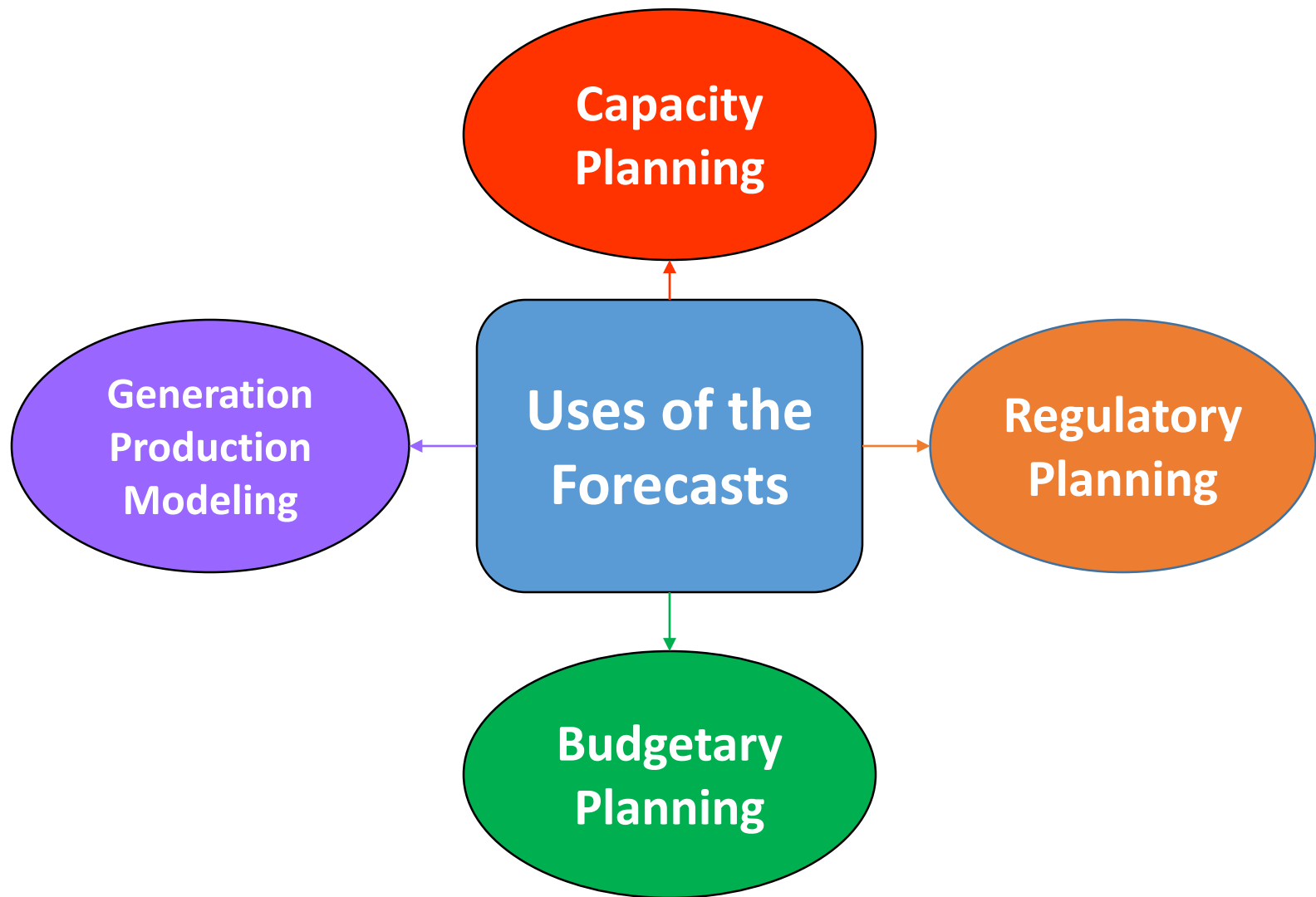


Forecasts of Customers, Sales and Revenues

City Commission
July 13, 2020

Gas, Water, Wastewater, Electric

