Agenda Item Number 001839

2002 Electric Rate Restructuring

Summary of Presentations to the Gainesville City Commission

March 25, 2002
April 8, 2002
April 22, 2002

Including the Proposed Ordinance
(with Alternatives 1 and 2)

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2002 Electric Rate Restructuring

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CONTENTS

2002 Electric Rate Restructuring

Alternatives for Residential Rate Design and Loyalty Program

Presentation to the
Gainesville City Commission
April 22, 2002

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ISSUES FOR CONSIDERATION

- Cost/kWh Increases More Steeply for High Consumption Levels
- Consider the Differences in Consumption Levels for Multi and Single Family Dwellings
- Improve Residential Rate Comparison Ranking

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FUNDING TO FURTHER REDUCE RESIDENTIAL RATES

- Forego Residential Loyalty Program
- Forego Increasing Business Partners Discounts for Longer Term
- Other Funding Sources
  - Summer 2002 Refinancing (1992B Bonds)
  - Delay Elimination of the Electric Surcharge

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COST OF INCREASING LOYALTY AND BUSINESS PARTNERS DISCOUNTS

$ X 1,000/YR

Rate Class	Proposed Discount Change	Target Revenue Commitment		Annual Revenue Reduction
RES	+2.5%	50%	~$600	$593
GSND	0%	50%		$0
GSD	+3.0%	75%	~$600	$448
LP	+3.0%	100%		$170
Total				$1,211

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COMPARISON OF RATE DESIGNS

Feature	Original Proposal 03/25/02	Alternative 1 04/08/02	Alternative 2 04/08/02
Inversion Point. (kWh)	750	1,000	750
1st Step Change*	-5.0%	-5.0%	-6.3%
2nd Step Change*	+2.5%	+4.6%	+1.1%
Monthly Customer Service Chg.	$4.66	$4.66	$4.60
Break-even kWh/month	2,300	2,550	4,900

*Base rate changes as a percent of existing tariff

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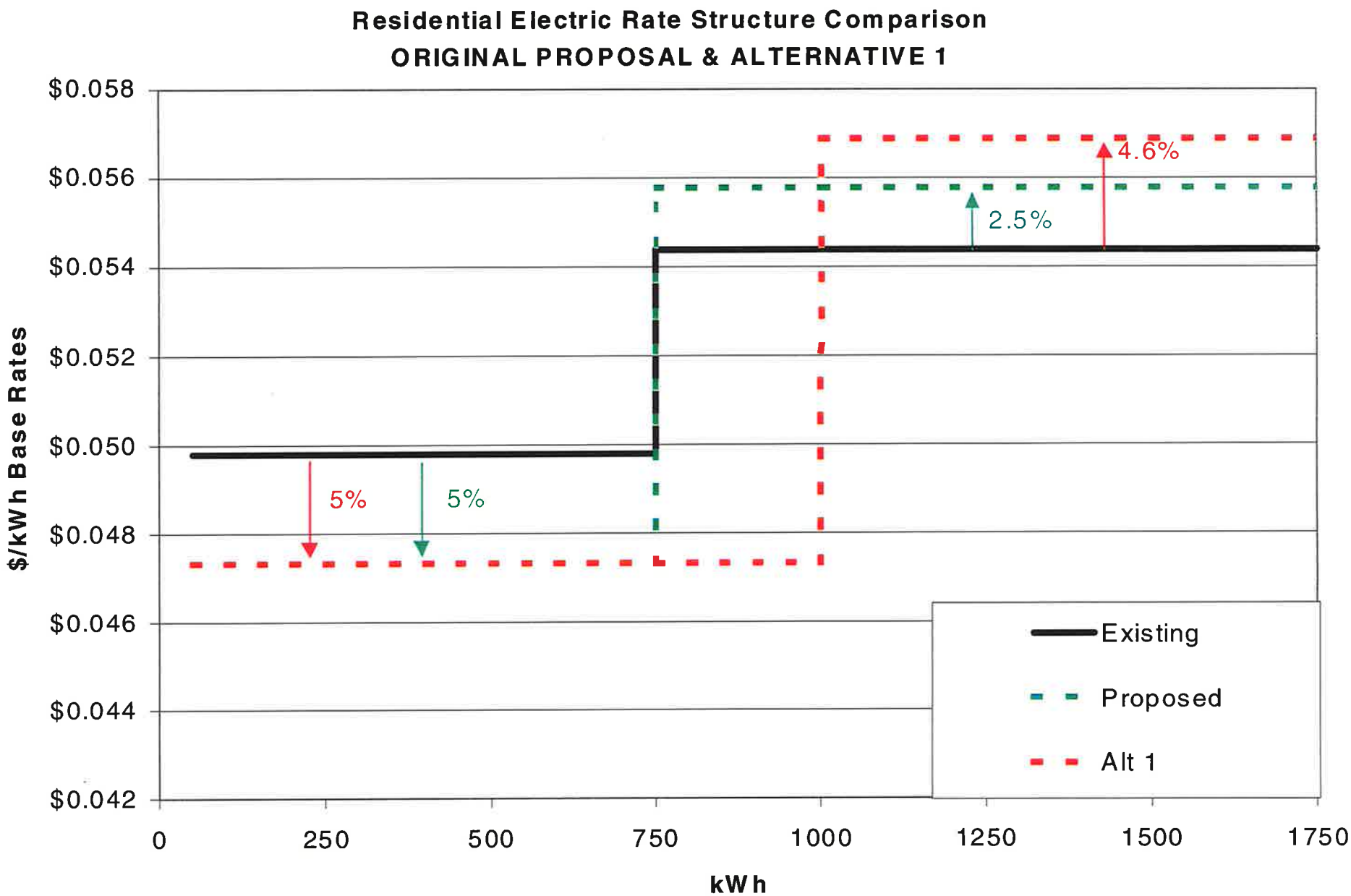
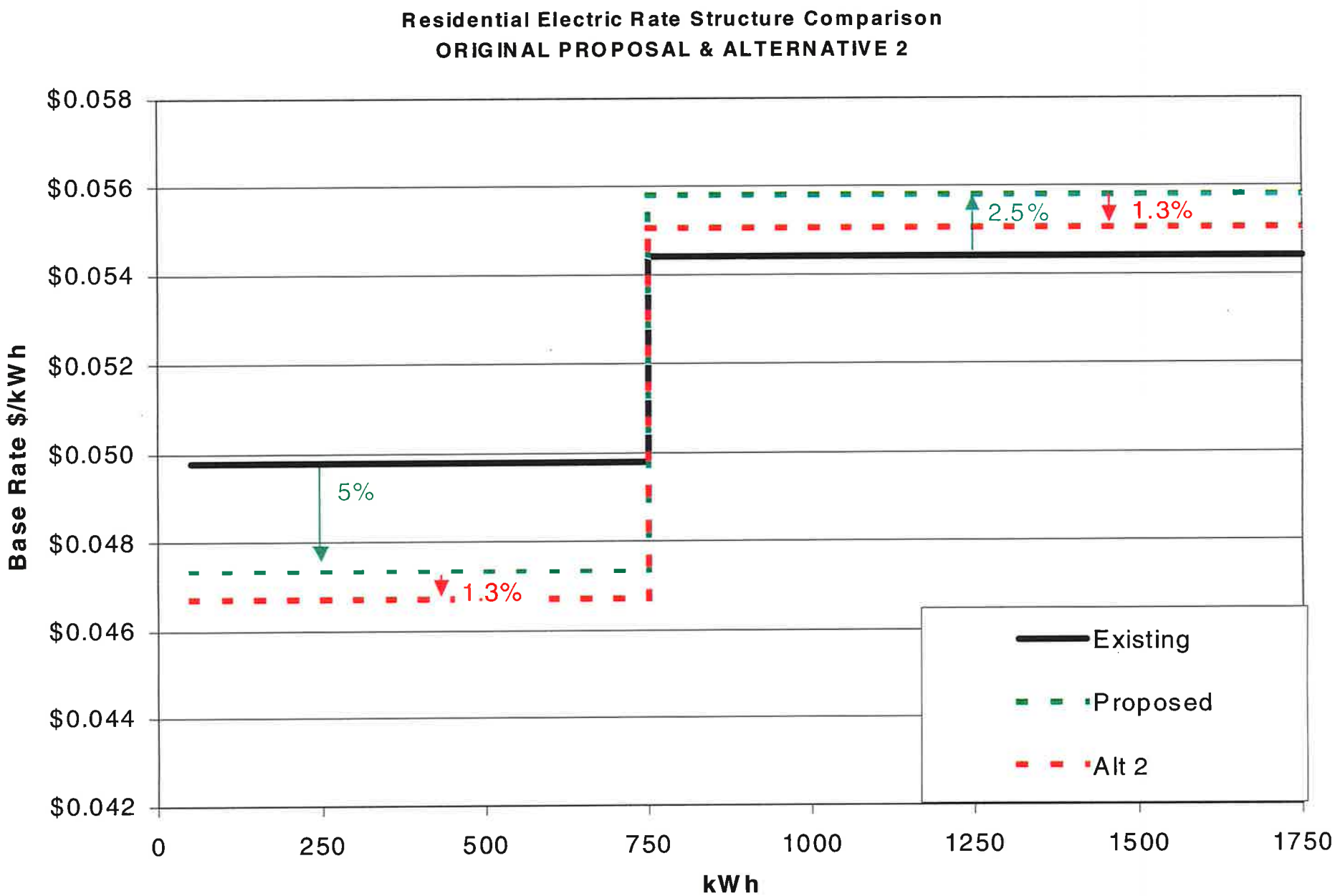

Residential Electric Rate Structure Comparison
ORIGINAL PROPOSAL & ALTERNATIVE 1
$/kWh Base Rates
$0.058
$0.056
$0.054
$0.052
$0.050
$0.048
$0.046
$0.044
$0.042
0
250
500
750
1000
1250
1500
1750
kWh
4.6%
2.5%
5%
5%
Existing
Proposed
Alt 1


Residential Electric Rate Structure Comparison
ORIGINAL PROPOSAL & ALTERNATIVE 2
$0.058
$0.056
$0.054
$0.052
$0.050
$0.048
$0.046
$0.044
$0.042
Base Rate $/kWh
0
250
500
750
1000
1250
1500
1750
kWh
5%
1.3%
2.5%
1.3%
Existing
Proposed
Alt 2

COMPARISON OF FINANCIAL EFFECTS

Feature	Original Proposal 03/25/02	Alternative 1 04/08/02	Alternative 2 04/08/02
% Overall Base Rate Reduction	2.6%	4.0%	4.0%
% Decrease at Bill Compare*	2.2%	4.7%	3.0%
% Cust. At 1st Tier	51%	70%	51%
Additional Funding Required	NO	YES	YES

*Includes 26.29 mill fuel adjustment

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COMPARISON OF CHARGES

Charge	Existing	Original Proposal 03/25/02	Alternative 1 04/08/02	Alternative 2 04/08/02
Monthly Customer Charge	$4.90	$4.66	$4.66	$4.60
Inversion Point	750 kWh	750 kWh	1,000 kWh	750 kWh
1st Tier/kWh*	$0.04980	$0.04731	$0.04731	$0.04668
2nd Tier/kWh*	$0.05440	$0.05576	$0.05688	$0.05501

*Base rate tariff-does not include fuel adjustment

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CONCLUSIONS

- Original Proposal Meets Market, Cost of Service, and Conservation Objectives
- To Give Further Residential Rate Reductions:
  - Alternative 1 has the most benefits for rate comparison improvement and extends benefits to more customers
  - Using other sources of funding best preserves the benefits intended by the original proposal

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2002 Electric Rate Restructuring

Alternatives for Redistributing Proposed Loyalty and Business Partners Discounts

Presentation to the Gainesville City Commission
April 8, 2002
(Errata Corrections Made)

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ISSUES FOR CONSIDERATION

- Steeper Cost Increases for High Consumption Levels
- Consider the Differences in Consumption Levels for Multi and Single Family Dwellings
- Improve Residential Rate Comparison Ranking

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METHODOLOGY

- Developed Frequency Distributions of Consumption Levels for Various Types of Dwellings
- Assumed the Estimated Amount for Proposed Residential Loyalty Programs would be used to fund Tariff Changes
  - $593,000 $/Year
- Developed Two Alternatives to Current Proposal

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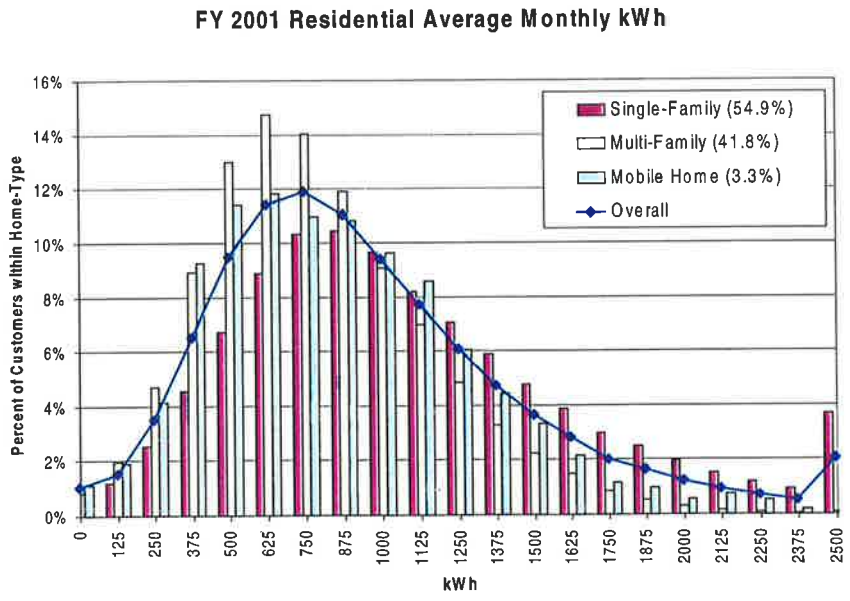

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FY 2001 Residential Average Monthly kWh

Percentage of Customers At or Below Inverted Block Cut-Off

Monthly kWh	Overall Residential	Single Family	Multi Family	Mobile Home
750	42%	32%	54%	48%
1,000	63%	53%	77%	68%

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ALTERNATIVE 1

- Increase Range of First Block
  - 0 - 1,000 kWh/month
  - 1,001 and Greater kWh/month
- Keep 5% Base Rate Decrease for 0 - 1,000 kWh/month Block
- Change Second Block from 2.5% Increase to 4.6% Increase

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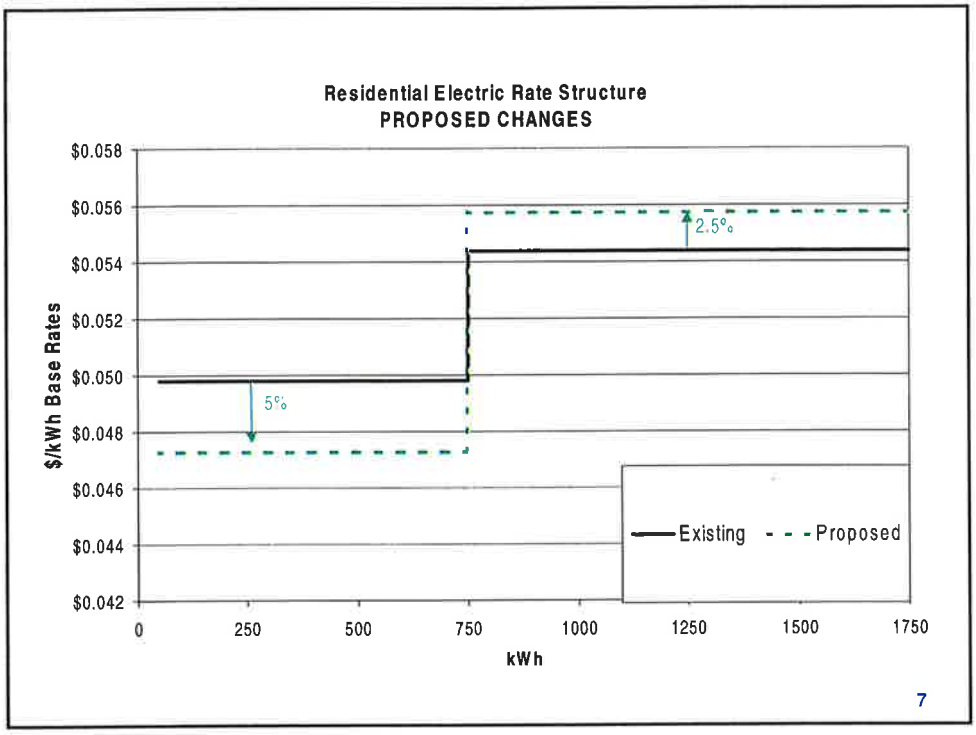
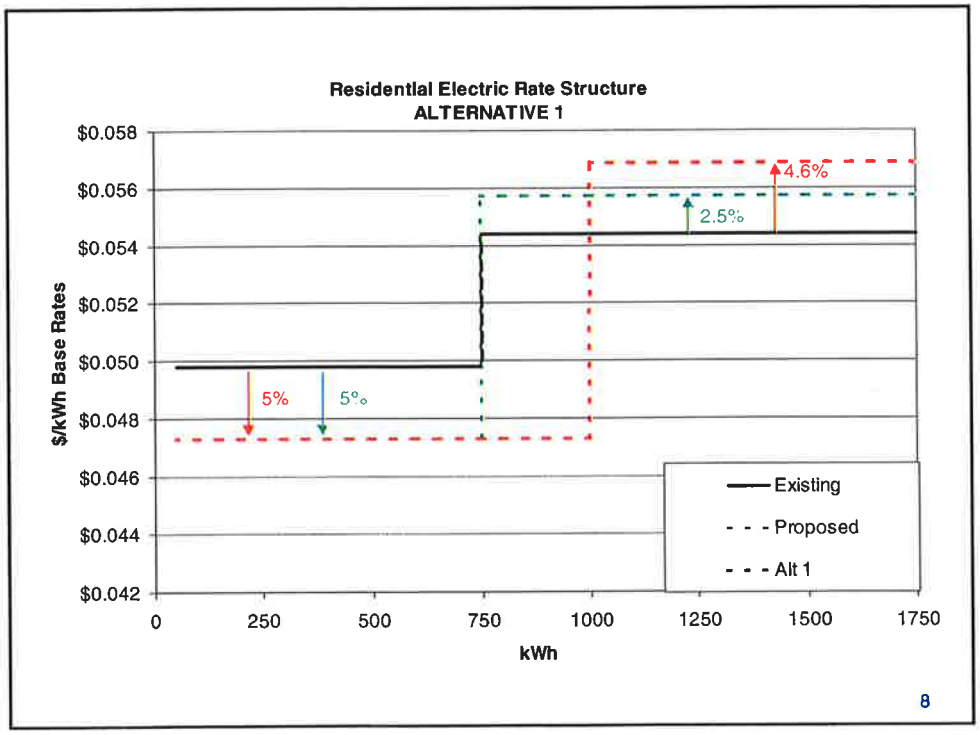

