



ELECTRIC UTILITY FUND: STATUS CHECK-IN

@ September 30, 2025

(presentation date: October 7, 2025)

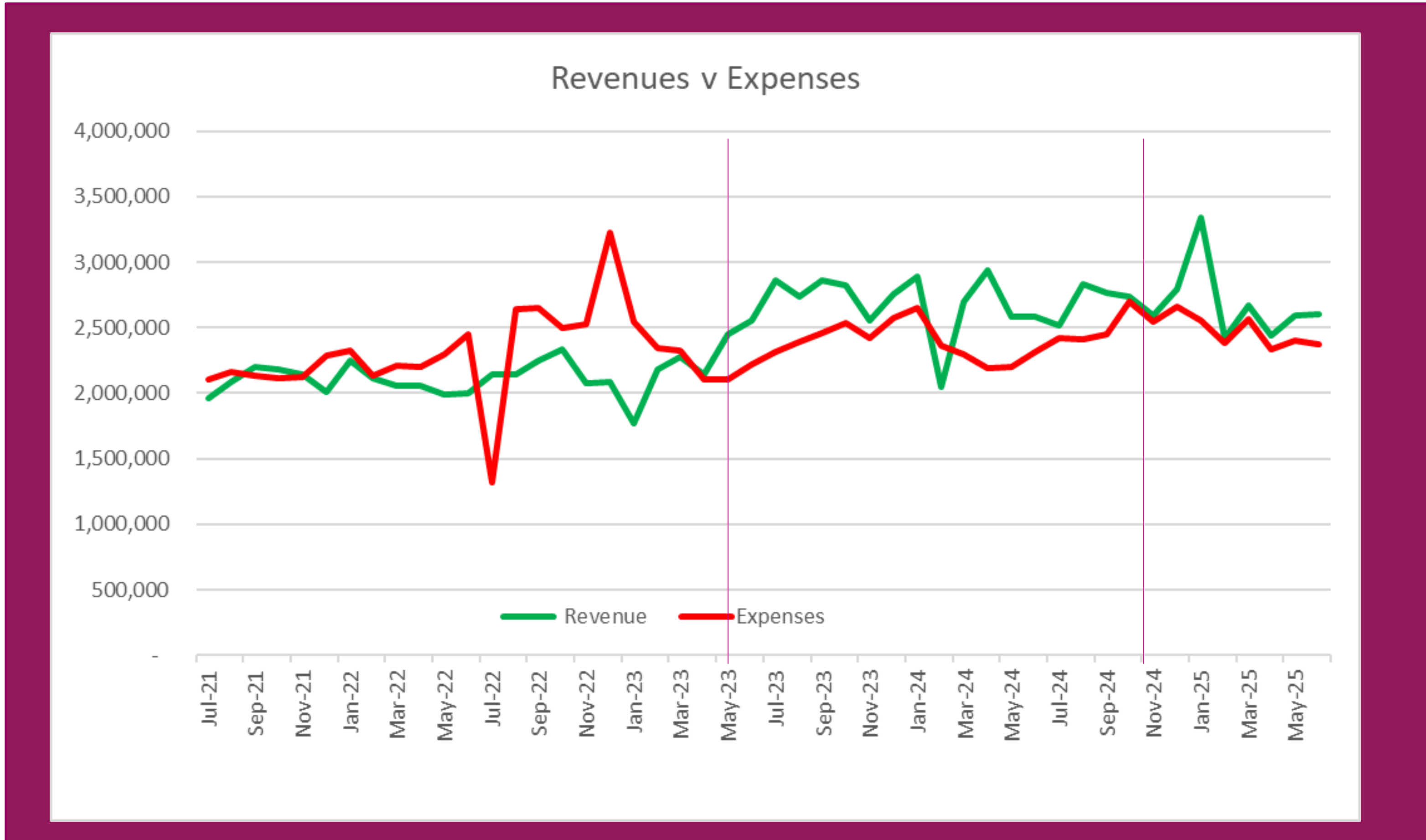
Christie Donnelly, Management Services Director

QUICK RECAP

- **End of 2022, observed critical downturn in Electric fund cash due to increased volatility and power costs – proposed emergency 30% rate increase**
- **Emergency rate increase approved April 18, 2023**
- **First bills with new rates sent in June 2023**
- **First increase in cash observed in July 2023**
- **New Rate Schedules Adopted Oct 1, 2024**
- **New Rates Effective Nov 1, 2024 & July 1, 2025**
- **First update to City Council since COS study**