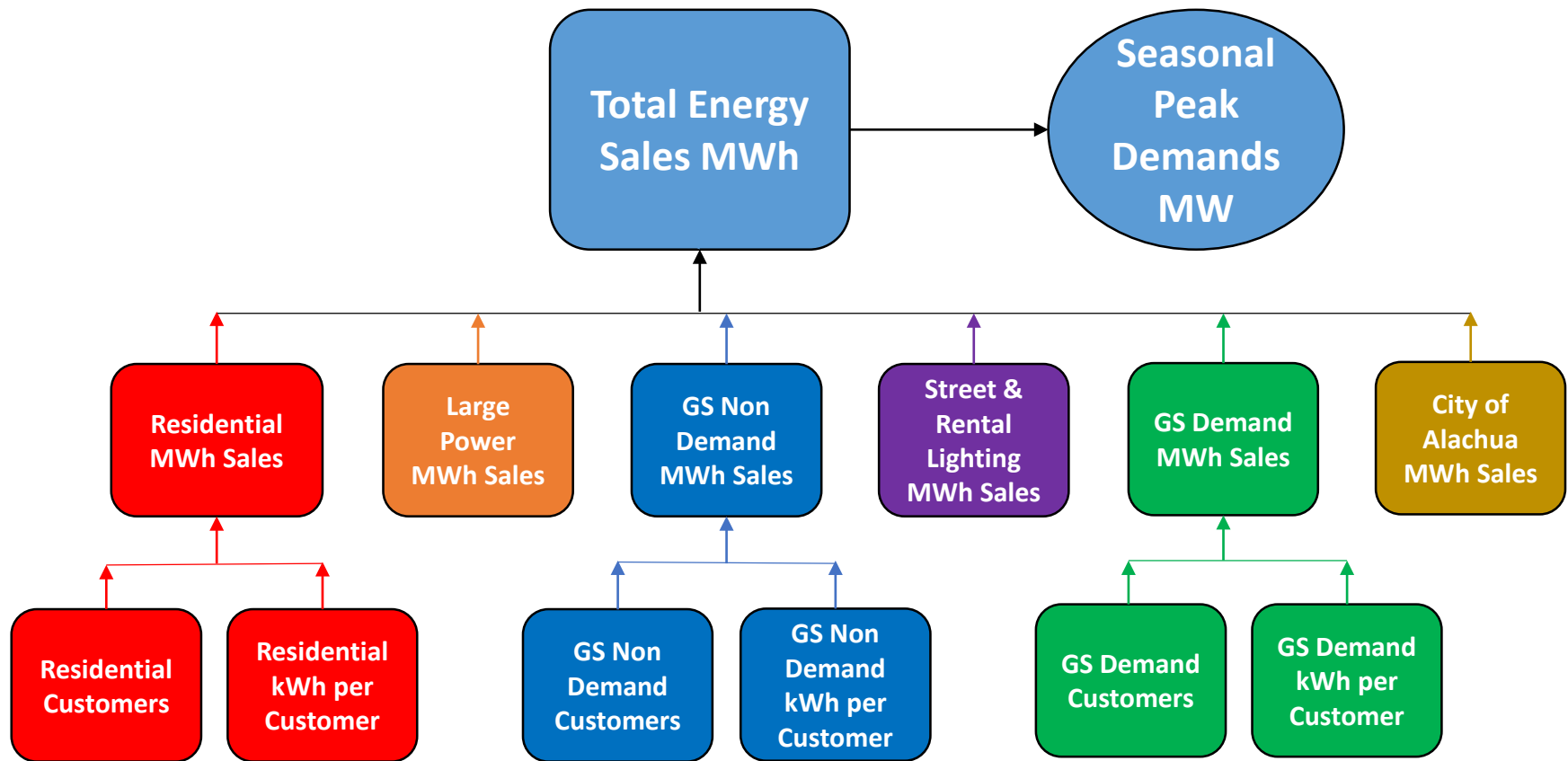
- **Number of Customers**
- **Sales (kWh, Therms, kGals)**
- **Peak Demands (MW, MGD)**
- **Revenues**