Residential Electric Rate Structure
PROPOSED CHANGES
$/kWh Base Rates
$0.058
$0.056
$0.054
$0.052
$0.050
$0.048
$0.046
$0.044
$0.042
0
250
500
750
1000
1250
1500
1750
kWh
2.5%
5%
Existing
Proposed
7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ALTERNATIVE 1
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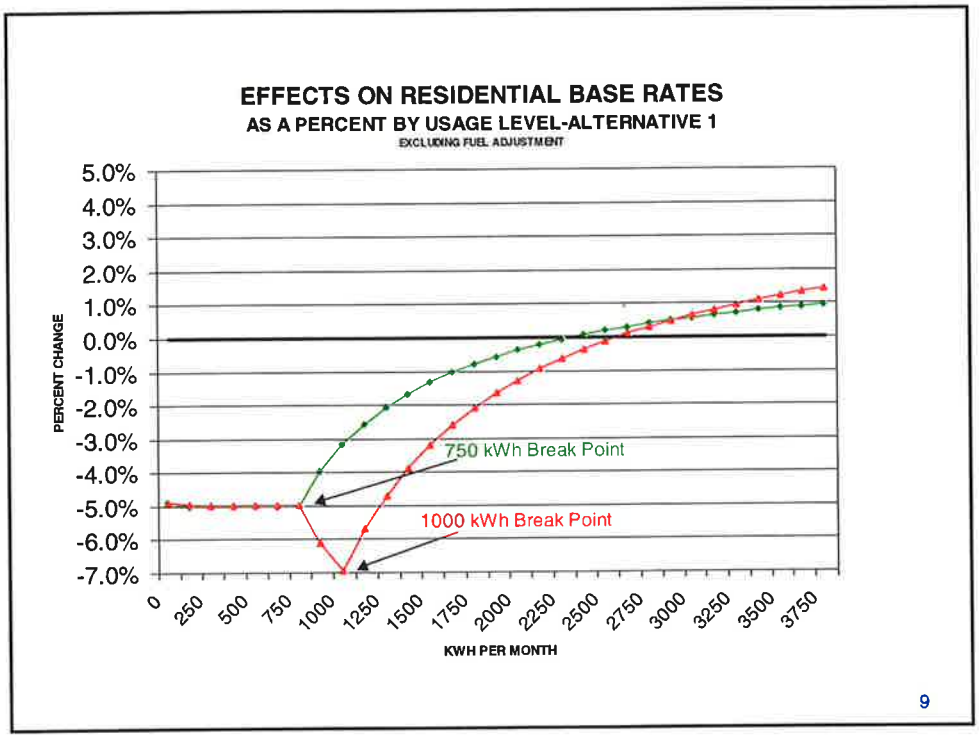
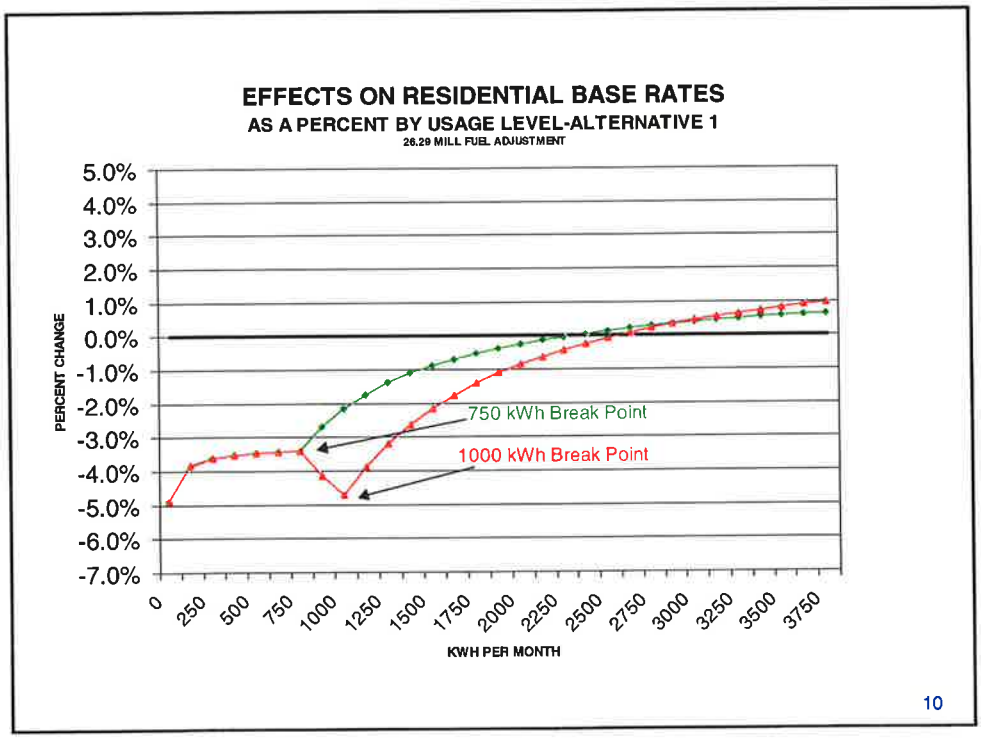
kWh
4.6%
2.5%
5%
5%
Existing
Proposed
Alt 1
8


EFFECTS ON RESIDENTIAL BASE RATES
AS A PERCENT BY USAGE LEVEL-ALTERNATIVE 1
EXCLUDING FUEL ADJUSTMENT
PERCENT CHANGE
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
-5.0%
-6.0%
-7.0%
750 kWh Break Point
1000 kWh Break Point
0
250
500
750
1000
1250
1500
1750
2000
2250
2500
2750
3000
3250
3500
3750
KWH PER MONTH
9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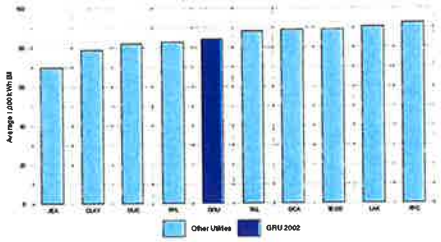
AS A PERCENT BY USAGE LEVEL-ALTERNATIVE 1
26.29 MILL FUEL ADJUSTMENT
PERCENT CHANGE
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
-5.0%
-6.0%
-7.0%
750 kWh Break Point
1000 kWh Break Point
0
250
500
750
1000
1250
1500
1750
2000
2250
2500
2750
3000
3250
3500
3750
KWH PER MONTH
10

Existing Rates

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



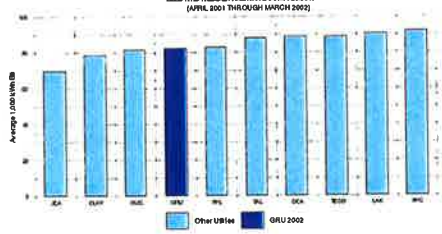
Proposed Rates

Without Loyalty Incentives

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



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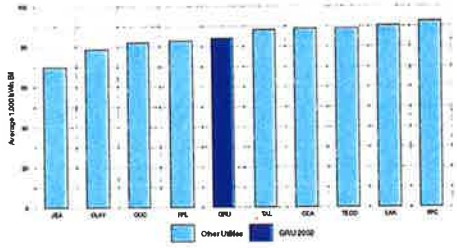
Existing Rates

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



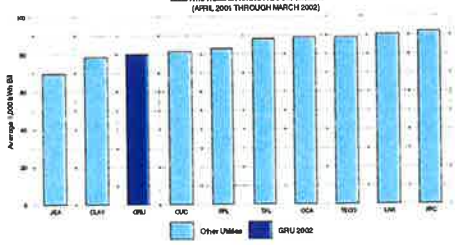
Proposed Rates

Without Loyalty Incentives-ALTERNATIVE 1

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



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RESIDENTIAL ALTERNATIVE 1 - BASE RATE COMPARISON
Block 2 >1000 kWh: Cust Chg Down 4.9%; Block 1 Chg Down 5.0%; Block 2 Chg Up 4.56%

	Existing Rates		Alternative 1 Rates
Customer Charge	$4.90	Customer Charge	$4.66
Energy Charge, 0-750 kWh	$0.04980	Energy Charge, 0-1000 kWh	$0.04731
Energy Charge, >750 kWh	$0.05440	Energy Charge, >1000 kWh	$0.05688

	Base Rate Charges				Percentage
Monthly kWh Usage	Existing	Alternative 1	$ Difference	% Difference	of Customers
500	$29.80	$28.32	($1.49)	-5.0%	27.7%
750	$42.25	$40.14	($2.11)	-5.0%	23.3%
1,000	***$55.85***	***$51.97***	***($3.88)***	***-6.9%***	18.8%
1,250	$69.45	$66.19	($3.26)	-4.7%	12.2%
1,500	$83.05	$80.41	($2.64)	-3.2%	7.5%
1,750	$96.65	$94.63	($2.02)	-2.1%	4.2%
2,000	$110.25	$108.85	($1.40)	-1.3%	2.5%
2,250	$123.85	$123.07	($0.78)	-0.6%	1.4%
2,500	$137.45	$137.29	($0.16)	-0.1%	0.8%
2,750	$151.05	$151.51	$0.46	0.3%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

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RESIDENTIAL ALTERNATIVE 1 - BILLING COMPARISON
Block 2 >1000 kWh: Cust Chg Down 4.9%; Block 1 Chg Down 5.0%; Block 2 Chg Up 4.56%

	Existing Rates		Alternative 1 Rates
Customer Charge	$4.90	Customer Charge	$4.66
Energy Charge, 0-750 kWh	$0.04980	Energy Charge, 0-1000 kWh	$0.04731
Energy Charge, >750 kWh	$0.05440	Energy Charge, >1000 kWh	$0.05688
Fuel Adjustment, all kWh	$0.02629	Fuel Adjustment, all kWh	$0.02629

	Billing Amounts				Percentage
Monthly kWh Usage	Existing	Alternative 1	$ Difference	% Difference	of Customers
500	$42.95	$41.46	($1.49)	-3.5%	27.7%
750	$61.97	$59.86	($2.11)	-3.4%	23.3%
1,000	***$82.14***	***$78.26***	***($3.88)***	***-4.7%***	18.8%
1,250	$102.31	$99.05	($3.26)	-3.2%	12.2%
1,500	$122.49	$119.85	($2.64)	-2.2%	7.5%
1,750	$142.66	$140.64	($2.02)	-1.4%	4.2%
2,000	$162.83	$161.43	($1.40)	-0.9%	2.5%
2,250	$183.00	$182.22	($0.78)	-0.4%	1.4%
2,500	$203.18	$203.02	($0.16)	-0.1%	0.8%
2,750	$223.35	$223.81	$0.46	0.2%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

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BENEFITS OF ALTERNATIVE 1

- Benefits More Residential Customers
- Improves Res. Rate Comparison Ranking
- Steeper Cost Increase for Consumption over 1,000 kWh/month

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DISADVANTAGES OF ALTERNATIVE 1

- Depletes Residential Loyalty Program Funding Capacity

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ALTERNATIVE 2

- Reduce the Proposed Residential Tariff 1.3%

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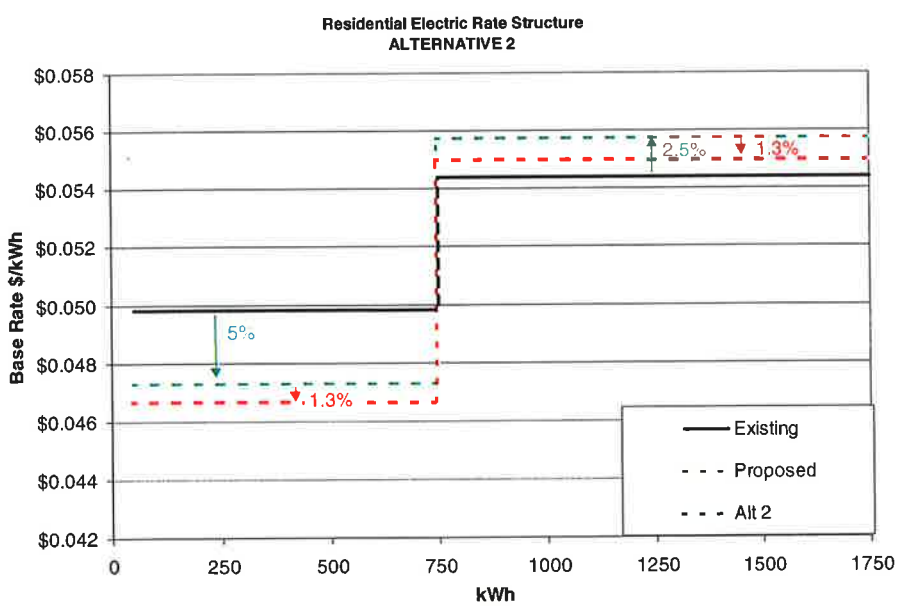

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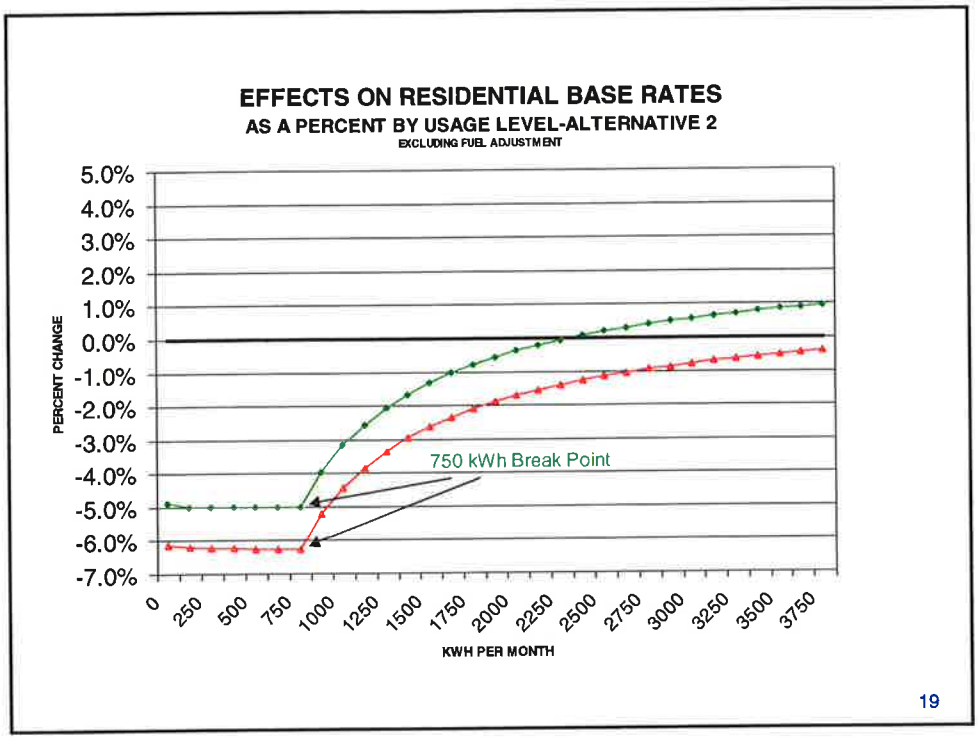
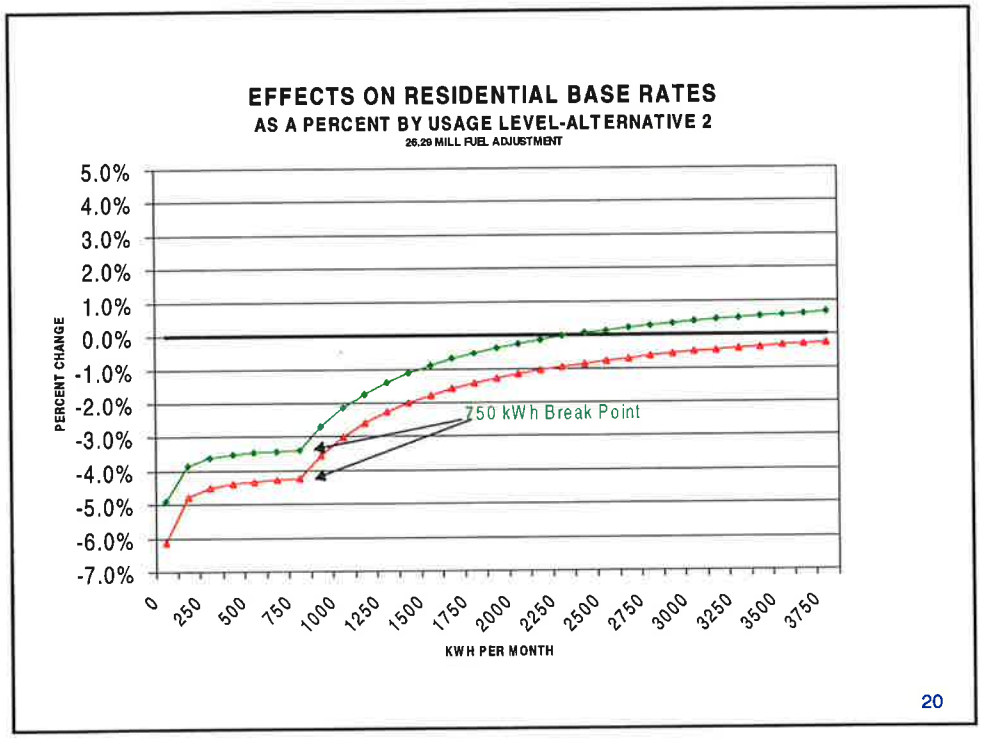

