



AGENDA

May 22, 2018

PUBLIC UTILITIES COMMISSION MEETING

7:00 p.m.

City Council Chambers
311 Vernon Street
Roseville, California

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PLEDGE OF ALLEGIANCE**
- 4. PUBLIC COMMENTS**

Persons may address the governing body on items not on this agenda. Speakers shall restrict their comments to issues that are within the subject jurisdiction of the governing body and limit their comments to three (3) minutes per person. The Brown Act, with certain exceptions, does not permit the governing body to discuss or take action on issues that are not listed on the agenda.

5. CONSENT CALENDAR

- 5.1. Approval of April 24, 2018 Minutes

6. REQUESTS/PRESENTATIONS

- 6.1. Environmental Utilities Monthly Update

Report by Assistant Environmental Utilities Director Dale Olson summarizing monthly status of Environmental Utilities issues, for information.

- 6.2. Environmental Utilities Fiscal Year 2018-19 Budget Overview

Presentation by Assistant Environmental Utilities Director Dale Olson and Acting EU Business Services Administrator Janet Vargas summarizing the Environmental Utilities Budget for Fiscal Year 2018-19, for information.

- 6.3. Roseville Electric Utility Monthly Update

Report by Assistant Electric Utility Director Philip McAvoy summarizing monthly status of Electric Utility issues, for information.

- 6.4. Roseville Electric Utility Fiscal Year 2018-19 Budget Overview

Presentation by Assistant Electric Utility Director Philip McAvoy and Senior Electric Business Analyst Joanna Cucchi summarizing the Electric Utility Budget

for Fiscal Year 2018-19, for information.

6.5. Roseville Electric Utility Small Cell Program Rates

Presentation by Assistant Electric Utility Director Philip McAvoy and Senior Business Analyst Joanna Cucchi on the Small Cell Program Rates, for recommendation.

6.6. Roseville Electric Utility Community Solar Program Rates

Presentation by Assistant Electric Utility Director Philip McAvoy on the Community Solar Program Rates, for recommendation.

7. BOARD MEMBER / COMMISSIONER / STAFF REPORT

8. ADJOURNMENT



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Approval of April 24, 2018 Minutes

Contact:

Meeting Date: 5/22/2018

Item #: 5.1.

ATTACHMENTS:

Description

April 24, 2018 draft minutes



MINUTES
APRIL 24, 2018

PUBLIC UTILITIES COMMISSION MEETING
7:00 p.m.
City Council Chambers
311 Vernon Street
Roseville, California

1. CALL TO ORDER

2. ROLL CALL

Commissioner: Sam Cannon
Commissioner: Blandon Granger
Commissioner: Gretchen Hildebrand
Commissioner: Debra Sedwick
Commissioner: John Speight
Commissioner: John Vertido
Chair: Jim Viele

Present: Cannon, Granger, Hildebrand, Speight, Vertido, Viele
Absent: Sedwick

3. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Commissioner Cannon.

4. PUBLIC COMMENTS

No public comment.

5. CONSENT CALENDAR

5.1 Approval of February 27, 2018 Minutes

Minutes were approved as submitted.

6. REQUESTS/PRESENTATIONS

6.1 Environmental Utilities Monthly Update

Report by Acting Water Utility Manager Sean Bigley summarizing monthly status of Environmental Utilities issues, for information.

No public comment.

- 6.2 Environmental Utilities Sustainable Groundwater Management Act Update
Presentation by Acting Water Utility Manager Sean Bigley on the Sustainable Groundwater Management Act Update, for information.

No public comment.

- 6.3 Roseville Electric Utility Monthly Update
Report by Electric Utility Director Michelle Bertolino summarizing monthly status of Electric issues, for information.

No public comment.

- 6.4 Roseville Electric Utility 2018 Commercial Satisfaction Survey Results
Presentation by Electric Customer Programs Supervisor David Bradford and Ann Davis of RKS Research & Consulting on the 2018 Commercial Satisfaction Survey Results, for information.

No public comment.

- 6.5 Roseville Electric Utility Integrated Resource Plan
Presentation by Electric Resource Analyst Brian Zard and Power Supply Portfolio Administrator Bill Forsythe on the 2018 Integrated Resource Plan, for recommendation.

Commissioner Hildebrand requested a presentation on Energy Storage.

MOTION: Commissioner Vertido made the motion which was seconded by Commissioner Cannon to recommend to Council the proposed 2018 Integrated Resource Plan. The vote was unanimous.

No public comment.