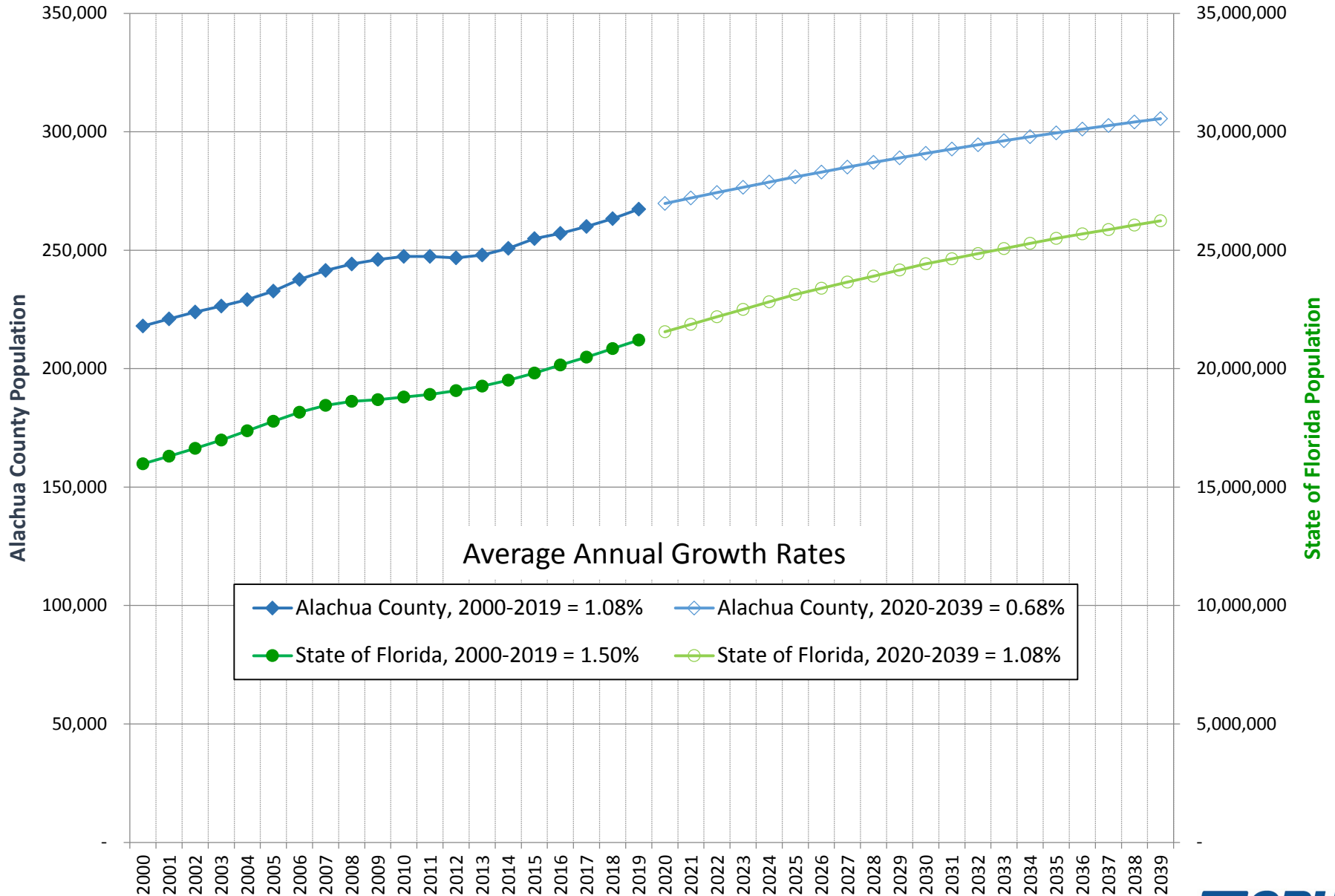
Forecast Methodology

- Econometric approach used to develop projections of number of customers, unit sales, and revenues.
- Bottom Up Approach
- GRU Billing Records and System Logs
- Demographics: Bureau of Economic and Business Research
- Economics: IHS Markit
- Temperatures and Rainfall: National Weather Service – Gainesville Regional Airport