EFFECTS ON RESIDENTIAL BASE RATES
AS A PERCENT BY USAGE LEVEL-ALTERNATIVE 2
EXCLUDING FUEL ADJUSTMENT
PERCENT CHANGE
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
-5.0%
-6.0%
-7.0%
750 kWh Break Point
0
250
500
750
1000
1250
1500
1750
2000
2250
2500
2750
3000
3250
3500
3750
KWH PER MONTH
19


EFFECTS ON RESIDENTIAL BASE RATES
AS A PERCENT BY USAGE LEVEL-ALTERNATIVE 2
26.29 MILL FUEL ADJUSTMENT
PERCENT CHANGE
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
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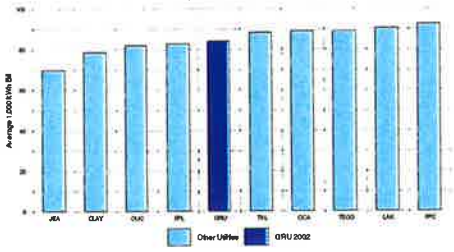
-6.0%
-7.0%
750 kWh Break Point
0
250
500
750
1000
1250
1500
1750
2000
2250
2500
2750
3000
3250
3500
3750
KWH PER MONTH
20

Existing Rates

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



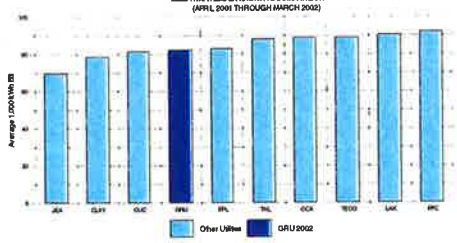
Proposed Rates

Without Loyalty Incentives

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



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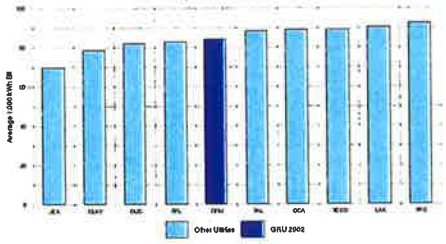
Existing Rates

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



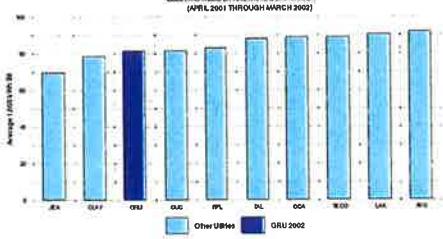
Proposed Rates

Without Loyalty Incentives-ALTERNATIVE 2

GAINESVILLE REGIONAL UTILITIES

ELECTRIC RESIDENTIAL RATE COMPARISON

(APRIL 2001 THROUGH MARCH 2002)



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RESIDENTIAL ALTERNATIVE 2 - BASE RATE COMPARISON
Block 2 >750 kWh: Across the Board Decrease of 1.34% from Proposed Rates

	Existing Rates	Alternative 2 Rates
Customer Charge	$4.90	$4.60
Energy Charge, 0-750 kWh	$0.04980	$0.04668
Energy Charge, >750 kWh	$0.05440	$0.05501

	Base Rate Charges				
Monthly kWh Usage	Existing	Alternative 2	$ Difference	% Difference	Percentage of Customers
500	$29.80	$27.94	($1.86)	-6.2%	27.7%
750	$42.25	$39.61	($2.64)	-6.2%	23.3%
1,000	***$55.85***	***$53.36***	***($2.49)***	***-4.5%***	18.8%
1,250	$69.45	$67.12	($2.33)	-3.4%	12.2%
1,500	$83.05	$80.87	($2.18)	-2.6%	7.5%
1,750	$96.65	$94.62	($2.03)	-2.1%	4.2%
2,000	$110.25	$108.37	($1.88)	-1.7%	2.5%
2,250	$123.85	$122.13	($1.72)	-1.4%	1.4%
2,500	$137.45	$135.88	($1.57)	-1.1%	0.8%
2,750	$151.05	$149.63	($1.42)	-0.9%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

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RESIDENTIAL ALTERNATIVE 2 - BILLING COMPARISON
Block 2 >750 kWh: Across the Board Decrease of 1.34% from Proposed Rates

	Existing Rates	Alternative 2 Rates
Customer Charge	$4.90	$4.60
Energy Charge, 0-750 kWh	$0.04980	$0.04668
Energy Charge, >750 kWh	$0.05440	$0.05501
Fuel Adjustment, all kWh	$0.02629	$0.02629

	Billing Amounts				
Monthly kWh Usage	Existing	Alternative 2	$ Difference	% Difference	Percentage of Customers
500	$42.95	$41.09	($1.86)	-4.3%	27.7%
750	$61.97	$59.33	($2.64)	-4.3%	23.3%
1,000	***$82.14***	***$79.65***	***($2.49)***	***-3.0%***	18.8%
1,250	$102.31	$99.98	($2.33)	-2.3%	12.2%
1,500	$122.49	$120.30	($2.18)	-1.8%	7.5%
1,750	$142.66	$140.63	($2.03)	-1.4%	4.2%
2,000	$162.83	$160.95	($1.88)	-1.2%	2.5%
2,250	$183.00	$181.28	($1.72)	-0.9%	1.4%
2,500	$203.18	$201.60	($1.57)	-0.8%	0.8%
2,750	$223.35	$221.93	($1.42)	-0.6%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

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BENEFITS OF ALTERNATIVE 2

- All Residential Customers Benefit
- Improves Res. Rate Comparison Ranking

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DISADVANTAGES OF ALTERNATIVE 2

- Depletes Residential Loyalty Program Funding Capacity
- Rate Comparison Improvement Is Less Than Alternative 1

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THE END

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Summary of Proposed Electric Rate Changes

Presentation to the Gainesville City Commission
March 25, 2002
(Errata Corrections Made)

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Our Position

- We Have Reduced Costs
- We Want to Return Savings to Our Customers
- We Want to Retain Value From Our Savings
  - Customer Retention
  - Achieve Other Public Policy Objectives

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The Proposed Plan Will

- Promote Conservation
- Improve Rate Equity
- Benefit Smaller Users the Most
- Promote Customer Retention
- Improve GRU's Competitive Ranking

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Presentation Overview

- Review Key Fundamentals
  - Customer Categories
  - Cost of Service and Market Targets
- Explore Each Rate Class
  - The New Rate Structure
  - The History of Rates and Cost of Service
  - Effects on Base Rates
  - Effects on Customer Bills
- Summarize

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Our Rate Classes

RES	-	Residential	Kilowatt-Hour Meter
GSND	-	General Service Non-Demand	Kilowatt-Hour Meter
GSD	-	General Service Demand	Demand Meter -Peak Draw -Cumulative Energy
LP	-	Large Power	Demand Meter -Peak Draw -Cumulative Energy

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Billing Elements Can Get Confusing

- Base Rate
  - Monthly Service Charge
  - Energy and Demand Charges
- Fuel Adjustment
- Customer Bill
  - All of the Above

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Revenues and Customers By Rate Class - FY 2001

Rate Class	Number of Customers	Percent of Revenue
RES	71,975	52.2%
GSND	7,613	12.6%
GSD	944	27.5%
LP	17	7.7%
TOTAL	80,549	100.0%

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Balancing Base Rate Objectives

Rate Class	Market Based	Cost-Based
RES	-2.50%	+0.91%
GSND	-8.33%	+3.53%
GSD	-17.01%	-23.64%
LP	0.00%	-11.80%

Percentage Change to Base Rate Revenue From Each Class

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RESIDENTIAL
BASE RATE PROPOSAL

- Reduce 1st Block 5.0% (0-750 KWH)
- Reduce Customer Service Charge 5.0%
- Increase 2nd Block 2.5% (>750 KWH)

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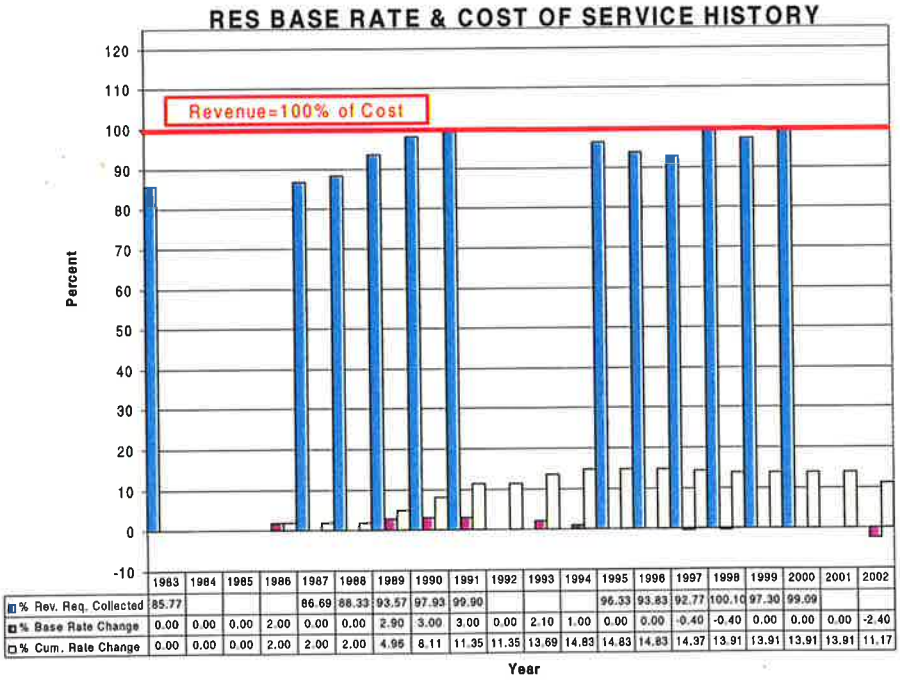
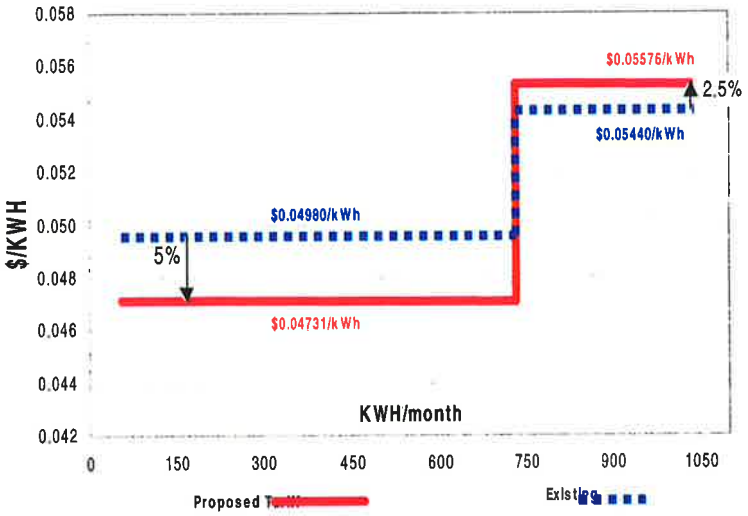


	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
% Rev. Req. Collected	85.77				86.69	88.33	93.57	97.93	99.90				96.33	93.83	92.77	100.10	97.30	99.09		
% Base Rate Change	0.00	0.00	0.00	2.00	0.00	0.00	2.90	3.00	3.00	0.00	2.10	1.00	0.00	0.00	-0.40	-0.40	0.00	0.00	0.00	-2.40
% Cum. Rate Change	0.00	0.00	0.00	2.00	2.00	2.00	4.95	8.11	11.35	11.35	13.69	14.83	14.83	14.83	14.37	13.91	13.91	13.91	13.91	11.17

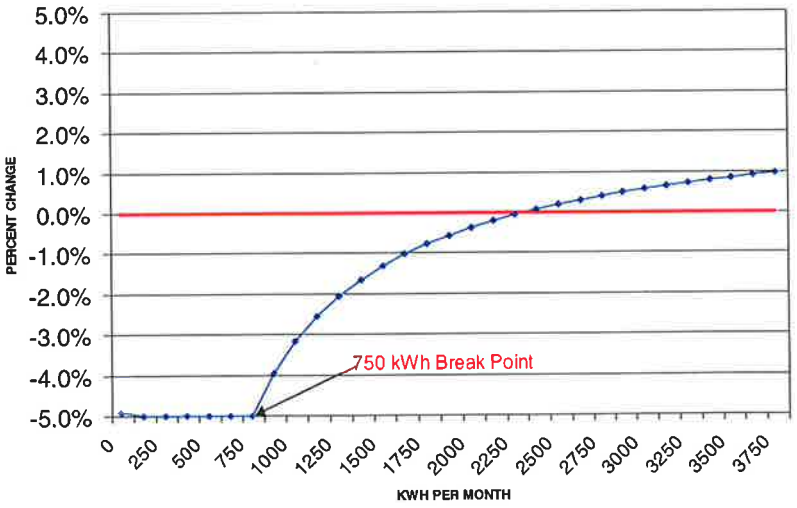
Comparison of Existing and Proposed Residential Electric Rate Structure

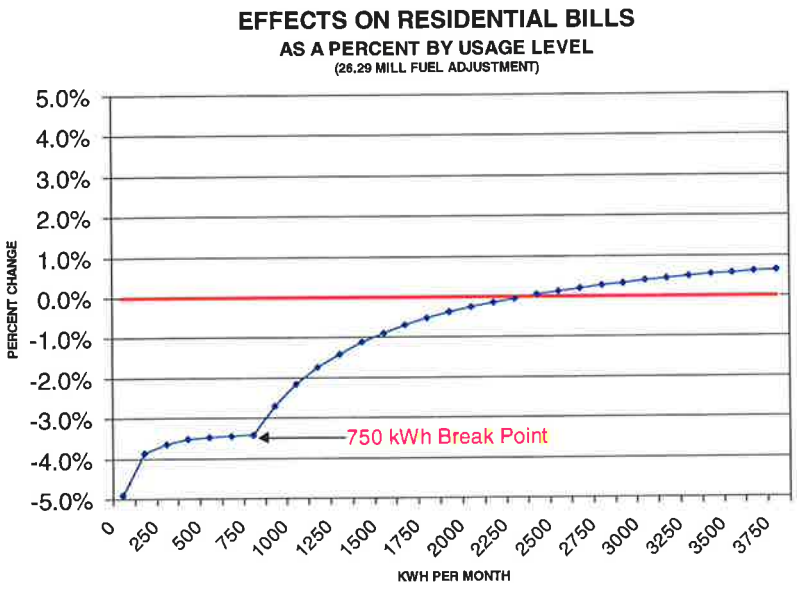


EFFECTS ON RESIDENTIAL BASE RATES

AS A PERCENT BY USAGE LEVEL

EXCLUDING FUEL ADJUSTMENT





RESIDENTIAL

	Existing Rates	Proposed Rates
Customer Charge	$4.90	$4.66
Energy Charge, 0-750 kWh	$0.04980	$0.04731
Energy Charge, >750 kWh	$0.05440	$0.05576

	Base Rate Charges				Percentage
Monthly kWh Usage	Existing	Proposed	$ Difference	% Difference	of Customers
500	$29.80	$28.32	($1.49)	-5.0%	27.7%
750	$42.25	$40.14	($2.11)	-5.0%	23.3%
1,000	***$55.85***	***$54.08***	***($1.77)***	***-3.2%***	18.8%
1,250	$69.45	$68.02	($1.43)	-2.1%	12.2%
1,500	$83.05	$81.96	($1.09)	-1.3%	7.5%
1,750	$96.65	$95.90	($0.75)	-0.8%	4.2%
2,000	$110.25	$109.84	($0.41)	-0.4%	2.5%
2,250	$123.85	$123.78	($0.07)	-0.1%	1.4%
2,500	$137.45	$137.72	$0.27	0.2%	0.8%
2,750	$151.05	$151.66	$0.61	0.4%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel

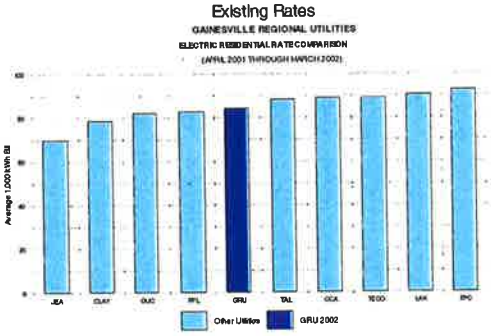
RESIDENTIAL

	Existing Rates	Proposed Rates
Customer Charge	$4.90	$4.66
Energy Charge, 0-750 kWh	$0.04980	$0.04731
Energy Charge, >750 kWh	$0.05440	$0.05576
Fuel Adjustment, all kWh	$0.02629	$0.02629