7. BOARD MEMBER / COMMISSIONER / STAFF REPORT

Chair Viele shared the next Medication Take-back Event is taking place on Saturday, April 28, between 10-2PM at Roseville High School and the Sun City Lodge.

No public comment.

8. ADJOURNMENT

Commissioner Sedwick moved for adjournment of the April 24, 2018 Public Utilities Commission meeting. Commissioner Speight seconded the motion. The motion passed unanimously at 8:32 p.m.

John Speight
Chairperson

Karen Sainsbury
Recording Secretary

DRAFT



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Environmental Utilities Fiscal Year 2018-19 Budget Overview

Contact:

Meeting Date: 5/22/2018

Item #: 6.2.

ATTACHMENTS:

Description

Power Point presentation



Environmental Utilities FY2019 Budget Overview

Public Utilities Commission
May 22, 2018

FY19 EU Highlights

- Budgets consistent with rate model assumptions
- Scheduled Water, Wastewater, and Solid Waste rate increases in FY19
- Contingency Planning
- Unfunded State Mandates
- Technology Investments (ERP, and AMI)

Environmental Utilities Operating Revenues

(\$ millions)

Utility	Approved Budget FY2017	Approved Budget FY2018	Proposed Budget FY2019*
Water	\$27.7	\$34.3	\$30.9
Wastewater	\$35.8	\$36.1	\$38.4
Solid Waste	\$21.9	\$22.4	\$23.3

* Reflects a change in how transfers are now accounted for as reimbursed costs

Environmental Utilities Operating Expenditures

(\$ millions)

Utility	Approved Budget FY2017	Approved Budget FY2018	Proposed Budget FY2019*
Water	\$27.2	\$26.6	\$28.3
Wastewater	\$36.4	\$38.9	\$39.6
Solid Waste	\$23.7	\$24.2	\$25.9

* Reflects a change in how transfers are now accounted for as reimbursed costs

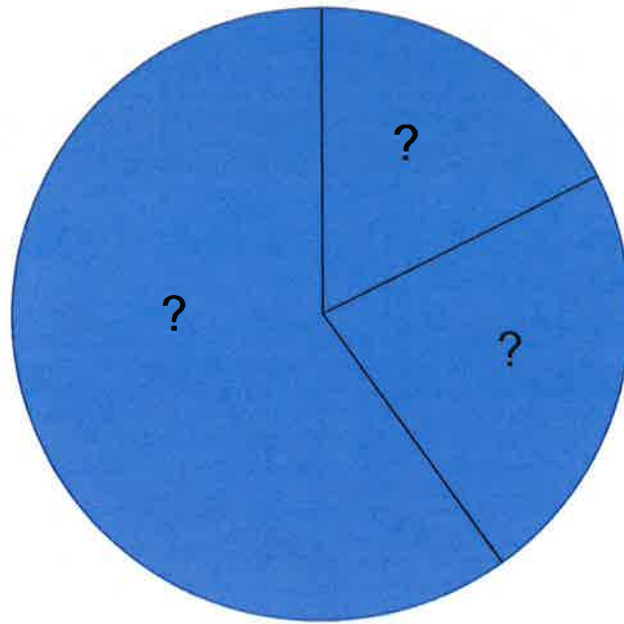
Utility Reserve Funds

Utility	FY19 (Budget)	Fiscal Policy Reserve Goals
Water	66%	75%
Wastewater	46%	75%
Solid Waste	15%	25%