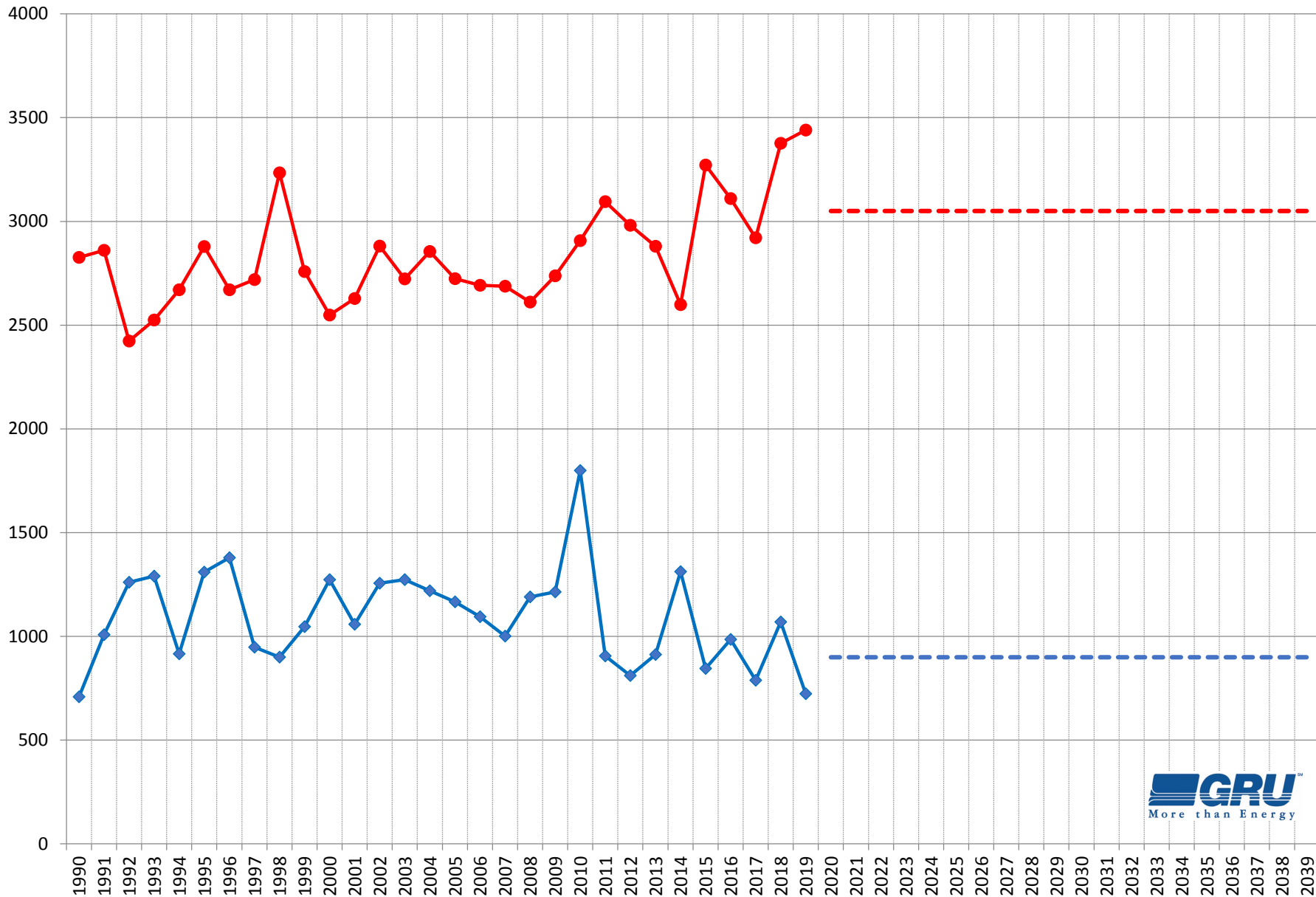
Forecast Methodology Continued, Bottom Up Approach



