

FY2001 - FY2010**Electric System**

Base component grows at 3% per year as long as the three year rolling average of retail kilowatt hours delivered is 0 or positive

Base component declines by three year rolling average of retail kilowatt hours delivered if this average is negative

Incentive component of :

3% of net interchange sales (interchange revenue less interchange fuel cost)

One-half of the percentage growth in retail kilowatt hours delivered in excess of 3% times the base transfer amount

Water System

Second preceding year gross revenues

Less second preceding year water sales to UF

Less second preceding year surcharge

Less second preceding year surcharge on connection fees

Equals net revenues

Net revenues @ 14.65%

Plus current year surcharge

Plus current year water connection surcharge

Wastewater System

Second preceding year gross revenues

Less second preceding year surcharge

Less second preceding year surcharge on connection fees

Equals net revenues

Net revenues @ 14.65%

Plus current year surcharge

Plus current year water connection surcharge

Gas System

Second preceding year gross revenues

Less Manufactured Gas Cost Recovery factor

Less second preceding year fuel expense

Less second preceding year surcharge

Equals net revenues

Net revenues @ 14.65%

Plus current year surcharge

GRUCom System

Negotiated dollar amount

FY2011 - FY2014

Four year agreement fixed at the following amounts:

FY11 35,154,463

FY12 36,222,989

FY13 36,666,551

FY14 38,101,425

If the calculated amount per the previous transfer formula is no greater than \$500,000 over or under the levels above then the transfer amount will remain unchanged

If the calculated amount per the previous transfer formula is more than \$500,000 over or under the levels above, then the General Fund and GRU will equally share the gain or loss for amounts greater than \$500,000.

GRU pays from any system which is in its best financial interest

Proposed FY2015 - FY2019

FY14 base reset in an amount equal to the level generated by the formula in place between FY01 through FY10

This base is grown by 1.5% each year FY15 through FY19

From the resulting amount, the amount of ad valorem tax received by the City of Gainesville from the GREC Biomass Facility is deducted

GRU pays from any system which is in its best financial interest

The formula will be reviewed no less frequently than every other year.