

City Commission Consent Item #070456
June 9, 2008

Large Power Electric Customers

Presented to the Regional Utilities Committee on
May 13, 2008



Rate Structure

Large Power customers are charged a

- customer charge
- energy charge
- demand charge

A meter records the energy used and the maximum demand for the month. The demand level is defined as the highest peak of use, measured in kilowatts (kW), per month.

Large Power Definition

- **Current** - The definition of Large Power is a customer that has an average demand of over 1,000 kW per month.
- **Previous** - Previously the definition was at least one month of demand of over 1,000 kW in a 12 month period.

Customized Commercial Rebates

- Up to \$40,000 or 50% of project implementation cost, whichever is less
- Rebate is based on the amount of energy use reduction that can be directly attributed to the project
- GRU's Certified Energy Managers and customer's engineers create an incentive package to assist customer implement important upgrades

General Service Demand – 50 kW to 1,000 kW (demand) per month

Customer Charge	\$33.00
Demand Charge per kW	\$9.00
Energy Charge per kWh	\$0.029000

Business Partners Discount 10%

Large Power - over 1,000 kW (demand) per month

Customer Charge	\$265.00
Demand Charge per kW	\$9.00
Energy Charge per kWh	\$0.027000

Business Partners Discount 13%

Sensitivity Analysis

		Energy					
		1%	2%	3%	4%	5%	6%
Demand	1%	(\$2,162.66)	(\$1,603.31)	(\$1,043.96)	(\$484.61)	\$74.76	\$634.10
	2%	(\$2,065.46)	(\$1,506.11)	(\$946.76)	(\$387.40)	\$171.94	\$731.31
	3%	(\$1,968.27)	(\$1,408.90)	(\$849.56)	(\$290.21)	\$269.15	\$828.50
	4%	(\$1,871.06)	(\$1,311.71)	(\$752.36)	(\$193.01)	\$366.36	\$925.71
	5%	(\$1,773.86)	(\$1,214.51)	(\$655.17)	(\$95.80)	\$463.55	\$1,022.90
	6%	(\$1,676.67)	(\$1,117.31)	(\$557.96)	\$1.40	\$560.75	\$1,120.10

Large Power conserving to GSD

- Large Power customer would have to save about **5%** on energy before breaking even in the GSD class
- Large Power customers would see a decrease in their bills after a **6%** demand decrease and a **4%** energy decrease.

Current Customer Demand (kW)

(March 2008)

VA Medical Center	4321	FL Farm Bureau	924
DOT	3693	Shands Healthcare	910
Santa Fe CC (2)	3390	US Post Office	908
North Florida Regional	2577	USDA (2)	856
Gainesville Regional Utilities (Murphree)	2303	Alachua County (Jail)	852
Metal Container(2)	2205	SBAC (Kanapaha)	700
Shands @ AGH	1729	Nordstrom	700
Gainesville Regional Utilities (Kanapaha)	1710		
Clariant	1532		
Tacachale	1476		
Nationwide	1026		

Current Customer Demand (kW)

(March 2008)

Customer	March Demand	% above GSD
VA Medical Center	4321	77%
DOT	3693	73%
Santa Fe CC (2)	3390	71%
North Florida Regional	2577	61%
Gainesville Regional Utilities (Murphree)	2303	57%
Metal Container(2)	2205	55%
Shands @ AGH	1729	42%
Gainesville Regional Utilities (Kanapaha)	1710	42%
Clariant	1532	35%
Tacachale	1476	32%
Nationwide	1026	3%

Nationwide

	Demand	Energy
June	1019	452,800
July	963	499,600
August	992	527,800
September	1036	531,400
October	935	475,200
November	944	480,200
December	829	405,000
January	839	397,200
February	939	424,000
March	1026	399,400
April 2008	872	407,800
May	882	401,800
12 Month Average	940	450,183

Nationwide is not currently a Large Power customer

- Impact using 940 kW and 450,183 kWh (monthly average)

Large Power rate	\$45,981
GSD rate	\$48,029
Difference	\$2,048

Conclusions

- No current Large Power Customers will recognize increased bills due to energy efficiency measures
- Rate structure change made in October 2007 has impacted customers that were previously in the Large Power class