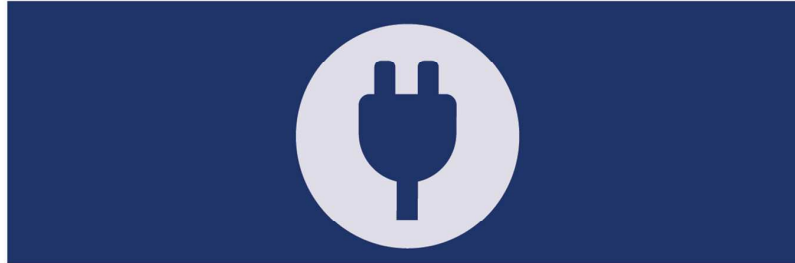
Meeting Date: 9/28/2021

Item #: 6.2.

ATTACHMENTS:

Description

Roseville Electric Proposed Rate Case



2022 Rate Proposal

Roseville Electric Utility

September 28, 2021

City Council Strategic Plan Alignment



City Council Goal:

Remain fiscally responsible in a changing world



City Council Strategy:

Balance utility operating costs to maintain competitive rates



Electric Department Mission:

Deliver safe, reliable electricity at competitive rates with exceptional service

City Council Rate Policy Alignment



Cost-based Policy

- Revenues match costs



Adequacy Policy

- Adequate revenues to operate the utility (Balanced Budget)