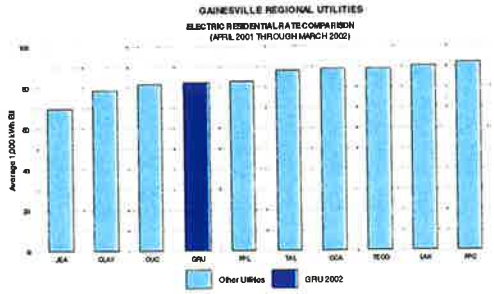
	Billing Amounts				Percentage
Monthly kWh Usage	Existing	Proposed	$ Difference	% Difference	of Customers
500	$42.95	$41.46	($1.49)	-3.5%	27.7%
750	$61.97	$59.86	($2.11)	-3.4%	23.3%
1,000	***$82.14***	***$80.37***	***($1.77)***	***-2.2%***	18.8%
1,250	$102.31	$100.89	($1.43)	-1.4%	12.2%
1,500	$122.49	$121.40	($1.09)	-0.9%	7.5%
1,750	$142.66	$141.91	($0.75)	-0.5%	4.2%
2,000	$162.83	$162.42	($0.41)	-0.3%	2.5%
2,250	$183.00	$182.94	($0.07)	0.0%	1.4%
2,500	$203.18	$203.45	$0.27	0.1%	0.8%
2,750	$223.35	$223.96	$0.61	0.3%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates



Proposed Rates
Without Loyalty Incentives



RESIDENTIAL LOYALTY PROGRAM (PHASE 2)

- Institute Loyalty Programs Equivalent to a 2.5% Base Rate Decrease*
- Program Design Pending

* 50% Participation Assumed

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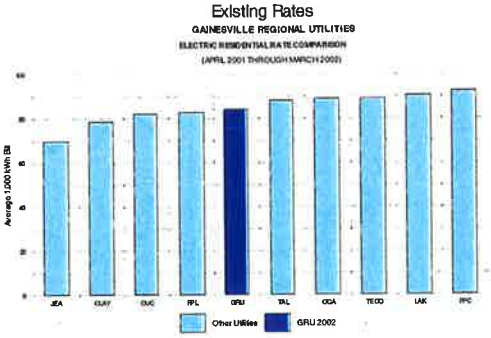
RESIDENTIAL

	Proposed Rates	With Loyalty Incentives
Customer Charge	$4.66	$4.54
Energy Charge, 0-750 kWh	$0.04731	$0.04613
Energy Charge, >750 kWh	$0.05576	$0.05437
Fuel Adjustment, all kWh	$0.02629	$0.02629

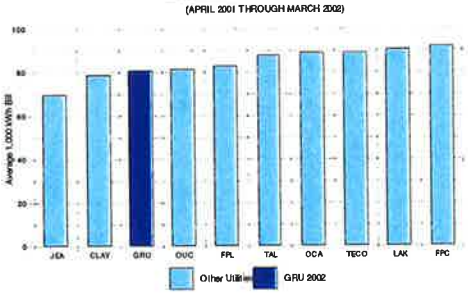
	Billing Amounts				
Monthly kWh Usage	Proposed	w/Loyalty	$ Difference	% Difference	Percentage of Customers
500	$41.46	$40.75	($0.71)	-1.7%	27.7%
750	$59.86	$58.86	($1.01)	-1.7%	23.3%
1,000	***$80.37***	***$79.02***	***($1.35)***	***-1.7%***	18.8%
1,250	$100.89	$99.19	($1.70)	-1.7%	12.2%
1,500	$121.40	$119.35	($2.05)	-1.7%	7.5%
1,750	$141.91	$139.52	($2.40)	-1.7%	4.2%
2,000	$162.42	$159.68	($2.74)	-1.7%	2.5%
2,250	$182.94	$179.85	($3.09)	-1.7%	1.4%
2,500	$203.45	$200.01	($3.44)	-1.7%	0.8%
2,750	$223.96	$220.18	($3.78)	-1.7%	1.5%
					100.0%

Fiscal Year 2001 System Averages: 950 kWh; 71,975 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates



Proposed Rates
With New Tariff and Loyalty Incentives



General Service Non-Demand Proposed Base Rate

- Establish a Two-Block Rate Structure
  Set 1st Block, 8.33% Lower (0-1500 KWH)

- Increase 2nd Block 4.0% (>1500 KWH)

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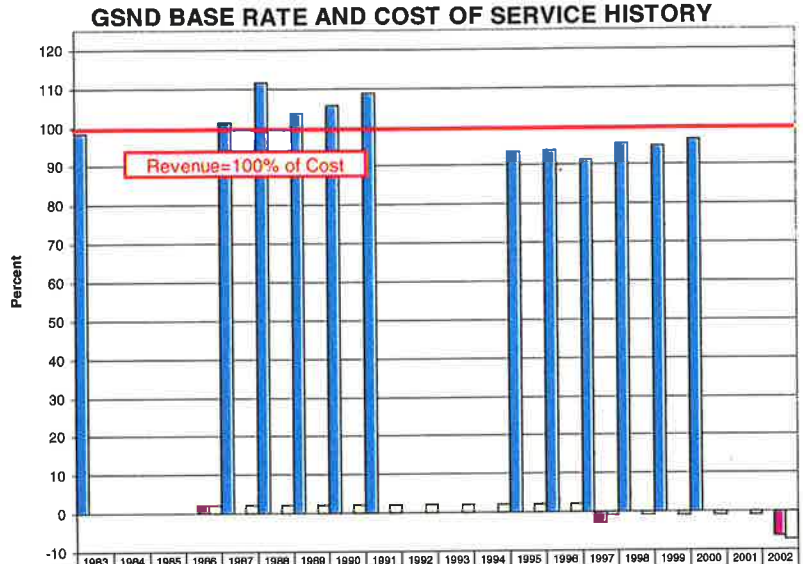
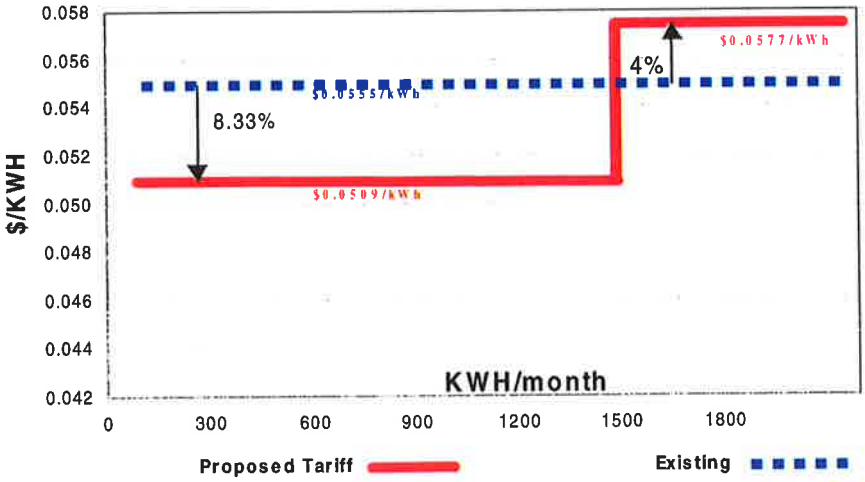
GSND BASE RATE AND COST OF SERVICE HISTORY



	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
% Rev Req Collected	98.6				101.3	111.5	103.6	105.6	108.9				93.5	93.7	91.5	95.5	94.9	96.5		
% Base Rate Change	0.0	0.0	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.9	0.0	0.0	0.0	0.0	-6.4
% Cum. Rate Change	0.0	0.0	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-1.0	-1.0	-1.0	-1.0	-1.0	-7.3

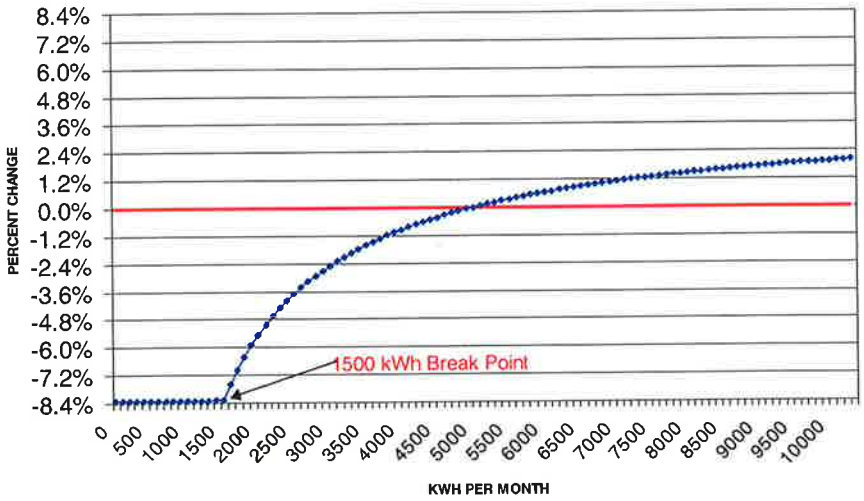
Comparison of Existing and Proposed General Service Non-Demand Electric Rate Structure



EFFECTS ON GENERAL SERVICE NON-DEMAND BILL

AS A PERCENT BY USAGE LEVEL

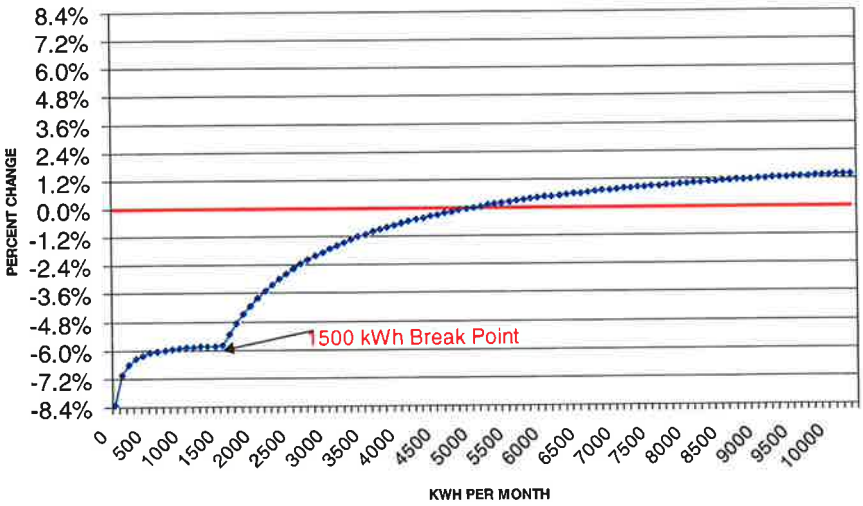
EXCLUDING FUEL ADJUSTMENT



EFFECTS ON GENERAL SERVICE NON-DEMAND BILL

AS A PERCENT BY USAGE LEVEL

(26.29 MILL FUEL ADJUSTMENT)



GENERAL SERVICE NON-DEMAND

	Existing Rates	Proposed Rates
Customer Charge	$9.13	$8.37
Energy Charge, 0-1500 kWh	$0.05550	$0.05090
Energy Charge, >1500 kWh	$0.05550	$0.05770

	Base Rate Charges				Percentage
Monthly kWh Usage	Existing	Proposed	$ Difference	% Difference	of Customers
500	$36.88	$33.82	($3.06)	-8.3%	39.1%
1,000	$64.63	$59.27	($5.36)	-8.3%	13.5%
1,500	***$92.38***	***$84.72***	***($7.66)***	***-8.3%***	10.0%
2,000	$120.13	$113.57	($6.56)	-5.5%	7.6%
2,500	$147.88	$142.42	($5.46)	-3.7%	5.3%
3,000	$175.63	$171.27	($4.36)	-2.5%	3.8%
3,500	$203.38	$200.12	($3.26)	-1.6%	3.3%
4,000	$231.13	$228.97	($2.16)	-0.9%	2.6%
4,500	$258.88	$257.82	($1.06)	-0.4%	2.2%
5,000	$286.63	$286.67	$0.04	0.0%	12.7%
					100.0%

Fiscal Year 2001 System Averages: 2,130 kWh; 7,613 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel

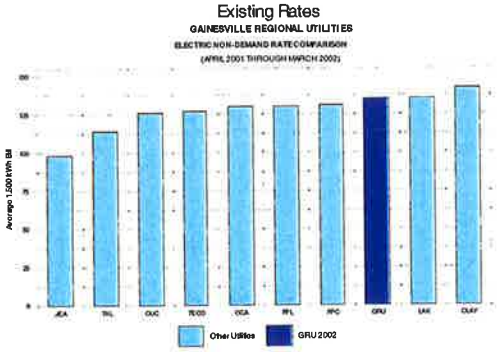
GENERAL SERVICE NON-DEMAND

	Existing Rates	Proposed Rates
Customer Charge	$9.13	$8.37
Energy Charge, 0-1500 kWh	$0.05550	$0.05090
Energy Charge, >1500 kWh	$0.05550	$0.05770
Fuel Adjustment, all kWh	$0.02629	$0.02629

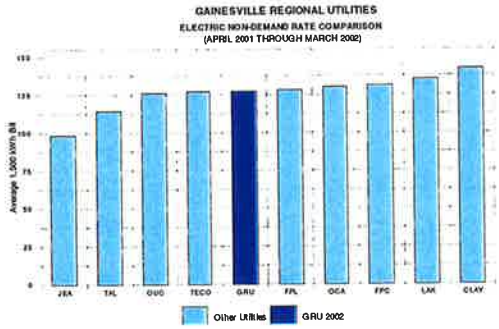
	Billing Amounts				Percentage
Monthly kWh Usage	Existing	Proposed	$ Difference	% Difference	of Customers
500	$50.03	$46.97	($3.06)	-6.1%	39.1%
1,000	$90.92	$85.56	($5.36)	-5.9%	13.5%
1,500	***$131.82***	***$124.16***	***($7.66)***	***-5.8%***	10.0%
2,000	$172.71	$166.15	($6.56)	-3.8%	7.6%
2,500	$213.61	$208.15	($5.46)	-2.6%	5.3%
3,000	$254.50	$250.14	($4.36)	-1.7%	3.8%
3,500	$295.40	$292.14	($3.26)	-1.1%	3.3%
4,000	$336.29	$334.13	($2.16)	-0.6%	2.6%
4,500	$377.19	$376.13	($1.06)	-0.3%	2.2%
5,000	$418.08	$418.12	$0.04	0.0%	12.7%
					100.0%

Fiscal Year 2001 System Averages: 2,130 kWh; 7,613 Customers
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates



Proposed Rates
Without Loyalty Incentives

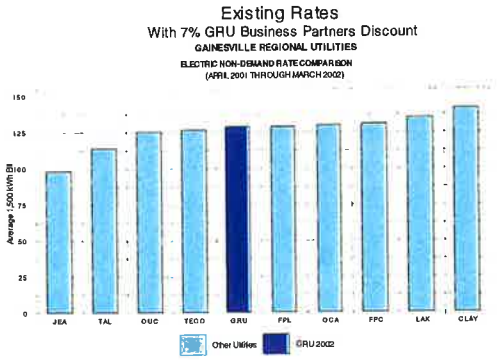


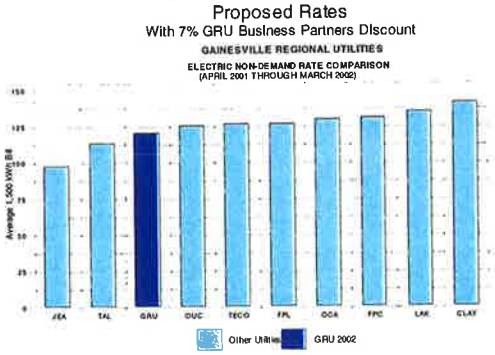
GENERAL SERVICE NON-DEMAND (with Business Partners Participation)

	Existing with 7% B.P.	Proposed with 7% B.P.
Customer Charge	$8.49	$7.78
Energy Charge, 0-1500 kWh	$0.05162	$0.04734
Energy Charge, >1500 kWh	$0.05162	$0.05366
Fuel Adjustment, all kWh	$0.02629	$0.02629

	Billing Amounts				Percentage
Monthly kWh Usage	Exist. (7%)	Prop. (7%)	$ Difference	% Difference	of Customers
500	$47.45	$44.60	($2.85)	-6.0%	39.1%
1,000	$86.40	$81.41	($4.99)	-5.8%	13.5%
1,500	***$125.36***	***$118.23***	***($7.13)***	***-5.7%***	10.0%
2,000	$164.31	$158.20	($6.11)	-3.7%	7.6%
2,500	$203.27	$198.18	($5.09)	-2.5%	5.3%
3,000	$242.22	$238.15	($4.07)	-1.7%	3.8%
3,500	$281.18	$278.13	($3.05)	-1.1%	3.3%
4,000	$320.13	$318.10	($2.03)	-0.6%	2.6%
4,500	$359.09	$358.08	($1.01)	-0.3%	2.2%
5,000	$398.04	$398.05	$0.01	0.0%	12.7%
					100.0%

Fiscal Year 2001 System Averages: 2,130 kWh; 7,613 Customers
Industry Rate Comparison Level Shown in ***italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment





GENERAL SERVICE DEMAND: Base Rate Proposal Phase 1

- Decrease Base Rates 9.5% As Follows:

  $/KWD 4.66 To 5.35 (14.8%)

  $/KWH 0.0340 To .0280 (-17.6%)