Florida Demographics

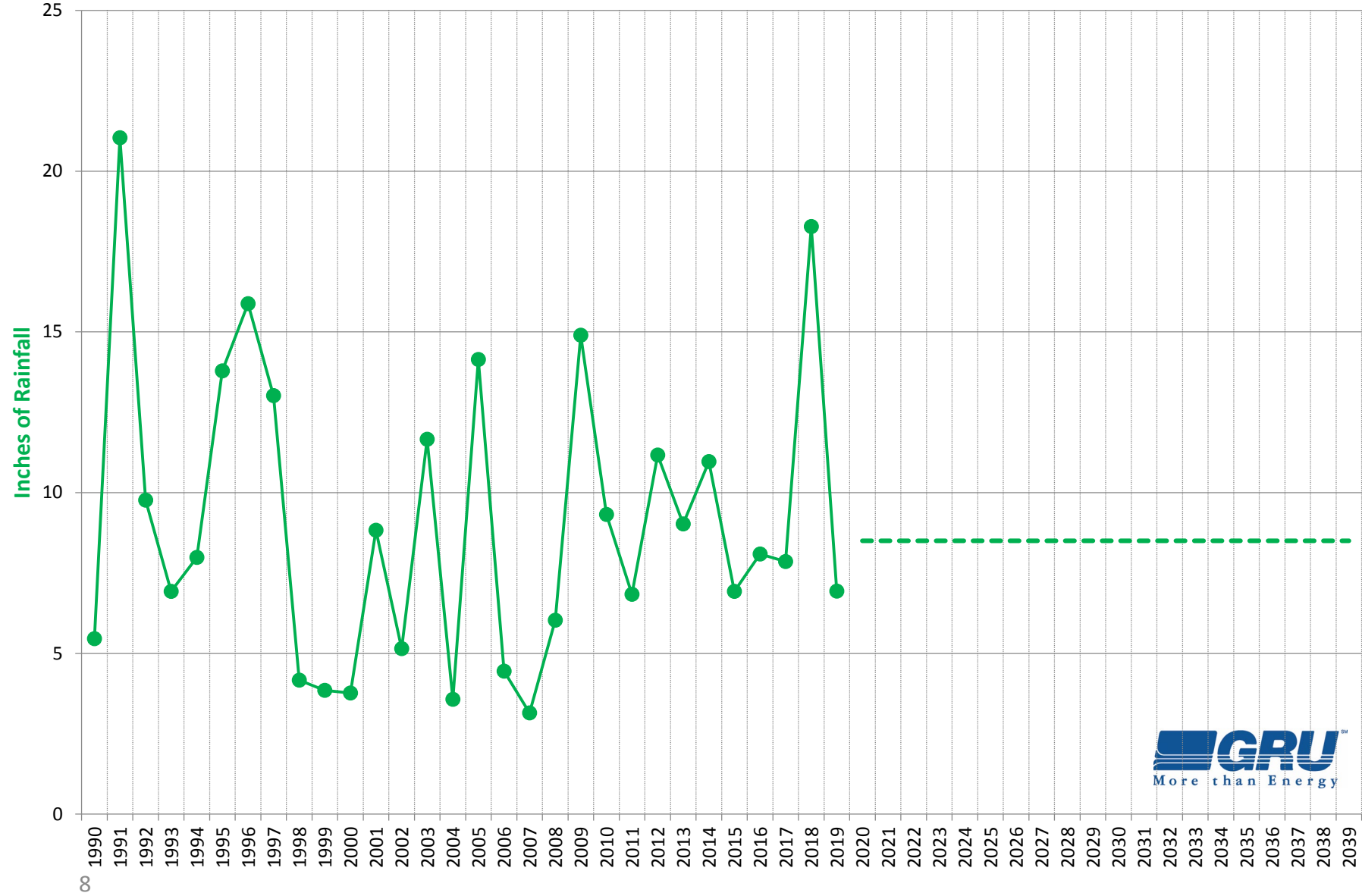


Cooling Degree Days / Heating Degree Days

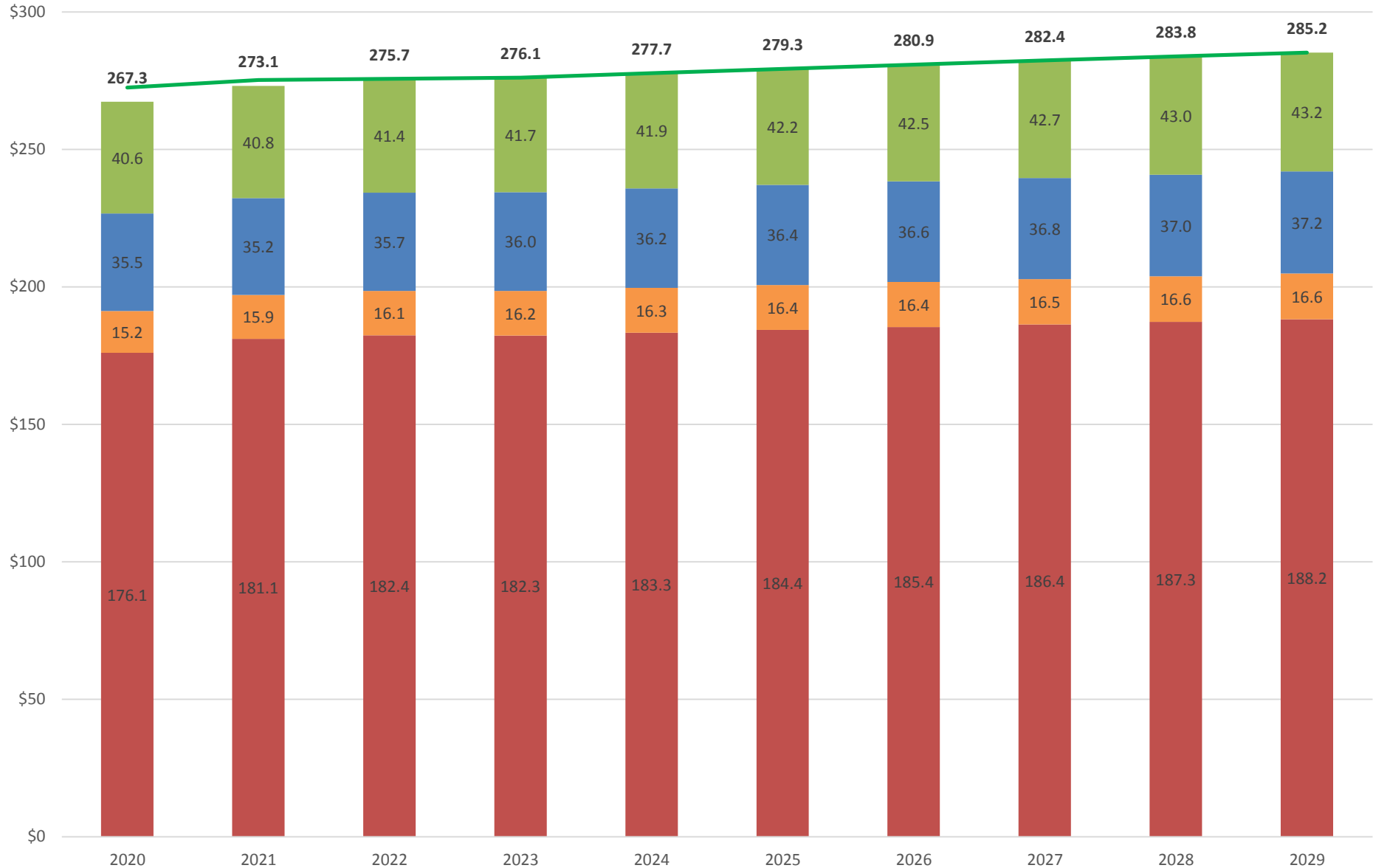


Seasonal Rainfall

March, April, and May