EU Projects

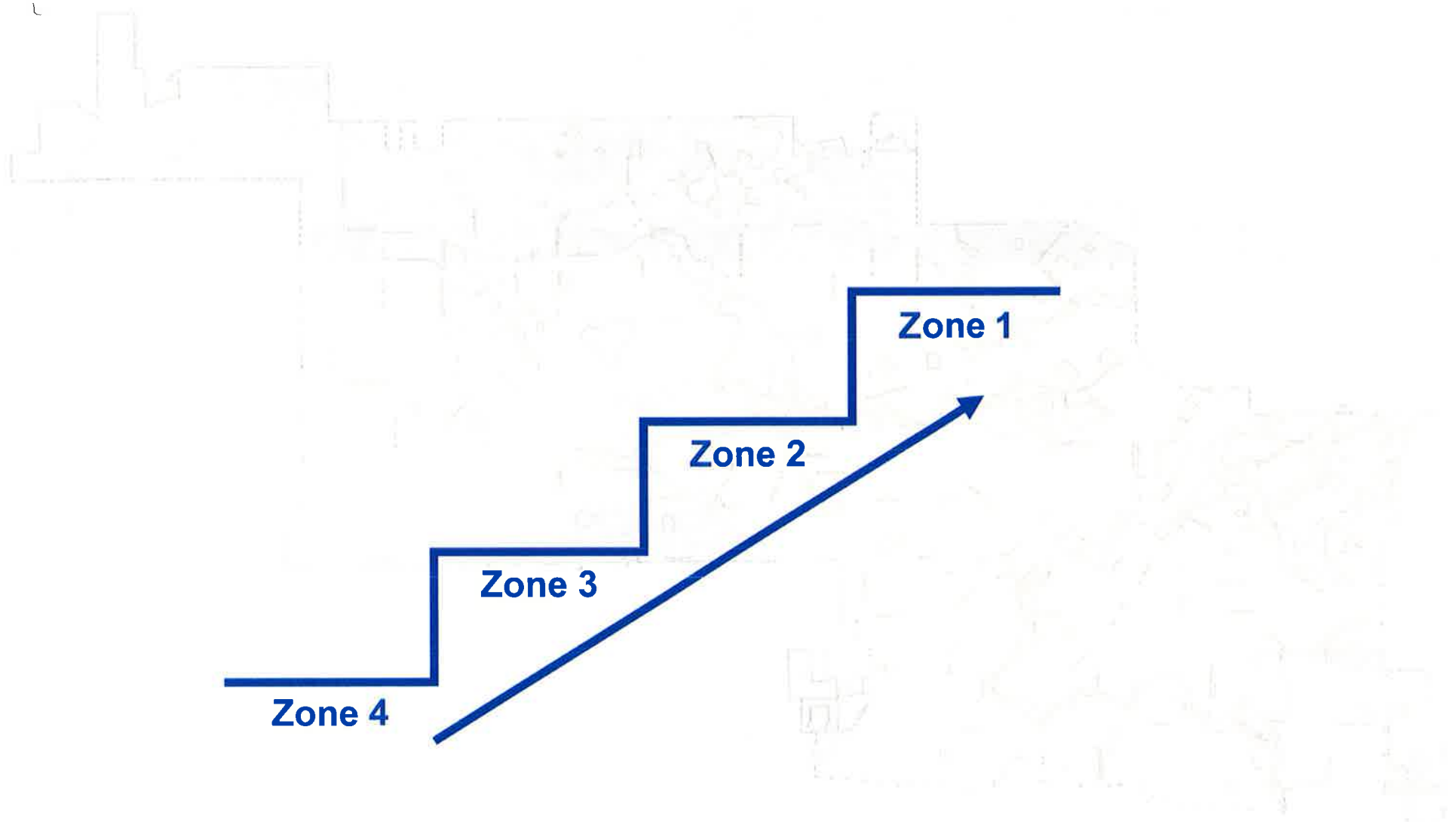
Integrated Resources Plan	\$ 0.2M
Groundwater Management Plan	\$ 0.2M
Other Water Projects	\$ 12.0M
Wastewater Projects	\$ 18.0M
Solid Waste Projects	<u>\$ 12.7M</u>
Total	\$ 43.1M

2050



Investment \$

Integrated Resources Plan



Groundwater Management Plan



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Roseville Electric Utility Fiscal Year 2018-19 Budget Overview

Contact:

Meeting Date: 5/22/2018

Item #: 6.4.

ATTACHMENTS:

Description

Electric Budget Overview



Fiscal Year 2019 Budget Overview

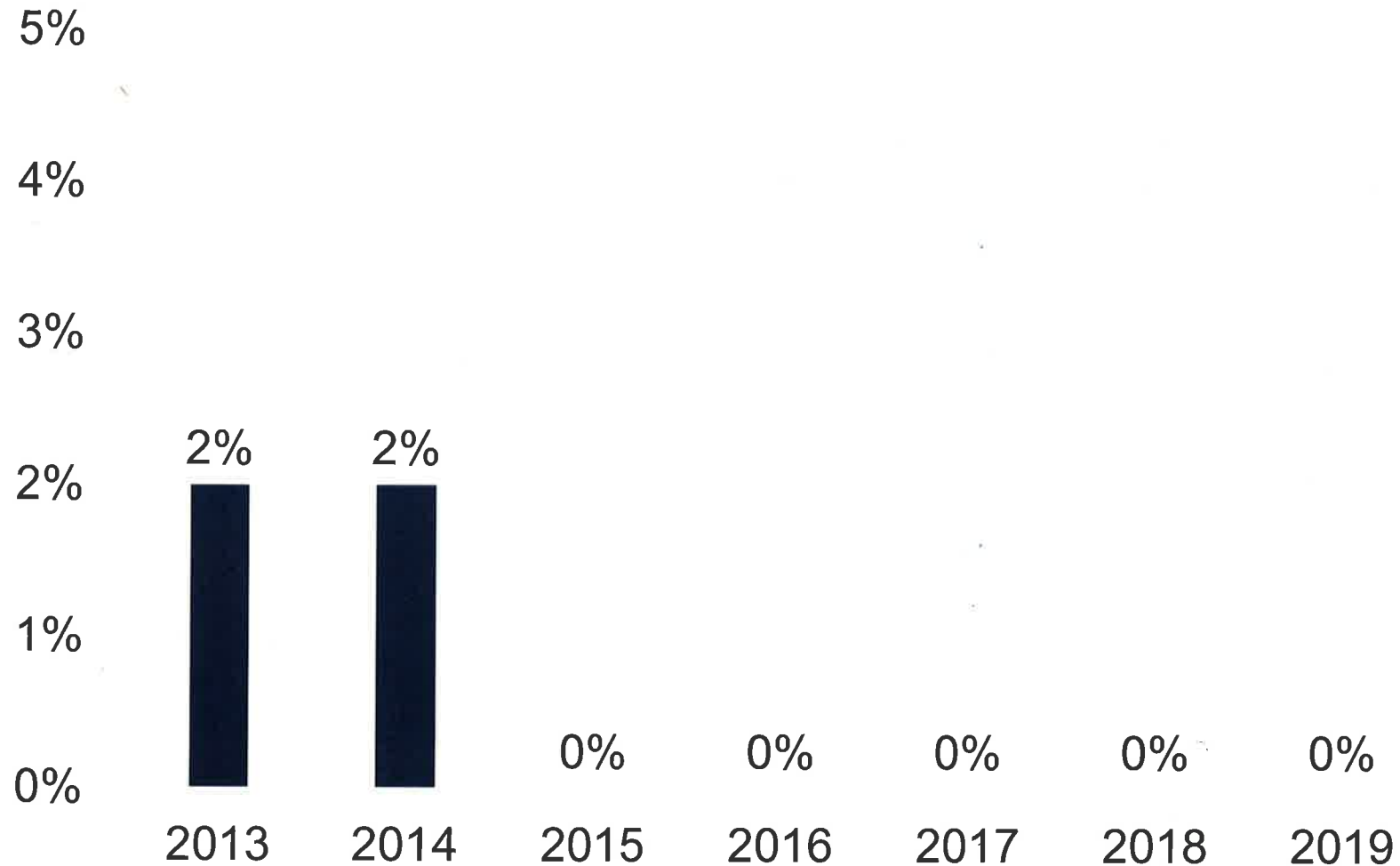
Public Utilities Commission

May 22, 2018

Budget overview

- Revenues and expenses are flat
- Revenues cover annual expenses
- Power supply costs are down
- Hydroelectric surcharge
- Large capital improvements planned

No Planned Rate Increases



Financial Policies

Metric	Adopted Policy	FY19 Proposed
Days Cash On Hand	>250	368
Debt Service Coverage Ratio	>2.00	2.58
Rate Stabilization Fund	40%-90%	41.8%

Electric Revenues

(\$ millions)

	Actual FY2017	Adopted FY2018	Proposed FY2019
Energy Sales	\$161	\$162	\$163
Other	\$8	\$7	\$7
Total	\$169	\$169	\$170

*(Excludes greenhouse gas related revenues
and Hydroelectric surcharge)*

Hydroelectric surcharge

- The hydroelectric surcharge offsets reduced hydroelectric output in dry years
- Precipitation for the Northern Sierra 8 Station Index is 81.5% of normal in FY18
- FY19 surcharge = \$0.00129/kWh or about \$0.94 per month for the average Roseville home.

Electric Expenditures

(\$ millions)

	Actual FY2017	Adopted FY2018	Proposed FY2019
Operating	\$123	\$131	\$126
Capital/Debt	\$31	\$33	\$39
Total	\$154	\$164	\$165

(Excludes greenhouse gas related expenditures)

FY2019 CIP Budget

Sierra Vista substation	\$4.3M
New services	4.0M
Power plant	3.7M
LED streetlights	2.7M
Distribution Upgrades	4.1M
Total	\$21.8M

Key Trends and Issues

- Legislative and regulatory uncertainty
- Utility business model is changing, very quickly
 - Renewable energy
 - Customer generation
 - New and emerging technology
 - Energy storage
 - Electric vehicles
 - Internet of things
- New and evolving energy markets
- Aging infrastructure
- 2019 rate case

Questions?