- Increase Business Partners Discount From 7% to 10% In Exchange For Additional Term

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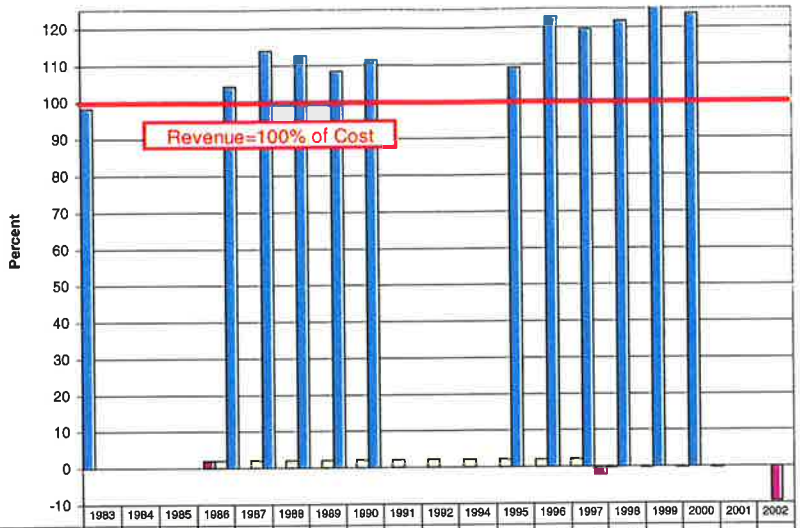
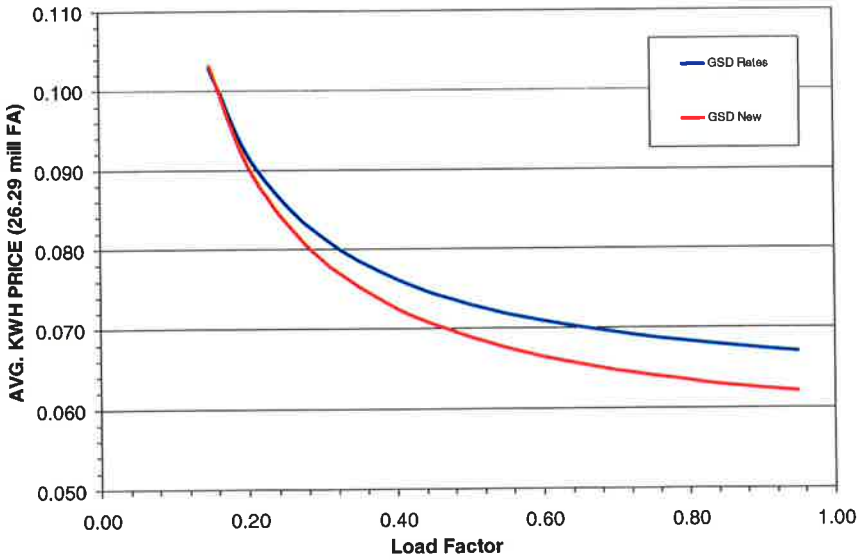
GSD BASE RATE & COST OF SERVICE HISTORY



	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1994	1995	1996	1997	1998	1999	2000	2001	2002
% Rev. Req. Collected	98.36				104.3	114	112.6	108.5	111.4			109.2	122.8	119.5	121.7	126	123.6		
% Base Rate Change	0.00	0.00	0.00	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2.20	0.00	0.00	0.00	0.00	-9.51
% Cum. Rate Change	0.00	0.00	0.00	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	-0.15	-0.15	-0.15	-0.15		

Year

AVERAGE GSD KWH COST FOR DIFFERENT LOAD FACTORS (PHASE 1)



GENERAL SERVICE DEMAND
Phase 1

	Existing Rates	Proposed Rates
Customer Charge ($/month)	$15.82	$15.82
Demand Charge ($/kW/month)	$4.66	$5.35
Energy Charge ($/kWh)	$0.03400	$0.02800

Monthly kW	Monthly kWh	Base Rate Charges Existing	Proposed	$ Difference	% Difference	Load Factor
55	30,000	$1,292.12	$1,150.07	($142.05)	-11.0%	74.7%
65	30,000	$1,338.72	$1,203.57	($135.15)	-10.1%	63.2%
75	***30,000***	***$1,385.32***	***$1,257.07***	***($128.25)***	***-9.3%***	54.8%
85	30,000	$1,431.92	$1,310.57	($121.35)	-8.5%	48.3%
95	30,000	$1,478.52	$1,364.07	($114.45)	-7.7%	43.3%
105	30,000	$1,525.12	$1,417.57	($107.55)	-7.1%	39.1%
115	30,000	$1,571.72	$1,471.07	($100.65)	-6.4%	35.7%
125	30,000	$1,618.32	$1,524.57	($93.75)	-5.8%	32.9%
135	30,000	$1,664.92	$1,578.07	($86.85)	-5.2%	30.4%
145	30,000	$1,711.52	$1,631.57	($79.95)	-4.7%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel

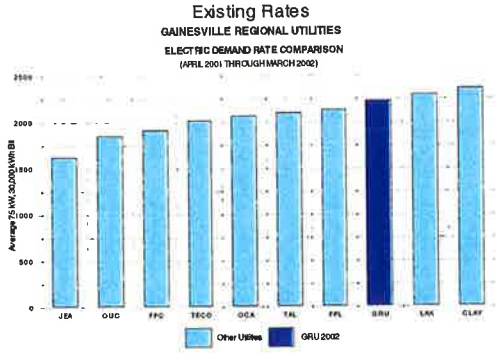
GENERAL SERVICE DEMAND
Phase 1

	Existing Rates	Proposed Rates
Customer Charge ($/month)	$15.82	$15.82
Demand Charge ($/kW/month)	$4.66	$5.35
Energy Charge ($/kWh)	$0.03400	$0.02800
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

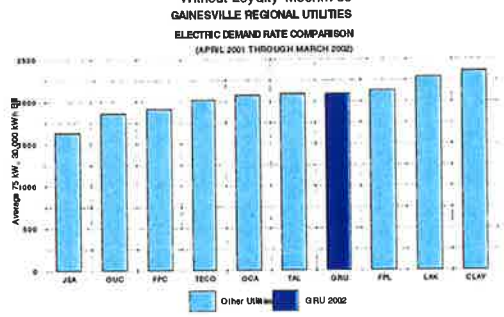
Monthly kW	Monthly kWh	Billing Amounts Existing	Proposed	$ Difference	% Difference	Load Factor
55	30,000	$2,080.82	$1,938.77	($142.05)	-6.8%	74.7%
65	30,000	$2,127.42	$1,992.27	($135.15)	-6.4%	63.2%
75	***30,000***	***$2,174.02***	***$2,045.77***	***($128.25)***	***-5.9%***	54.8%
85	30,000	$2,220.62	$2,099.27	($121.35)	-5.5%	48.3%
95	30,000	$2,267.22	$2,152.77	($114.45)	-5.0%	43.3%
105	30,000	$2,313.82	$2,206.27	($107.55)	-4.6%	39.1%
115	30,000	$2,360.42	$2,259.77	($100.65)	-4.3%	35.7%
125	30,000	$2,407.02	$2,313.27	($93.75)	-3.9%	32.9%
135	30,000	$2,453.62	$2,366.77	($86.85)	-3.5%	30.4%
145	30,000	$2,500.22	$2,420.27	($79.95)	-3.2%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates



Proposed Rates Phase 1
Without Loyally Incentives



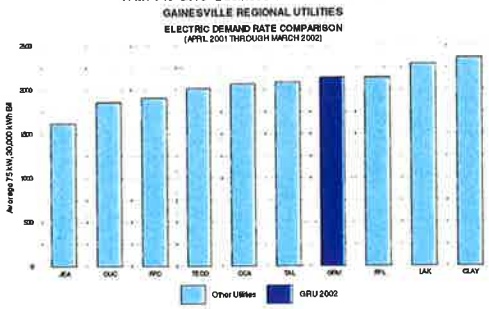
GENERAL SERVICE DEMAND (with Business Partners Participation)
Phase 1

	Existing with 7% B.P.	Proposed with 7% B.P.
Customer Charge ($/month)	$14.71	$14.71
Demand Charge ($/kW/month)	$4.33	$4.98
Energy Charge ($/kWh)	$0.03162	$0.02604
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

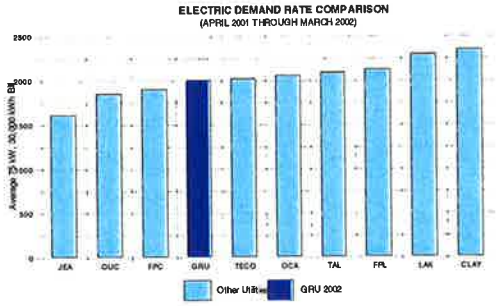
Monthly kW	Monthly kWh	Billing Amounts Exist. (7%)	Prop. (7%)	$ Difference	% Difference	Load Factor
55	30,000	$1,990.16	$1,858.51	($131.65)	-6.6%	74.7%
65	30,000	$2,033.46	$1,908.31	($125.15)	-6.2%	63.2%
75	***30,000***	***$2,076.76***	***$1,958.11***	***($118.65)***	***-5.7%***	54.8%
85	30,000	$2,120.06	$2,007.91	($112.15)	-5.3%	48.3%
95	30,000	$2,163.36	$2,057.71	($105.65)	-4.9%	43.3%
105	30,000	$2,206.66	$2,107.51	($99.15)	-4.5%	39.1%
115	30,000	$2,249.96	$2,157.31	($92.65)	-4.1%	35.7%
125	30,000	$2,293.26	$2,207.11	($86.15)	-3.8%	32.9%
135	30,000	$2,336.56	$2,256.91	($79.65)	-3.4%	30.4%
145	30,000	$2,379.86	$2,306.71	($73.15)	-3.1%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown In ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates
With 7% GRU Business Partners Discount



Proposed Rates Phase 1
With 7% GRU Business Partners Discount



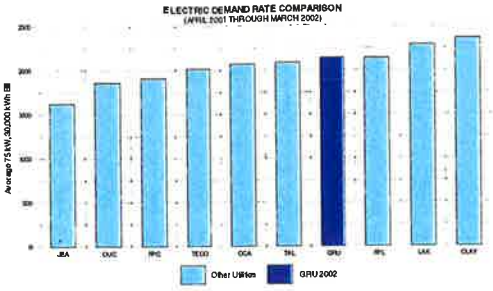
GENERAL SERVICE DEMAND (with Business Partners Participation)
Phase 1

	Existing with 7% B.P.	Proposed with 10% B.P.
Customer Charge ($/month)	$14.71	$14.24
Demand Charge ($/kW/month)	$4.33	$4.82
Energy Charge ($/kWh)	$0.03162	$0.02520
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

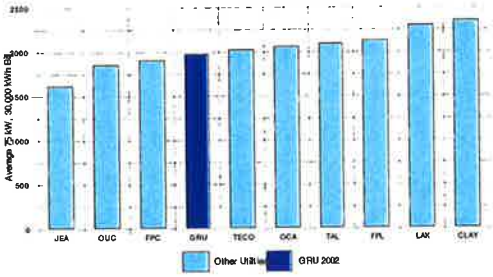
Monthly kW	Monthly kWh	Billing Amounts Exist. (7%)	Prop. (10%)	$ Difference	% Difference	Load Factor
55	30,000	$1,990.16	$1,824.04	($166.12)	-8.3%	74.7%
65	30,000	$2,033.46	$1,872.24	($161.22)	-7.9%	63.2%
75	***30,000***	***$2,076.76***	***$1,920.44***	***($156.32)***	***-7.5%***	54.8%
85	30,000	$2,120.06	$1,968.64	($151.42)	-7.1%	48.3%
95	30,000	$2,163.36	$2,016.84	($146.52)	-6.8%	43.3%
105	30,000	$2,206.66	$2,065.04	($141.62)	-6.4%	39.1%
115	30,000	$2,249.96	$2,113.24	($136.72)	-6.1%	35.7%
125	30,000	$2,293.26	$2,161.44	($131.82)	-5.7%	32.9%
135	30,000	$2,336.56	$2,209.64	($126.92)	-5.4%	30.4%
145	30,000	$2,379.86	$2,257.84	($122.02)	-5.1%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates
With 7% GRU Business Partners Discount
GAINESVILLE REGIONAL UTILITIES
ELECTRIC DEMAND RATE COMPARISON
(APRIL 2001 THROUGH MARCH 2002)



Proposed Rates Phase 1
With 10% GRU Business Partners Discount
GAINESVILLE REGIONAL UTILITIES
ELECTRIC DEMAND RATE COMPARISON
(APRIL 2001 THROUGH MARCH 2002)

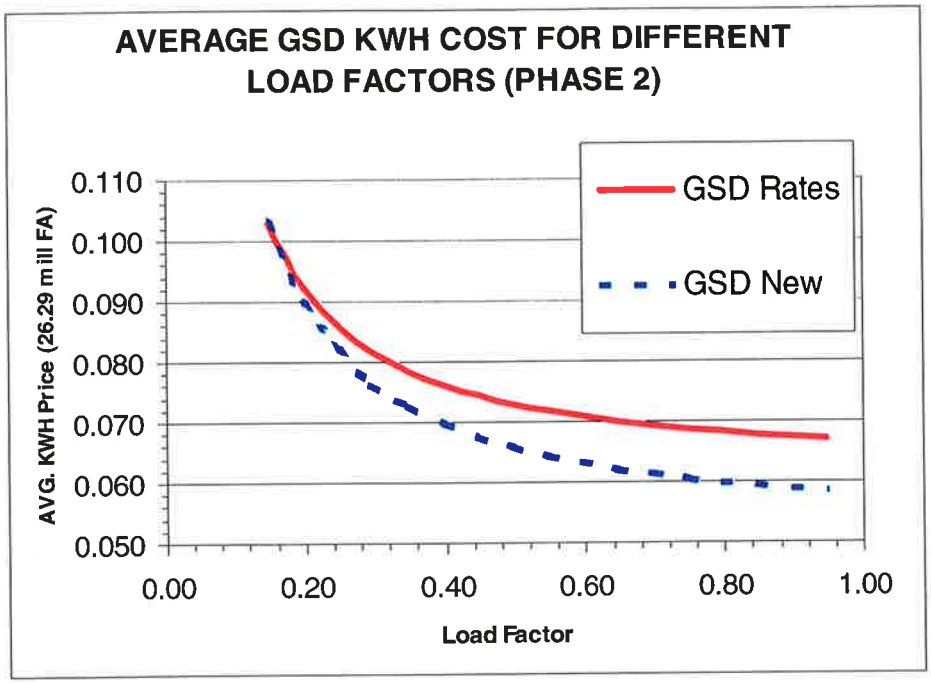


GENERAL SERVICE DEMAND: Base Rate Proposal Phase 2

- Additional Rate Changes

$/KWD	5.35 to 5.75 (+7.5%)
$/KWH	.0280 to .0240 (-14.2%)

GRU More than Energy



GENERAL SERVICE DEMAND
Phase 2

	Phase 1 Rates	Phase 2 Rates
Customer Charge ($/month)	$15.82	$15.82
Demand Charge ($/kW/month)	$5.35	$5.75
Energy Charge ($/kWh)	$0.02800	$0.02400

Monthly kW	Monthly kWh	Base Rate Charges Phase 1	Phase 2	$ Difference	% Difference	Load Factor
55	30,000	$1,150.07	$1,052.07	($98.00)	-8.5%	74.7%
65	30,000	$1,203.57	$1,109.57	($94.00)	-7.8%	63.2%
75	***30,000***	***$1,257.07***	***$1,167.07***	***($90.00)***	***-7.2%***	54.8%
85	30,000	$1,310.57	$1,224.57	($86.00)	-6.6%	48.3%
95	30,000	$1,364.07	$1,282.07	($82.00)	-6.0%	43.3%
105	30,000	$1,417.57	$1,339.57	($78.00)	-5.5%	39.1%
115	30,000	$1,471.07	$1,397.07	($74.00)	-5.0%	35.7%
125	30,000	$1,524.57	$1,454.57	($70.00)	-4.6%	32.9%
135	30,000	$1,578.07	$1,512.07	($66.00)	-4.2%	30.4%
145	30,000	$1,631.57	$1,569.57	($62.00)	-3.8%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel

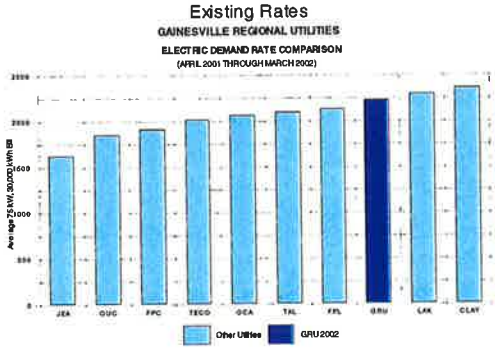
GENERAL SERVICE DEMAND
Phase 2

	Phase 1 Rates	Phase 2 Rates
Customer Charge ($/month)	$15.82	$15.82
Demand Charge ($/kW/month)	$5.35	$5.75
Energy Charge ($/kWh)	$0.02800	$0.02400
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

