

Statement of Advice from the UAB, drafted by Chair Darin Cook and submitted on July 24, 2017.

On July 19th, 2017 the Utility Advisory Board (UAB) recommended approval by a 5-0 vote of GRU's recommendation that a cost of service study be made to determine rate structures. This will cost just over \$99,000.

We asked that the scope of service be expanded to include looking at three tiered electric rate structures or any other rate structures and its impact on two priorities the Mayor of Gainesville has stated:

- 1) That rate structures should lessen bills of residential economically disadvantaged ratepayers.
- 2) That rate structures should promote conservation.

Staff warned us that an increase in the scope would cause the study to cost more, but not egregiously more.

This cost of service study should also shed light on the amount that commercial ratepayers are subsidizing residential ratepayers. If tiered rate structures are chosen, it will help determine the break points of the tiers.

Data driven decisions make for the best outcomes towards achieving goals. We asks that you approve as recommended by the UAB.