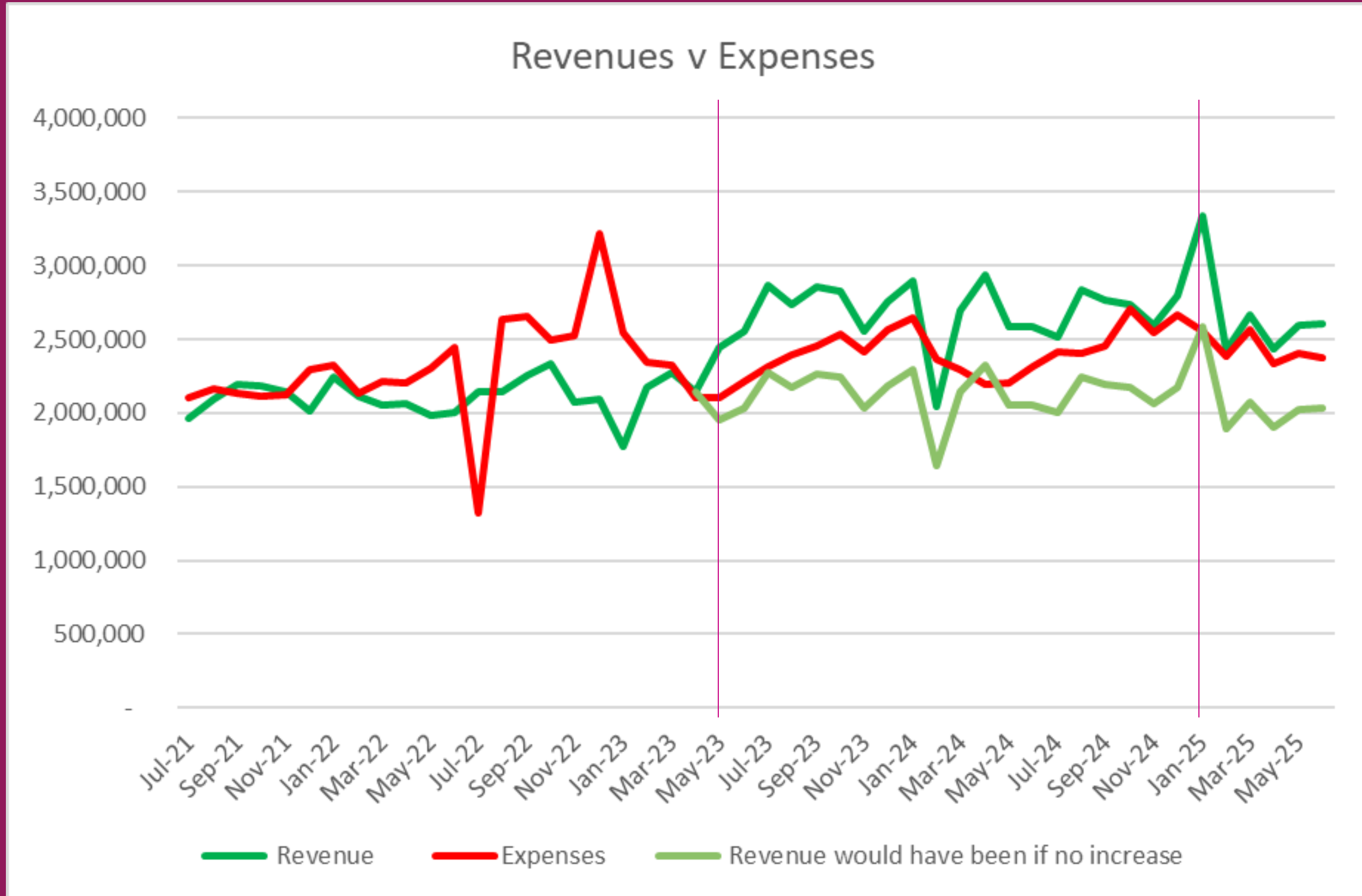


ELECTRIC FUND REVENUES & EXPENSES





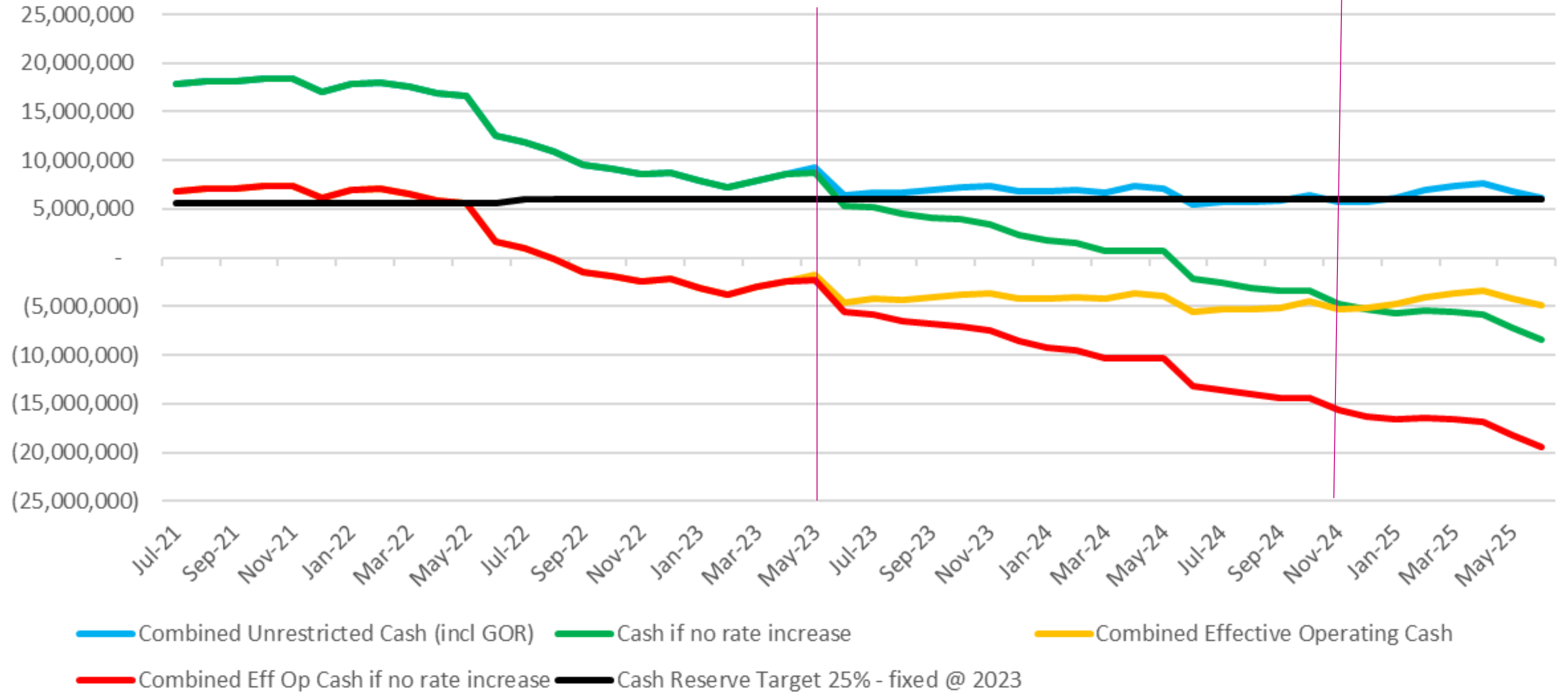
ELECTRIC FUND REVENUES & EXPENSES





ELECTRIC FUND OPERATING CASH

Operating Cash Balance History



TAKE-AWAYS

- **Revenues stabilized but no observable increase yet**
- **Revenues consistently above expenses – able to cover operational costs of business**
- **While operating cash is not decreasing, it is still below zero – slow recovery to target reserve level due to difference between revenues & expenses so minimal.**

LOOKING AHEAD

- **Revenues will continue to increase gradually – July 2025 increase not yet observable for chart**
- **Anticipated Revenues captured & reflected in FY 2025-27 Budgeted projections**
- **Implementation of Power Cost Adjustment (PCA) in Nov 2025 – may increase rates incrementally based on actual cost of power to the City.**
- **Recent ruling on Redlands case will immediately reduce interfund ROW allocations – full analysis coming soon.**



THANK YOU

Christie Donnelly, Management Services Director