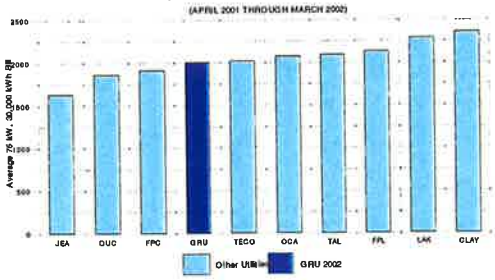
Monthly kW	Monthly kWh	Billing Amounts Phase 1	Phase 2	$ Difference	% Difference	Load Factor
55	30,000	$1,938.77	$1,840.77	($98.00)	-5.1%	74.7%
65	30,000	$1,992.27	$1,898.27	($94.00)	-4.7%	63.2%
75	***30,000***	***$2,045.77***	***$1,955.77***	***($90.00)***	***-4.4%***	54.8%
85	30,000	$2,099.27	$2,013.27	($86.00)	-4.1%	48.3%
95	30,000	$2,152.77	$2,070.77	($82.00)	-3.8%	43.3%
105	30,000	$2,206.27	$2,128.27	($78.00)	-3.5%	39.1%
115	30,000	$2,259.77	$2,185.77	($74.00)	-3.3%	35.7%
125	30,000	$2,313.27	$2,243.27	($70.00)	-3.0%	32.9%
135	30,000	$2,366.77	$2,300.77	($66.00)	-2.8%	30.4%
145	30,000	$2,420.27	$2,358.27	($62.00)	-2.6%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates



Proposed Rates Phase 2
Without Loyalty Incentives



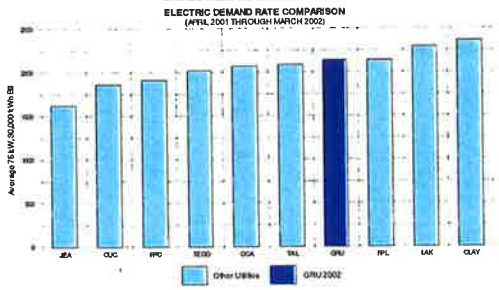
GENERAL SERVICE DEMAND (with Business Partners Participation)
Phase 2

	Phase 1 with 7% B.P.	Phase 2 with 7% B.P.
Customer Charge ($/month)	$14.71	$14.71
Demand Charge ($/kW/month)	$4.98	$5.35
Energy Charge ($/kWh)	$0.02604	$0.02232
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

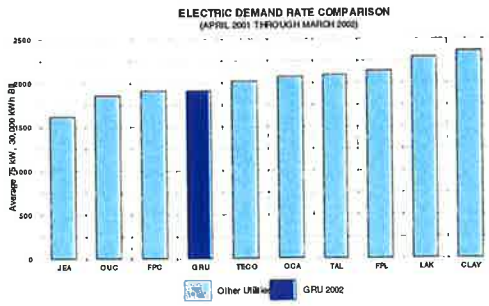
Monthly kW	Monthly kWh	Billing Amounts Phase1 (7%)	Phase2 (7%)	$ Difference	% Difference	Load Factor
55	30,000	$1,858.51	$1,767.26	($91.25)	-4.9%	74.7%
65	30,000	$1,908.31	$1,820.76	($87.55)	-4.6%	63.2%
75	***30,000***	***$1,958.11***	***$1,874.26***	***($83.85)***	***-4.3%***	54.8%
85	30,000	$2,007.91	$1,927.76	($80.15)	-4.0%	48.3%
95	30,000	$2,057.71	$1,981.26	($76.45)	-3.7%	43.3%
105	30,000	$2,107.51	$2,034.76	($72.75)	-3.5%	39.1%
115	30,000	$2,157.31	$2,088.26	($69.05)	-3.2%	35.7%
125	30,000	$2,207.11	$2,141.76	($65.35)	-3.0%	32.9%
135	30,000	$2,256.91	$2,195.26	($61.65)	-2.7%	30.4%
145	30,000	$2,306.71	$2,248.76	($57.95)	-2.5%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates
With 7% GRU Business Partners Discount



Proposed Rates
With 7% GRU Business Partners Discount



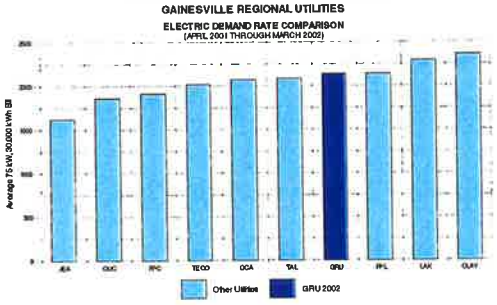
GENERAL SERVICE DEMAND (with Business Partners Participation)
Phase 2

	Phase 1 with 10% B.P.	Phase 2 with 10% B.P.
Customer Charge ($/month)	$14.24	$14.24
Demand Charge ($/kW/month)	$4.82	$5.18
Energy Charge ($/kWh)	$0.02520	$0.02160
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

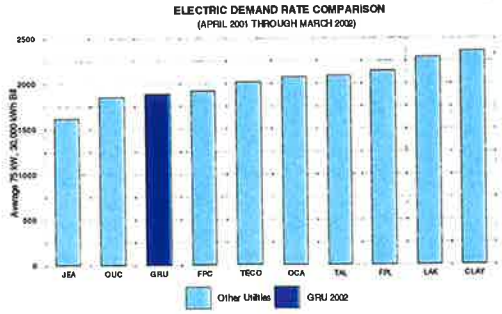
Monthly kW	Monthly kWh	Billing Amounts Phase1 (10%)	Phase2 (10%)	$ Difference	% Difference	Load Factor
55	30,000	$1,824.04	$1,735.84	($88.20)	-4.8%	74.7%
65	30,000	$1,872.24	$1,787.64	($84.60)	-4.5%	63.2%
75	***30,000***	***$1,920.44***	***$1,839.44***	***($81.00)***	***-4.2%***	54.8%
85	30,000	$1,968.64	$1,891.24	($77.40)	-3.9%	48.3%
95	30,000	$2,016.84	$1,943.04	($73.80)	-3.7%	43.3%
105	30,000	$2,065.04	$1,994.84	($70.20)	-3.4%	39.1%
115	30,000	$2,113.24	$2,046.64	($66.60)	-3.2%	35.7%
125	30,000	$2,161.44	$2,098.44	($63.00)	-2.9%	32.9%
135	30,000	$2,209.64	$2,150.24	($59.40)	-2.7%	30.4%
145	30,000	$2,257.84	$2,202.04	($55.80)	-2.5%	28.3%

Fiscal Year 2001 System Averages: 44,587 kWh; 115 kW; 944 Customers
GRU Cost of Service Load Factor = 57.0%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel

Existing Rates
With 7% GRU Business Partners Discount



Proposed Rates
With 10% GRU Business Partners Discount



LARGE POWER: BASE RATE PROPOSAL

- Change Base Rates As Follows:

  $/KWD 4.00 To 5.25 (31.25%)

  $/KWH 0.271 To .0235 (-13.3%)

- Increase Business Partners Discount From 10% to 13% In Exchange For Additional Term

GRU More than Energy

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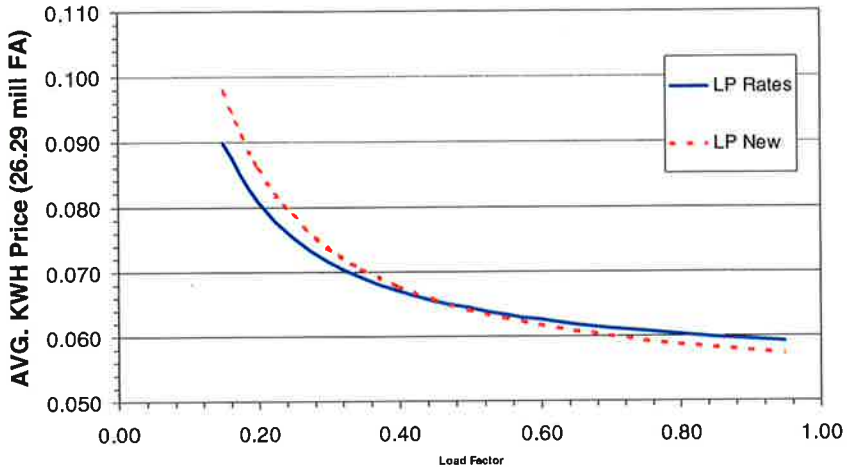
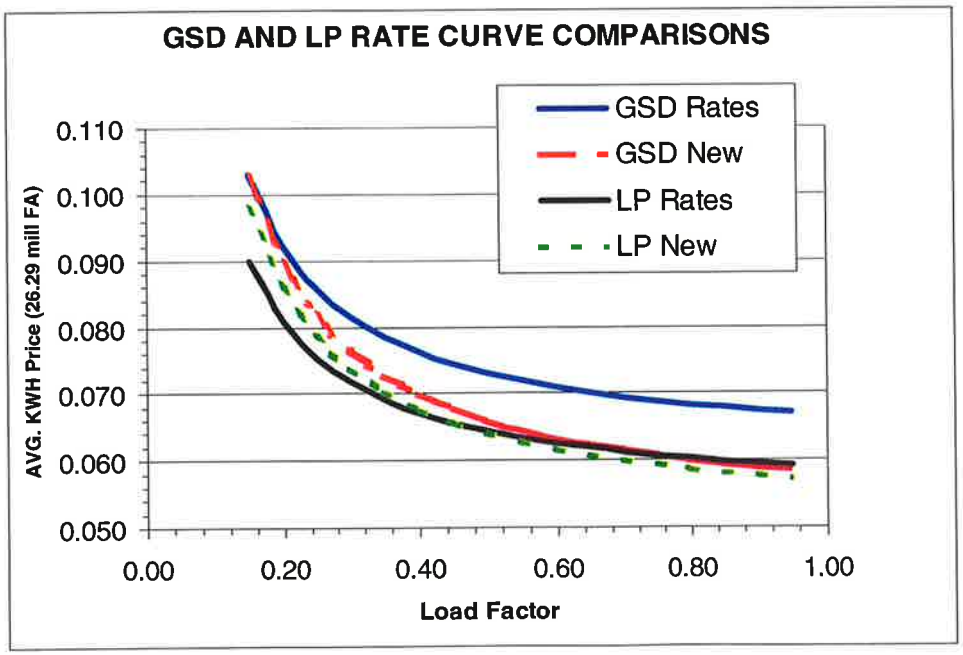
LP BASE RATE & COST OF SERVICE HISTORY

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1994	1995	1996	1997	1998	1999	2000	2001	2002
% Rev. Req. Collected	95.75				98.12	104.3	101.5	101.4	103.9			99.47	112.7	109.6	107	113.4	111.8		
% Base Rate Change	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-4.00	0.00	0.00	0.00	0.00	-1.30
%Cum. Rate Change	0.00	0.00	0.00	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	-2.18	-2.18	-2.18	-2.18	-2.18	-3.45

Year

AVERAGE LP COST FOR DIFFERENT LOAD FACTORS





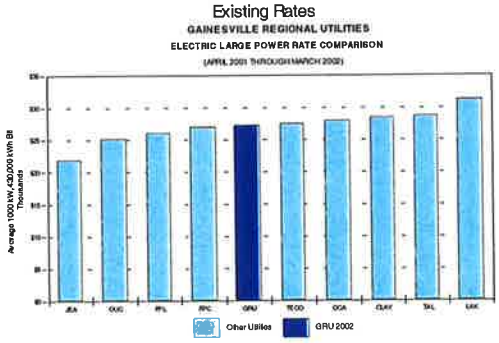
LARGE POWER

	Existing Rates	Proposed Rates
Customer Charge ($/month)	$60.84	$60.84
Demand Charge ($/kW/month)	$4.00	$5.25
Energy Charge ($/kWh)	$0.02710	$0.02350
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

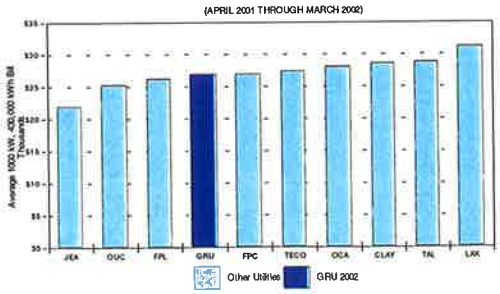
Monthly kW	Monthly kWh	Billing Amounts Existing	Proposed	$ Difference	% Difference	Load Factor
700	430,000	$25,818.54	$25,145.54	($673.00)	-2.6%	84.1%
800	430,000	$26,218.54	$25,670.54	($548.00)	-2.1%	73.6%
900	430,000	$26,618.54	$26,195.54	($423.00)	-1.6%	65.4%
1,000	***430,000***	***$27,018.54***	***$26,720.54***	***($298.00)***	***-1.1%***	58.9%
1,100	430,000	$27,418.54	$27,245.54	($173.00)	-0.6%	53.5%
1,200	430,000	$27,818.54	$27,770.54	($48.00)	-0.2%	49.1%
1,300	430,000	$28,218.54	$28,295.54	$77.00	0.3%	45.3%
1,400	430,000	$28,618.54	$28,820.54	$202.00	0.7%	42.1%
1,500	430,000	$29,018.54	$29,345.54	$327.00	1.1%	39.3%
1,600	430,000	$29,418.54	$29,870.54	$452.00	1.5%	36.8%

Fiscal Year 2001 System Averages: 844,264 kWh; 1,661 kW; 17 Customers
GRU Cost of Service Load Factor = 63.8%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates



Proposed Rates
Without Loyalty Incentives



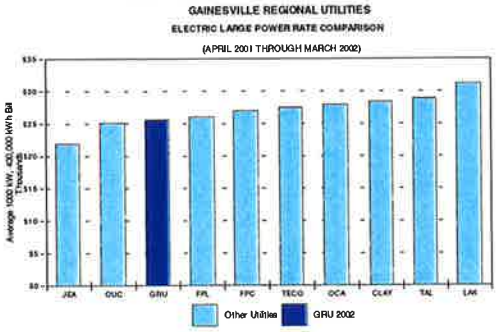
LARGE POWER (with Business Partners Participation)

	Existing with 10% B.P.	Proposed with 10% B.P.
Customer Charge ($/month)	$54.76	$54.76
Demand Charge ($/kW/month)	$3.60	$4.73
Energy Charge ($/kWh)	$0.02439	$0.02115
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

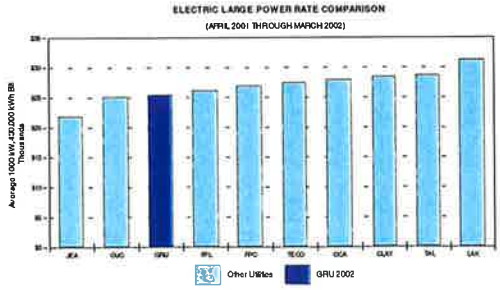
Monthly kW	Monthly kWh	Billing Amounts Exist. (10%)	Prop. (13%)	$ Difference	% Difference	Load Factor
700	430,000	$24,367.16	$23,761.46	($605.70)	-2.5%	84.1%
800	430,000	$24,727.16	$24,233.96	($493.20)	-2.0%	73.6%
900	430,000	$25,087.16	$24,706.46	($380.70)	-1.5%	65.4%
1000	***430,000***	***$25,447.16***	***$25,178.96***	***($268.20)***	***-1.1%***	58.9%
1100	430,000	$25,807.16	$25,651.46	($155.70)	-0.6%	53.5%
1200	430,000	$26,167.16	$26,123.96	($43.20)	-0.2%	49.1%
1300	430,000	$26,527.16	$26,596.46	$69.30	0.3%	45.3%
1400	430,000	$26,887.16	$27,068.96	$181.80	0.7%	42.1%
1500	430,000	$27,247.16	$27,541.46	$294.30	1.1%	39.3%
1600	430,000	$27,607.16	$28,013.96	$406.80	1.5%	36.8%

Fiscal Year 2001 System Averages: 844,264 kWh; 1,661 kW; 17 Customers
GRU Cost of Service Load Factor = 63.8%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates
With 10% GRU Business Partners Discount



Proposed Rates
With 10% GRU Business Partners Discount



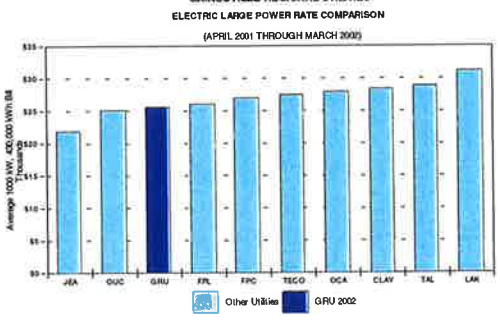
LARGE POWER (with Business Partners Participation)

	Existing with 10% B.P.	Proposed with 13% B.P.
Customer Charge ($/month)	$54.76	$52.93
Demand Charge ($/kW/month)	$3.60	$4.57
Energy Charge ($/kWh)	$0.02439	$0.02045
Fuel Adjustment ($/kWh)	$0.02629	$0.02629

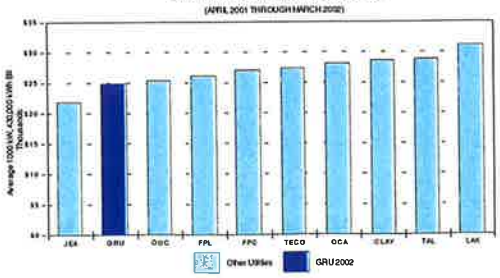
Monthly kW	Monthly kWh	Billing Amounts Exist. (10%)	Prop. (13%)	$ Difference	% Difference	Load Factor
700	430,000	$24,367.16	$23,348.38	($1,018.78)	-4.2%	84.1%
800	430,000	$24,727.16	$23,805.13	($922.03)	-3.7%	73.6%
900	430,000	$25,087.16	$24,261.88	($825.28)	-3.3%	65.4%
1000	***430,000***	***$25,447.16***	***$24,718.63***	***($728.53)***	***-2.9%***	58.9%
1100	430,000	$25,807.16	$25,175.38	($631.78)	-2.4%	53.5%
1200	430,000	$26,167.16	$25,632.13	($535.03)	-2.0%	49.1%
1300	430,000	$26,527.16	$26,088.88	($438.28)	-1.7%	45.3%
1400	430,000	$26,887.16	$26,545.63	($341.53)	-1.3%	42.1%
1500	430,000	$27,247.16	$27,002.38	($244.78)	-0.9%	39.3%
1600	430,000	$27,607.16	$27,459.13	($148.03)	-0.5%	36.8%