Fair and Equitable Policy

- Cost to serve that customer



Stability Policy

- Smaller incremental rate increases

Value of a Community Owned Utility



**Low electric
rates**



**Exceptional
reliability**



**Local
control**



**Shared
community goals**

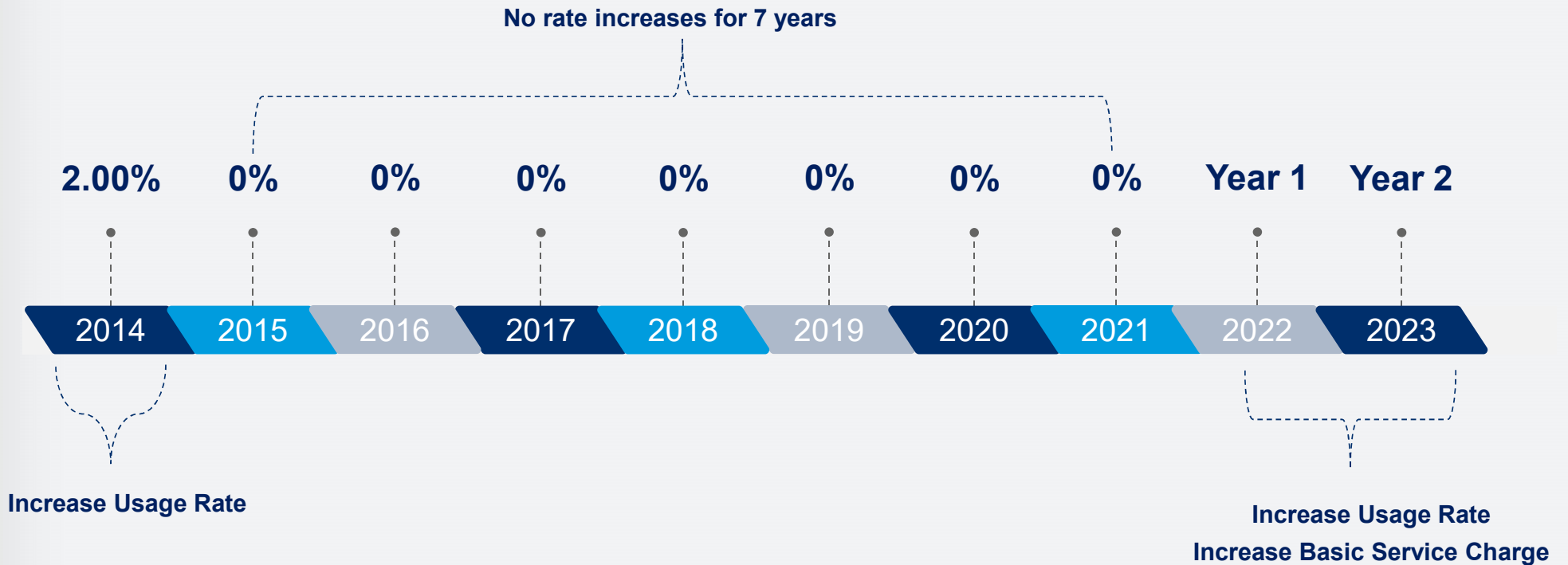


**Tailored customer
programs**

Electric Bill Comparison with Neighboring Utilities

AVERAGE MONTHLY BILL					
Customer Type	Roseville Electric	PG&E	% Difference	SMUD	% Difference
Residential	\$112	\$217	48%	\$130	14%
Small Commercial	\$154	\$285	46%	\$166	7%
Medium Commercial	\$3,115	\$5,205	40%	\$3,492	11%
Large Commercial	\$30,021	\$48,560	38%	\$34,409	13%
Industrial	\$150,091	\$241,011	38%	\$180,172	17%

Rate History



Customer Bill Example

06/28/2021

ROSEVILLE CUSTOMER

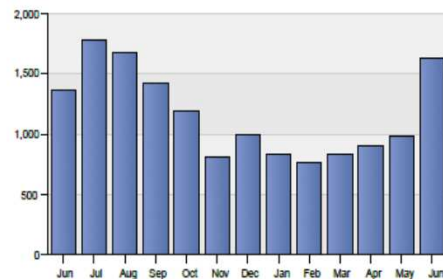
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**Roseville
Electric**



Meter Number	Register Type	From	To	DOS	Reading		Type	Usage
99999	KWH	05/27/2021	06/28/2021	33	98902	534	A	1632.0000
This month last year				30				1362.0000



Previous Year

Current Year

Description	Usage	Rate	Amount
Electric Res Basic Service Charge			\$26.00
Residential Electric - Tier 1	500.0000	0.0931000	\$46.55
Residential Electric - Tier 2	1132.0000	0.1435000	\$162.44
State Energy Surcharge	1632.0000	0.0003000	\$0.49
Hydroelectric Adjustment	1632.0000	0.0027400	\$4.47
Renewable Energy Surcharge	1632.0000	0.0056000	\$9.14
Greenhouse Gas Surcharge	1632.0000	0.0002000	\$0.33
Charges - Electric Metered			\$249.42

Proposed Rate Actions

Customer Type	Bill Component			
	Usage Rate Increase		Monthly Basic Service Charge Increase	
	Year 1	Year 2	Year 1	Year 2
Residential	2.00%	2.00%	\$2	\$2
Small Commercial	2.00%	2.00%	\$3	\$3
Medium Commercial	1.50%	1.50%	-	-
Large Commercial	2.00%	2.00%	\$20	\$20
Industrial	2.00%	2.00%	\$25	\$25

* Year 1 would go into effect January 1, 2022, and Year 2 would go into effect January 1, 2023.

Average Customer Bill Impact

Average Monthly Bill			
Customer Type	Current Bill	Year 1	Year 2
Residential	\$112	\$116	\$119
Small Commercial	\$154	\$159	\$165
Medium Commercial	\$3,115	\$3,165	\$3,215
Large Commercial	\$30,021	\$30,791	\$31,111
Industrial	\$150,091	\$153,116	\$156,141

Why is the rate increase needed?