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Roseville Electric Utility Small Cell Program Rates

Contact:

Meeting Date: 5/22/2018

Item #: 6.5.

ATTACHMENTS:

Description

Small Cell Program Rates presentation



Small Cell Pole Attachment Rates Proposal

Public Utilities Commission
May 22, 2018



What is a Small Cell?

- A device that provides a wireless access point
- Low power consumption and output
- Limited capacity and coverage area
- 5th Generation (5G) of mobile communication technology
- 10x faster than today's 4G technology

Small Cell Background

- In 2017, the City contracted with XG Communities to market City assets for small cell attachments.
- Last month City Council adopted a lease rate of \$150 per month per attachment to City assets
- Can only attach to arterial road streetlights
- Small cell devices will draw power from the streetlight system
- Devices will not be separately metered



Methodology for Proposed Rates

- Base Rate: same methodology as small business customers excluding metering costs
- Energy Rate: similar to small business customers, but same rate year round
- Energy Surcharges: same methodology and charges as small business customers

Proposed Rate Schedule

	\$ / month
Base rate	\$10.28
Energy rate (\$/kWh)	\$0.1138
Renewable energy surcharge (\$/kWh)	\$0.0056
Greenhouse gas surcharge (\$/kWh)	\$0.0002



Recommendation

Staff requests the RPUC adopt a motion to recommend the City Council approve the proposed unmetered small cell pole attachment rates.

Questions?



PUBLIC UTILITIES COMMISSION COMMUNICATION

Title: Roseville Electric Utility Community Solar Program Rates

Contact:

Meeting Date: 5/22/2018

Item #: 6.6.

ATTACHMENTS:

Description

Community Solar Rates presentation



Roseville Solective

Shared solar, smarter power



Roseville Electric Utility Community Solar Rates

Public Utilities Commission

May 22, 2018

Project Overview

- Located at the Roseville Energy Park
- Community solar system will produce:
 - 960 kW from over 3,000 panels
 - Power over 200 homes
- Construction
 - Summer 2018 – Fall 2018

Background

- September 2017 - City approved contract
 - Clean Focus Renewables, Inc.

 - Customer program
 - Design and enrollment

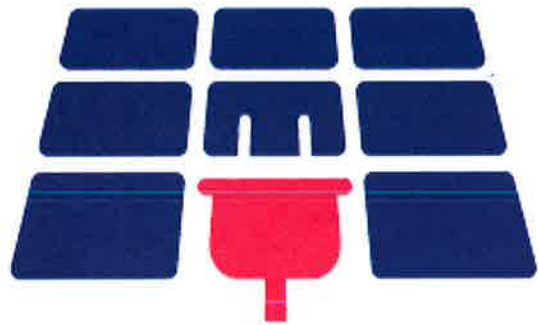
 - Solar system
 - Design and construct
-

Conceptual Design



Program Design

- Responding to customer interests
- Contributes to the utility's renewable energy requirements
- Platform for future program expansion
- Analyzed various rate and program options
- Comparable other utilities



**Roseville
Solelective**

Shared solar, smarter power

Customer Program Overview

- Clean, locally generated renewable energy
- Multiple residential customer segments
- More customer options for renewable energy

Customer Program Overview

- Voluntary program
 - No contracts or fees apply
 - Two participation levels
 - 100% or 50% of customer electricity
 - Participation will match solar system output with customer's consumption
 - Allocated portion for low income customers
-

Customer Participation



- Program launch: fall 2018
- Approximately 200-300 customers
- Sign up
 - Website, phone, or enrollment form
- Random selection
 - Customer selected from list, via lottery
- Waitlist
 - Established for future selection or phases

Rate Design

- Consistent with the City Council adopted rate policies.
- Recovers all costs of the program from participants



Proposed Rate Schedule

	100%	50%	Low Income
Solar Purchase (\$/kWh)	\$0.10	\$0.05	\$0.10
Solar Credit (\$/kWh)	-\$0.08	-\$0.04	-\$0.10
Net Price (\$/kWh)	\$0.02	\$0.01	\$0

Summary

- Roseville Selective
 - New solar option for Roseville residents
 - Rates to participate in community solar are consistent with City Council rate policies
- Staff requests the RPUC adopt a motion to recommend the City Council approve the proposed community solar rates.



Roseville Solective

Shared solar, smarter power

Questions?