Fiscal Year 2001 System Averages: 844,264 kWh; 1,661 kW; 17 Customers
GRU Cost of Service Load Factor = 63.8%
Industry Rate Comparison Level Shown in ***Italics***
Base Rate Charges Include $0.0065/kWh Embedded Fuel Plus $0.02629/kWh Fuel Adjustment

Existing Rates
With 10% GRU Business Partners Discount



Proposed Rates
With 13% GRU Business Partners Discount



Summary of Revenue Reductions

Rate Class	Phase 1 Tariff	Phase 2 Tariff	Total Plan
RES	2.63%	0.00%	2.63%
GSND	1.67%	0.00%	1.67%
GSD	9.51%	7.37%	16.18%
LP	2.56%	0.00%	2.56%
Total	4.25%	1.78%	5.96%

GRU More than Energy

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Summary of Business Partners Program

Rate Class	Current BP Discount	Percent of Revenue March '01	Current Percent of Revenue	Target Percent of Revenue
RES	0%	0%	0%	50%
GSND	7%	26%	29%	50%
GSD	7%	58%	77%	75%
LP	10%	100%	100%	100%

GRU More than Energy

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SUMMARY

- Return Cost Savings To Customers With A Plan That Will:
  - Promote Conservation
  - Improve Rate Equity
  - Benefit Smaller Users The Most
  - Promote Customer Retention
  - Improve GRU's Ranking In Rate Comparisons

GRU More than Energy

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THE END

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GRU More than Energy

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ORDINANCE NO. _____
0-02-11

AN ORDINANCE AMENDING APPENDIX A, SECTION UTILITIES (1) ELECTRICITY OF THE GAINESVILLE CODE OF ORDINANCES BY REVISING THE RATES AND CHARGES FOR ELECTRICITY; CREATING AN INVERTED BLOCK RATE FOR THE GENERAL SERVICE NONDEMAND CLASS; ELIMINATING TRANSMISSION SERVICE RATES; AND ELIMINATING THE POWER CORRECTION FACTOR; PROVIDING A REPEALING CLAUSE; PROVIDING DIRECTIONS TO THE CODIFIER; PROVIDING A SEVERABILITY CLAUSE; AND, PROVIDING AN EFFECTIVE DATE IN ACCORDANCE WITH THE SCHEDULE PROVIDED HEREIN.

WHEREAS, at least ten (10) days notice has been given of the public hearings once by publication in a newspaper of general circulation notifying the public of this proposed ordinance and of the public hearings in the City Commission meeting room, first floor, City Hall, City of Gainesville; and

WHEREAS, the public hearings were held pursuant to the published notices described above at which hearings in the parties in interest and all others had an opportunity to be and were, in fact, heard.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA:

Section 1. Appendix A, Section Utilities(1) Electricity of the Gainesville Code of Ordinances is hereby amended to read as follows:

CODE: Words ~~stricken~~ are deletions; words <u>underlined</u> are additions.

(1) *Electricity*

a. Reserved.

b. Reserved.

c. Additional monthly billing charge for meter read by consumer (§ 27-8(b)) ..... $ 1.00

d. General Service, Time-of-Demand meter installation (§ 27-21) ..... $ 200.00

e. Breaking of meter-pan seal (§ 27-26.2(e)) ..... $ 10.00

f. Residential service rates (§ 27-27):

1. Base rate. The rates to be charged and collected for electric energy furnished by the city to consumers for residential service are hereby fixed as follows:

(i) Non-time-differentiated rate. All residential customers may elect service at this rate:

(A) Customer charge, per month	$ ~~4.90~~	4.66
(B) First 750 kilowatt hours per month, per kWh	~~$0.0498~~	
Generation	$0.02500	
Transmission	$0.00220	
Distribution	$0.02011	
Total, per kWh	$0.04731	
(C) All kWh per month over 750, per kWh	~~$0.0544~~	
Generation charge	$0.02500	
Transmission charge	$0.00305	
Distribution charge	$0.02771	
Total charge, per kWh	$0.05576	

(ii) Time-of-use rate. All residential customers may elect service at this rate, except that the city may, at its option, limit the number of customers and type of residences which will be served at this rate.

(A) Customer charge, per month	$ ~~8.27~~	7.86

Note: The time-of-use rate customer charge includes a base customer charge of $4.90 per month and an additional charge of $3.37 per month time-of-use meter charge.

(B) Energy charge:

All energy used on-peak, per kWh	$ ~~0.1047~~	0.0988
All energy used off-peak, per kWh	$ ~~0.0305~~	0.0290

Note: To calculate the true ratio of on-peak to off-peak energy costs, the fuel adjustment per kWh should be added to the above-stated energy charges. Peak periods shall be as follows:

Summer peaks: May 15 through October 15, 12:00 noon through 9:00 p.m., weekends and holidays included.

Winter peaks: January 1 through February 28, 7:00 a.m. through 11:00 a.m. and 6:00 p.m. through 10:00 p.m., weekends and January 1 are excluded.

Off-peak periods shall be all periods not included in peak periods.

(C) Transfer to non-time-differentiated rate. Customers who elect to take service under the time-of-use rate shall have the option to transfer to the standard rate at any time during the initial term of service; however, any such customer who subsequently elects to take service under the time-of-use rate at the same service location shall be required to remain on the time-of-use rate for a minimum term of twelve (12) consecutive months.

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

2. Fuel adjustment. (See section 27-28.)

3. Minimum monthly bill. The minimum monthly bill shall be equal to the customer charge.

4. All bills rendered will express charges in terms of total charge per kWh.

g. General service rates (§ 27-27):

1. Base rate.

(i) Nondemand. The rates to be charged and collected for electric energy furnished by the city to consumers for general service, nondemand are hereby fixed as follows:

(A) Customer charge, per month	$ ~~9.13~~	8.37
(B) ~~Energy charge~~ First 1,500 kilowatt hours per month, per kWh	$ ~~0.0555~~	
Generation charge	$0.02600	
Transmission charge	$0.00250	
Distribution charge	$0.02240	
Total charge, per kWh	$0.05090	
(C) All kWh per month over 1,500, per kWh		
Generation charge	$0.02600	
Transmission charge	$0.00318	
Distribution charge	$0.02852	
Total charge, per kWh	$0.05770	

(~~C~~D) Minimum monthly bill. The minimum monthly bill shall be equal to the customer charge.

(E) All bills rendered will express charges in terms of total charge per kWh.

(ii) Demand. The rates to be charged and collected for electric energy furnished by the city to consumers for general service demand for all monthly billls which are for the first time rendered and postmarked as indicated are hereby fixed as follows:

	On June 1, 2002, and Before Oct. 1, 2002	On or After Oct. 1, 2002
(A) Customer charge, per month	$ 15.82	$ 15.82
(B) Demand charge		
I. No discounts, per kW, per month:	~~$4.6600~~	
Generation charge	$1.500	$1.500
Transmission charge	$0.700	$0.700
Distribution charge	$3.150	$3.550
Total charge, per kW	$5.350	$5.750
II. With primary metering discount, per kW, per month	$ ~~4.5668~~	
Generation charge	$1.500	$1.500
Transmission charge	$0.700	$0.700
Distribution charge	$3.043	$3.435
Total charge, per kW	$5.243	$5.635
III. With primary service discount, per kW per month	$ ~~4.5100~~	
Generation charge	$1.500	$1.500
Transmission charge	$0.700	$0.700
Distribution charge	$3.000	$3.400
Total charge, per kW	$5.200	$5.600
IV. With primary metering and service discounts, per kW, per month	$ ~~4.4198~~	

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

Generation charge	$1.500	$1.500
Transmission charge	$0.700	$0.700
Distribution charge	$2.896	$3.288
Total charge, per kW	$5.096	$5.488

The billing demand is the highest demand established during the month.

The demand shall be integrated over a thirty (30) minute period.

(C) Energy charge:

	On June 1, 2002, and Before Oct. 1, 2002	On or After Oct. 1, 2002
I. No discounts, per kWh	~~$ 0.03400~~	
Generation charge	$0.02000	$0.02000
Transmission charge	$0.00064	$0.00064
Distribution charge	$0.00736	$0.00336
Total charge, per kWh	$0.02800	$0.02400
II. With primary metering discount	~~$ 0.03332~~	
Generation charge	$0.02000	$0.02000
Transmission charge	$0.00064	$0.00064
Distribution charge	$0.00680	$0.00288
Total charge, per kWh	$0.02744	$0.02352

(D) Fuel adjustment. (See section 27-28.)

(E) Minimum monthly bill. The minimum monthly bill shall be equal to the monthly customer charge plus thirty-five (35) times the demand charge. For those customers with an established demand of less than 50 kilowatts who have entered into an agreement for service under this schedule, the minimum monthly bill shall be equal to the monthly customer charge plus 35 times the demand charge.

(F) All bills rendered will express charges in terms of total charges per kWh or kW.

~~2. Power factor adjustment. For all general service customers establishing a metered kilowatt billing demand of four hundred (400) kilowatts or more, provisions shall also be made for measuring customer's kilvolt-ampere reactive (kVAR) damand. A power factor adjustment shall be applicable during any billing period wherein kVAR capacity is required to correct customer's power factor to 90%. The rate to be charged for power factor correction is as follows:~~

~~a. Power factor correction, per kVAR ..... $0.16~~

~~3.~~ 2. Primary service discount. All general service customers whose demand has been estimated to be four hundred (400) kilowatts or more, by the general manager for utilities or his/her designee, who are metered at primary voltage (twelve (12) kilovolts), and who own or lease all transformation and distribution facilities on the customer side of the metering point, shall receive credit of fifteen cents ($0.15) per kW applied to the monthly demand charge.

~~4.~~ 3. Primary metering discount. All general service customers who are metered at primary voltage (twelve (12) kilovolts) shall receive a credit of two (2) percent of the monthly base rate energy and demand charges. Metering voltage will be determined by the general manager for utilities or his/her designee.

~~5.~~ 4. Facilities leasing adjustment. All general service demand customers who desire the benefits of a single-point-of-service metering, but do not wish to make the required

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

investment in transformation and distribution facilities beyond the metering point, and whose demand has been established to be four hundred (400) kilowatts or more by the general manager for utilities or his/her designee, may request the city to make such investment in these facilities. The city shall provide, install, operate, and maintain the desired facilities and lease them to the qualified customer for a monthly consideration of one and one-half (1.5) percent of the installed cost of the facilities.

h. Large power service rates (§ 27-27):

1. Base rate. The rates to be charged and collected for energy furnished by the city to consumers for large power service are hereby fixed as follows:

(A) Customer charge, per month ..... $ 60.84

(B) Demand charge

I. No discounts, per kW, per month: ~~$4.000~~

Generation charge	$1.500
Transmission charge	$0.640
Distribution charge	$3.110
Total charge, per kW	$5.250

II. With primary metering discount, per kW, per month ..... ~~$ 3.920~~

Generation charge	$1.500
Transmission charge	$0.640
Distribution charge	$3.005
Total charge, per kW	$5.145

III. With primary service discount, per kW per month ..... ~~$ 3.850~~

Generation charge	$1.500
Transmission charge	$0.640
Distribution charge	$2.960
Total charge, per kW	$5.100

IV. With primary metering and service discounts, per kW, per month ~~$ 3.773~~

Generation charge	$1.500
Transmission charge	$0.640
Distribution charge	$2.858
Total charge, per kW	$4.998

The billing demand is the highest demand established during the month. The demand shall be integrated over a thirty (30) minute period.

(C) Energy charge:

I. No discounts, per kWh ..... $ ~~0.0271~~

Generation charge	$0.02000
Transmission charge	$0.00060
Distribution charge	$0.00290
Total charge, per kWh	$0.02350

II. With primary metering discount ..... $ ~~0.026558~~

Generation charge	$0.02000
Transmission charge	$0.00060
Distribution charge	$0.00250
Total charge, per kWh	$0.02300

(D) Fuel adjustment. (See section 27-28.)

(E) Minimum monthly bill. The minimum monthly bill shall be equal to the monthly customer charge plus seven hundred (700) times the demand charge.

(F) All bills rendered will express charges in terms of total charges per kWh or kW.

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

~~2. Power factor adjustment. For all large power electric service customers provisions shall be made for measuring customer's kilvolt-Ampere reactive (kVAR) demand. A power factor adjustment shall be applicable during any billing period wherein kVAR capacity is required to correct customer's power factor to 90%. The rate to be charged for power factor correction is as follows:~~

~~a. Power factor correction, per kVAR ..... $0.16~~

~~3~~ 2. Primary service discount. All large power service customers who are metered at primary voltage (twelve (12) kilovolts), and who own or lease all transformation and distribution facilities on the customer side of the metering point, shall receive credit of fifteen cents ($0.15) per kW applied to the monthly demand charge.

~~4~~ 3. Primary metering discount. All large power service customers who are metered at primary voltage (twelve (12) kilovolts) shall receive a credit of two (2) percent of the monthly base rate energy and demand charges. Metering voltage will be determined by the general manager for utilities or his/her designee.

~~5~~ 4. Facilities leasing adjustment. All large power service demand customers who desire the benefits of a single-point-of-service metering, but do not wish to make the required investment in transformation and distribution facilities beyond the metering point, may request the city to make such investment in these facilities. The city shall provide, install, operate, and maintain the desired facilities and lease them to the qualified customer for a monthly consideration of one and one-half (1½) percent of the installed cost of the facilities.

i. Reserved. ~~Transmission service rates (§ 27-27):~~

~~1. Base rate. The rates to be charged and collected for electric energy furnished by the city to customers for transmission service are hereby fixed as follows:~~

~~(A) Customer charge, per month ..... $ 121.69~~

~~(B) Demand charge, per month, per kW ..... $ 3.65~~

~~The billing demand is the highest demand established during the month. The demand shall be integrated over a thirty (30) minute period.~~

~~(C) Energy charge, per kWh ..... $ 0.0228~~

~~(D) Fuel adjustment. (See section 27-28.)~~

~~(E) Minimum monthly bill. The minimum monthly bill shall be equal to the customer charge plus thirty five hundred (3,500) times the demand charge.~~

~~2. Power factor adjustment. For all transmission service customers provisions shall be made for measuring customer's kilvolt-ampere reactive (kVAR) demand. A power factor adjustment shall be applicable during any billing period wherein kVAR capacity is required to correct customer's power factor to 90%. The rate to be charged for power factor correction is as follows:~~

~~a. Power factor correction, per kVAR ..... $0.16~~

~~3. Facilities leasing adjustment. All transmission service customers who desire the benefits of single point of service metering, but do not wish to make the required investment in transformation and distribution facilities beyond the metering point, may request the city to make such investment in these facilities. The city shall~~

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

~~provide, install, operate and maintain the desired facilities and lease them to the qualified customer for a monthly consideration of one and one-half percent (1.5%) of the installed cost of the facilities.~~

j. Interruptible-Curtailable service rider (§ 27-27):

1. General provisions.

(A) Customer must make application to the city for service under this Rider and the city must approve such application before service hereunder commences.

(B) Conditions pertaining to any application of this Rider shall be stipulated to by contract between the city and the customer receiving service hereunder. Such contract shall be for a minimum term of ten (10) years.

(C) All terms and conditions under the normally applicable Schedule, either Large Power or Transmission Service, shall apply to service supplied to the customer except as modified by this Rider.

(D) Service under this rider is subject to interruption/curtailment during any time period that electric power and energy delivered hereunder from the City's available generating resources is required to a) maintain service to the city's firm power customers and firm power sales commitments, or b) supply emergency Interchange service to another utility for its firm load obligations only, or c) when the price of power available to the city from other sources exceeds 15 cents ($0.15) per kWh.

(E) The city reserves the right to interrupt/curtail electric services at least once each calendar year in order to test the availability or operability of interruptible/curtailable capacity, irrespective of city system capacity available or operating conditions.

(F) Pursuant to any agreement to provide service hereunder, the city and customers may stipulate for the provision of "Buy-Through" service for customers to replace power during times of interruption or curtailment. For all "Buy-Through" services purchased on behalf of customers, customers shall pay the city three dollars ($3.00) per MWh for such energy as well as reimburse the city for associated energy and transmission costs necessary to affect the delivery of "Buy-Through" energy to the city's system for customers.

(G) The city shall make reasonable efforts to provide advance notice to the customer of an impending interruption/curtailment of service sufficient to enable the customer to modify its operations or avail itself to the "Buy-Through" provision in General Provisions "F", above.

(H) Any contract for curtailable service hereunder shall specify a Non-Curtailable Demand. The contract Non-Curtailable Demand may be revised, from time to time, on a prospective basis only, by mutual consent of the city and the customer.

(I) Upon each curtailment request by the city, it shall be the customer's responsibility to curtail its energy demand fulfilled pursuant to General

Provision "F", above. If the customer fails to so curtail its energy demand, the customer shall refund to the city 1.25 times (125% of) the total amount of discounts or demand credits granted to customer, pursuant to this Rider, over the preceding twelve (12) billing periods.