- Increasing Costs
 - Regulatory Compliance and Complexity
 - Labor
 - Sophistication of Customer Programs
- Flat Revenues

5 Year Financial Forecast (without the proposed rate increase)

\$\$\$ millions	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	\$165,900	\$160,200	\$160,700	\$161,200	\$161,600
Less:					
Operating Expenses	147,400	148,400	152,700	157,300	160,900
Capital Expenses	21,900	11,600	18,500	9,500	7,500
Net Cash Flow	\$ (3,500)	\$ 200	\$ (10,500)	\$ (5,500)	\$ (6,800)

5 Year Financial Forecast (with the proposed rate increase)

\$\$\$ millions	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	\$165,900	\$160,800	\$165,300	\$167,800	\$ 168,700
Less:					
Operating Expense	147,400	148,400	152,700	157,300	160,900
Capital Expense	21,900	11,600	18,500	9,500	7,500
Net Cash Flow	\$ (3,500)	\$ 800	\$ (5,900)	\$ 1,000	\$ 200

Actions to Mitigate Cost Increases

- Energy Procurement Program
- Debt Service / Interest Rates / Paydown
- Managing Vacancies
- Cost Discipline

What happens if proposed rate increase is not approved?

- A reduced investment in electric system reliability.
- A decline in legislative and regulatory outreach efforts.
- A reduction in economic development support.
- A reprioritization of our customer programs.
- An erosion of our utility financials.

Community Outreach

- Hosted (3) Virtual Public Workshops
 - Roseville Area Chamber of Commerce
 - Sun City Government Affairs Meeting
 - Roseville Coalition of Neighborhood Associations (RCONA)
 - Largest Electric Customers / Key Accounts
 - Roseville Electric Utility webpage
 - Social media (Facebook and Nextdoor)
-

Customer Feedback Themes

- Positive and supportive responses to rate proposal
 - Complimentary of service reliability and rate levels
 - Interest in Roseville Electric Utility's long-term energy planning
-

Recommendation to City Council

- Roseville Electric Utility staff requests the Roseville Public Utility Commission recommend approval of the rate proposal to the Roseville City Council.

Next steps

- Present recommendations to Roseville City Council in October or November
- If approved, the proposed rate changes would go into effect January 1, 2022.



Questions?



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Environmental Utilities Waste Services SB 1383 Update

Contact:

Meeting Date: 9/28/2021

Item #: 6.4.

ATTACHMENTS:

Description

Environmental Utilities Waste Services SB 1383 Update



Waste Services SB 1383 Update

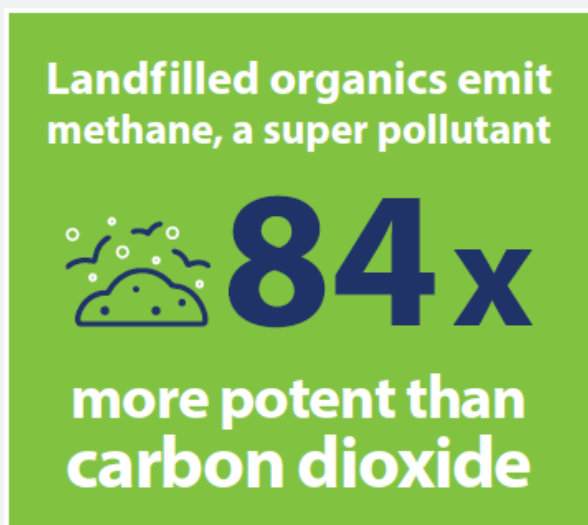
Devin Whittington

SB 1383 – Timeline & Requirements

- Enacted in 2016
- Regulations finalized – November 2020
- Regulations take effect – January 1, 2022



SB 1383 – Purpose



- Reduce short lived climate pollutants
- Reduce amount of organics landfilled by 75%
- Jurisdictions responsible to procure organic derived materials.

SB 1383 – Jurisdiction Compliance Options

- Three-container Organic Waste Collection Services
 - Includes additional blue bin for recycling
 - Two-container Organic Waste Collection Services
 - Roseville Current system
 - Requires a high diversion organic waste processing facility
 - Single-Container Unsegregated Collection Services
 - Requires a high diversion organic waste processing facility
-

SB 1383 – Compliance Strategies

- Regional procurement effort
 - High diversion organic waste processing facility
 - Three Container System
 - Three Container System Pilot
 - City owned and operated processing
 - Diversifying disposal options to reduce cost
-

Thank You.
Any Questions?