2. Application of discount. For service hereunder, a discount of one dollar twenty-five cents ($1.25) shall be applied to the normally applicable Demand (kW) Charge, inclusive of any other applicable discounts.

k. Retained, Expanded or Attracted Load Service Rider (§ 27-27):

1. General Provisions.

(A) Customer must make application to the city for service under this Rider and the city must approve such application before service hereunder commences.

(B) Conditions pertaining to any application of this Rider shall be stipulated to by contract between the city and the customer receiving service hereunder. Such contract shall be for a minimum term of ten (10) years.

(C) All terms and conditions under the normally applicable Schedule, either General Service Demand, Large Power or Transmission Service, shall apply to service supplied to the customer except as modified by this Rider.

2. Application of discount. For service hereunder, a percentage discount shall be applied to the normally applicable Customer Charge, Demand (kW) Charge and Energy (kWh) Charge, inclusive of any other applicable discounts. The maximum discount applicable hereunder for any twelve-month period shall be 13.0%. Percentage discounts shall be specified for each of the four twelve-month billing periods, beginning with the first monthly billing period for service hereunder and continuing through the forty-eighth (48th) billing period. Discounts are not applicable beyond the forty-eighth (48th) billing period. Hence:

Billing Period	*Discount*
1st - 12th Billing period	To be negotiated
13th - 24th Billing period	To be negotiated
25th - 36th Billing period	To be negotiated
37th - 48th Billing period	To be negotiated

l. Business Partners Rate Discount Rider (§27-27):

1. General Provisions.

(A) Customer must make application to the city for service under this Rider and the city must approve such application before service hereunder commences.

(B) Conditions pertaining to any application of this Rider shall be stipulated to by contract between the city and the customer receiving service hereunder. Such contract shall be for a minimum term of ten (10) years.

(C) The percentage discounts applicable hereunder shall be available to any customer that had entered into a contract for the provision of retail electric service by the city prior to October 1, 1997 and such contract has a termination date at least ten (10) years after October 1, 1997.

(D) All terms and conditions under the normally applicable Schedule, either General

Service Non-Demand, General Service Demand, Large Power, or Transmission Service, shall apply to service supplied to the customer except as modified by this Rider.

2. Application of discount. For service hereunder, a percentage discount shall be applied to the normally applicable Customer Charge, Demand (kW) Charge and Energy (kWh) Charge, inclusive of any other applicable discounts. ~~The maximum discount applicable hereunder for customers in the General Service Non-Demand and General Service Demand rate classes shall be 7.0%.~~ The discount applicable hereunder for customers in the General Service Non-Demand, General Service Demand and Large Power rate classes shall be according to the following schedule:

Business Partners Rider Executed:

	before June 1, 2002	*on or after June 1, 2002*
Rate Class	Maximum Discount	Maximum Discount
General Service Non-Demand	7%	7%
General Service Demand	7%	10%
Large Power	10%	13%

~~The discount applicable hereunder for customers in the Large Power or Transmission Service rate classes shall be 10.0%.~~ Discounts are not applicable beyond the one hundred twentieth (120th) billing period unless otherwise agreed to in writing by the City and customer.

3. Contract period. Customers requesting service hereunder must enter into a contract designating the city as the customer's exclusive supplier of electricity for a minimum initial term of ten (10) years. Either party may terminate the contract at the end of the initial term or at the end of any subsequent term, pursuant to provisions stipulated to in the contract. At the sole discretion of the city, discounts available under this Rider may be withdrawn or adjusted if a change occurs to the customer's normally applicable Rate Schedule, resulting from either the customer's request or from the city's reclassification of the customer due to changes in the customer's load. If the customer violates any terms and conditions of this Rider or of the contract under this Rider, the city may discontinue service under this Rider. In the event of early termination of any contract under this Rider, the customer will be required to pay the city any costs due to such early termination, including reimbursement of discounts granted to the extent stipulated to in the contract.

m. Public streetlight service rates (§ 27-29.1):

1. Monthly rental charges for existing public streetlight fixtures which are no longer offered for new installations:

Fixture size and type	*Monthly charge per fixture*	*Average lumens per fixture*	*Monthly kWh per fixture*
13-watt decorative pedestrian light (fluorescent)	$ 1.92	8.50	6
100-watt pedestrian streetlight (mercury)	28.12	3,200	41

175-watt post type* (mercury)	9.05	7,655	69
175-watt streetlight (mercury)	5.66	7,655	69
250-watt streetlight (high pressure sodium-cobra head)	9.85	24,750	103
400-watt streetlight (mercury)	9.39	19,125	163
400-watt streetlight (high pressure sodium-cobra head)	9.80	45,000	163
400-watt flood light (mercury)	9.39	19,125	163
1,000-watt streetlight (mercury)	13.28	47,250	374
1,000-watt flood light (mercury)	12.72	47,250	374

* Includes pole.

2. Monthly rental charges for public streetlight fixtures currently approved for installation by the general manager for utilities or his/her designee (does not include underground civil infrastructure costs):

Fixture size and type	*Monthly charge per fixture*	*Average lumens per fixture*	*Monthly kWh per fixture*
70-watt streetlight (high pressure sodium)	$ 6.22	5,220	35
100-watt area light (high pressure sodium NEMA type)#	5.27	8,550	41
100-watt streetlight (high pressure sodium)	6.31	8,550	41
100-watt decorative streetlight (high pressure sodium)	7.20	8,550	41
100-watt decorative streetlight on concrete pole (high pressure sodium)	24.77	8,550	41
100-watt pedestrian streetlight (mercury)	24.87	3,200	41
150-watt streetlight (high pressure sodium)	6.83	14,400	66
150-watt decorative streetlight (high pressure sodium)	9.22	14,400	66
250-watt streetlight (high pressure sodium)	8.48	24,750	103
250-watt flood light (high pressure sodium)	8.04	24,750	103
400-watt flood light (high pressure sodium)	8.98	45,000	163
400-watt flood light (metal halide)	11.27	34,000	163
400-watt streetlight (high pressure sodium)	9.80	45,000	163
400-watt decorative streetlight with pole (metal halide)	29.63	23,500	163
400-watt decorative streetlight (metal halide)	19.28	23,500	163

#No longer offered inside Gainesville corporate limits

3. Monthly rental charges for public streetlight fixtures that are currently approved by the general manager for utilities or his/her designee to be operated and maintained by the city's utilities department, and for which installation costs were borne by a customer or by an agency other than the city's utilities department:

Fixture size and type	*Monthly charge per fixture*	*Average lumens per fixture*	*Monthly kWh per fixture*
70-watt streetlight (high pressure sodium)	$ .93	5,220	35
100-watt area light (high pressure sodium NEMA type)#	1.03	8,550	41
100-watt streetlight (high pressure sodium)	1.03	8,550	41
100-watt decorative streetlight (high pressure sodium)	1.03	8,550	41
100-watt pedestrian streetlight (mercury)	9.18	3,200	41
150-watt streetlight (high pressure sodium)	1.47	14,400	66
250-watt streetlight (high pressure sodium)	2.14	24,750	103
400-watt flood light (mercury)*	3.20	45.000	163

400-watt flood light (high pressure sodium)	3.20	45,000	163
400-watt streetlight (high pressure sodium)	3.20	45,000	163
400-watt decorative streetlight (metal halide)	3.30	23,500	163
1,000-watt streetlight (high pressure sodium)	6.94	47,250	374

* No longer offered for new installations.

\# No longer offered inside Gainesville corporate limits.

4. Should an agency request public streetlight service utilizing fixtures and/or poles for which no rate has been set forth in the Gainesville Code of Ordinances, the city may provide such service if the service is approved by the general manager for utilities or his/her designee, and if the agency requesting such service enters into a contract with the city specifying terms and conditions of such service. Unapproved fixtures shall be installed on metered service only.

5. Fuel adjustment. (See section 27-31).

n. Rental outdoor light service rates (§ 27-30.1.):

1. Monthly rental charges for existing rental outdoor light fixtures which are no longer offered for new installations:

2.

Fixture size and type	*Monthly charge per fixture*	*Average lumens per fixture*	*Monthly kWh per fixture*
13-watt decorative pedestrian light (fluorescent)	$ 1.92	850	6
175-watt post type* (mercury)	10.40	7,655	69
175-watt streetlight (mercury)	7.01	7,655	69
400-watt streetlight (mercury)	10.80	19,125	163
400-watt flood light (mercury)	10.79	19,125	163
1,000-watt streetlight (mercury)	14.82	47,250	374
1,000-watt flood light (mercury)	14.26	47,250	374

* Includes pole

2. Monthly rental charges for rental outdoor light fixtures currently offered for installations (does not include underground civil infrastructure costs):

Fixture size and type	*Monthly charge per fixture*	*Average lumens per fixture*	*Monthly kWh per fixture*
70-watt street light (high pressure sodium)	$ 7.55	5,220	35
100-watt area light (high pressure sodium NEMA type)	6.60	8,550	41
100-watt street light (high pressure sodium)	7.64	8,550	41
100-watt decorative streetlight (high pressure sodium)	7.22	8,550	41
100-watt decorative streetlight on concrete pole (high pressure sodium)	24.77	8,550	41
150-watt street light (high pressure sodium)	8.18	14,400	66
150-watt decorative streetlight (high pressure sodium)	10.57	14,400	66
250-watt street light (high pressure sodium)	9.85	24,750	103
250-watt flood light (high pressure sodium)	9.41	24,750	103
400-watt flood light (high pressure sodium)	10.39	45,000	163
400-watt street light (high pressure sodium)	11.21	45,000	163

400-watt decorative streetlight with pole (metal halide)	31.04	23,500	163
400-watt decorative streetlight (metal halide)	20.57	23,500	163
400-watt flood light (metal halide)	11.27	34,000	163

3. Monthly rental charges for rental outdoor light fixtures, that are currently approved by the general manager for utilities or his/her designee, to be operated and maintained by the city's utilities department, and for which installation costs were borne by a customer other than the city's utilities department:

Fixture size and type	*Monthly charge per fixture*	*Average lumens per fixture*	*Monthly kWh per fixture*
70-watt streetlight (high pressure sodium)	0.93	5,220	35
100-watt streetlight (high pressure sodium)	1.03	8,550	41
150-watt streetlight (high pressure sodium)	1.47	14,400	66
250-watt streetlight (high pressure sodium)	2.14	24,750	103
400-watt streetlight (high pressure sodium)	3.20	45,000	163
400-watt decorative streetlight (metal halide)	3.30	23,500	163
1,000-watt streetlight (high pressure sodium)	6.94	47,250	374

4. Should a utility customer request rental outdoor light service utilizing fixtures and/or poles for which no rate has been set forth in the Gainesville Code of Ordinances, the city may provide such service if the service is approved by the general manager for utilities or his/her designee, and if the customer requesting such service enters into a contract with the city specifying terms and conditions of such service. Unapproved fixtures shall be installed on metered service only.

5. Early removal fee. The rates for rental outdoor light service included a recovery of installation charges over a sixty (60) month period. If a customer elects to permanently remove the light prior to the end of the sixty month period, an early removal fee of ten dollars ($10.00) per month per light and six dollars ($6.00) per month per pole shall be billed to the account for each month the removal is less than sixty (60) months beyond the installation date.

6. Fuel adjustment. (See section 27-31).

o. Reserved.

p. Rental charges for poles installed by the city's utilities department for the purpose of supporting public streetlights and rental outdoor lights when required, including poles installed by the city's utilities department to replace poles for which installation costs were borne initially by a customer or by an agency other than the city's utilities department (§§ 27-29.1, 27-30.1):

Type	*Monthly charge per pole*
20-foot fiberglass	$ 2.97
30-foot wood	$ 3.39
30-foot concrete	$ 5.22

30-foot fiberglass	$ 12.48
30-foot fiberglass*	$ 19.94
35-foot wood	$ 3.76
35-foot concrete	$ 5.42
40-foot wood	$ 4.01
40-foot concrete	$ 7.12
45-foot concrete	$ 7.59

*Not available for new installations

Section 2. All ordinances in conflict herewith are to the extent of such conflict hereby repealed.

Section 3. It is the intention of the City Commission that the provisions of Section 1 of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Gainesville, Florida, and that the Sections and Paragraphs of this Ordinance may be renumbered or relettered in order to accomplish such intentions.

Section 4. If any portion of this ordinance is declared invalid by a court of competent jurisdiction, such invalidity shall not affect the remaining portions of this ordinance.

Section 5. This ordinance shall take effect immediately upon its adoption; provided however, the rates and charges as provided for herein shall be applicable, except as otherwise provided in Appendix A, Section Utilities (1) g. 1 and I. 2 as hereby amended, to all monthly bills which are for the first time rendered and postmarked after 12:01 A.M., June 1, 2002.

PASSED and ADOPTED this _____ day _____, 2002.

CODE: Words ~~stricken~~ are deletions; words <u>underlined</u> are additions.

_____
Thomas D. Bussing
Mayor

ATTEST:

_____
Clerk of the Commission

Approved as to form and legality

_____
Marion J. Radson
City Attorney

This ordinance passed on first reading this ____ day of _____, 2002.

This ordinance passed on second reading this ____ day of _____, 2002.

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

(1) *Electricity*

a. Reserved.
b. Reserved.
c. Additional monthly billing charge for meter read by consumer (§ 27-8(b)) ..... $ 1.00
d. General Service, Time-of-Demand meter installation (§ 27-21) ..... $ 200.00
e. Breaking of meter-pan seal (§ 27-26.2(e)) ..... $ 10.00

f. Residential service rates (§ 27-27):

1. Base rate. The rates to be charged and collected for electric energy furnished by the city to consumers for residential service are hereby fixed as follows:

(i) Non-time-differentiated rate. All residential customers may elect service at this rate:

(A) Customer charge, per month	$ ~~4.90~~	4.66
(B) First ~~750~~ 1,000 kilowatt hours per month, per kWh	~~$0.0498~~	
Generation	$0.02500	
Transmission	$0.00220	
Distribution	$0.02011	
Total, per kWh	$0.04731	
(C) All kWh per month over ~~750~~ 1,000, per kWh	~~$0.0544~~	
Generation charge	$0.02500	
Transmission charge	$0.00305	
Distribution charge	$0.02883	
Total charge, per kWh	$0.05688	

(ii) Time-of-use rate. All residential customers may elect service at this rate, except that the city may, at its option, limit the number of customers and type of residences which will be served at this rate.

(A) Customer charge, per month	$ ~~8.27~~	7.86

Note: The time-of-use rate customer charge includes a base customer charge of $4.90 per month and an additional charge of $3.37 per month time-of-use meter charge.

(B) Energy charge:

All energy used on-peak, per kWh	$ ~~0.1047~~	0.0988
All energy used off-peak, per kWh	$ ~~0.0305~~	0.0290

Note: To calculate the true ratio of on-peak to off-peak energy costs, the fuel adjustment per kWh should be added to the above-stated energy charges. Peak periods shall be as follows:

Summer peaks: May 15 through October 15, 12:00 noon through 9:00 p.m., weekends and holidays included.

Winter peaks: January 1 through February 28, 7:00 a.m. through 11:00 a.m. and 6:00 p.m. through 10:00 p.m., weekends and January 1 are excluded.

Off-peak periods shall be all periods not included in peak periods.

(C) Transfer to non-time-differentiated rate. Customers who elect to take service under the time-of-use rate shall have the option to transfer to the standard rate at any time during the initial term of service; however, any such customer who subsequently elects to take service under the time-of-use rate at the same service location shall be required to remain on the time-of-use rate for a minimum term of twelve (12) consecutive months.

(1) *Electricity*

a. Reserved.
b. Reserved.
c. Additional monthly billing charge for meter read by consumer (§ 27-8(b)) ..... $ 1.00
d. General Service, Time-of-Demand meter installation (§ 27-21) ..... $ 200.00
e. Breaking of meter-pan seal (§ 27-26.2(e)) ..... $ 10.00

f. Residential service rates (§ 27-27):

1. Base rate. The rates to be charged and collected for electric energy furnished by the city to consumers for residential service are hereby fixed as follows:

(i) Non-time-differentiated rate. All residential customers may elect service at this rate:

(A) Customer charge, per month	$ ~~4.90~~	4.60
(B) First 750 kilowatt hours per month, per kWh	~~$0.0498~~	
Generation	$0.02500	
Transmission	$0.00220	
Distribution	$0.01948	
Total, per kWh	$0.04668	
(C) All kWh per month over 750, per kWh	~~$0.0544~~	
Generation charge	$0.02500	
Transmission charge	$0.00305	
Distribution charge	$0.02696	
Total charge, per kWh	$0.05501	

(ii) Time-of-use rate. All residential customers may elect service at this rate, except that the city may, at its option, limit the number of customers and type of residences which will be served at this rate.

(A) Customer charge, per month	$ ~~8.27~~	7.86
Note: The time-of-use rate customer charge includes a base customer charge of $4.90 per month and an additional charge of $3.37 per month time-of-use meter charge.		
(B) Energy charge:		
All energy used on-peak, per kWh	$ ~~0.1047~~	0.0988
All energy used off-peak, per kWh	$ ~~0.0305~~	0.0290

Note: To calculate the true ratio of on-peak to off-peak energy costs, the fuel adjustment per kWh should be added to the above-stated energy charges. Peak periods shall be as follows:

Summer peaks: May 15 through October 15, 12:00 noon through 9:00 p.m., weekends and holidays included.

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Off-peak periods shall be all periods not included in peak periods.

(C) Transfer to non-time-differentiated rate. Customers who elect to take service under the time-of-use rate shall have the option to transfer to the standard rate at any time during the initial term of service; however, any such customer who subsequently elects to take service under the time-of-use rate at the same service location shall be required to remain on the time-of-use rate for a minimum term of twelve (12) consecutive months.

CODE: Words ~~stricken~~ are deletions; words underlined are additions.