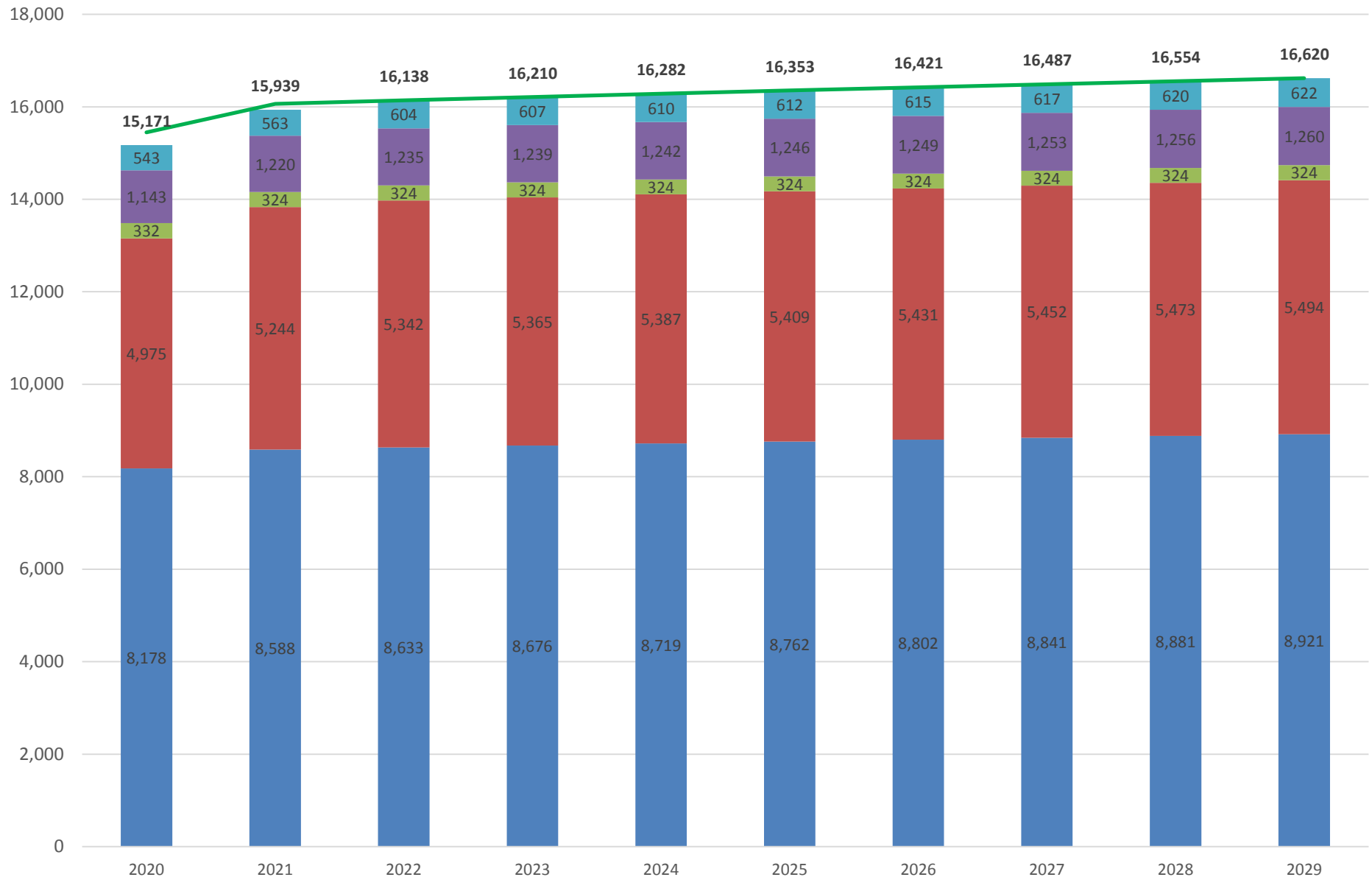
Combined Non-Fuel Revenue from Sales (\$million)



Natural Gas System

- **Residential Service**
~34,000 customers
- **General Service, Small Commercial**
~300 customers
- **General Service, Commercial Firm**
~1,400 customers
- **Large Volume Service, 8 customers**

Components of Non-Fuel Gas System Revenue (\$'000)



Natural Gas System

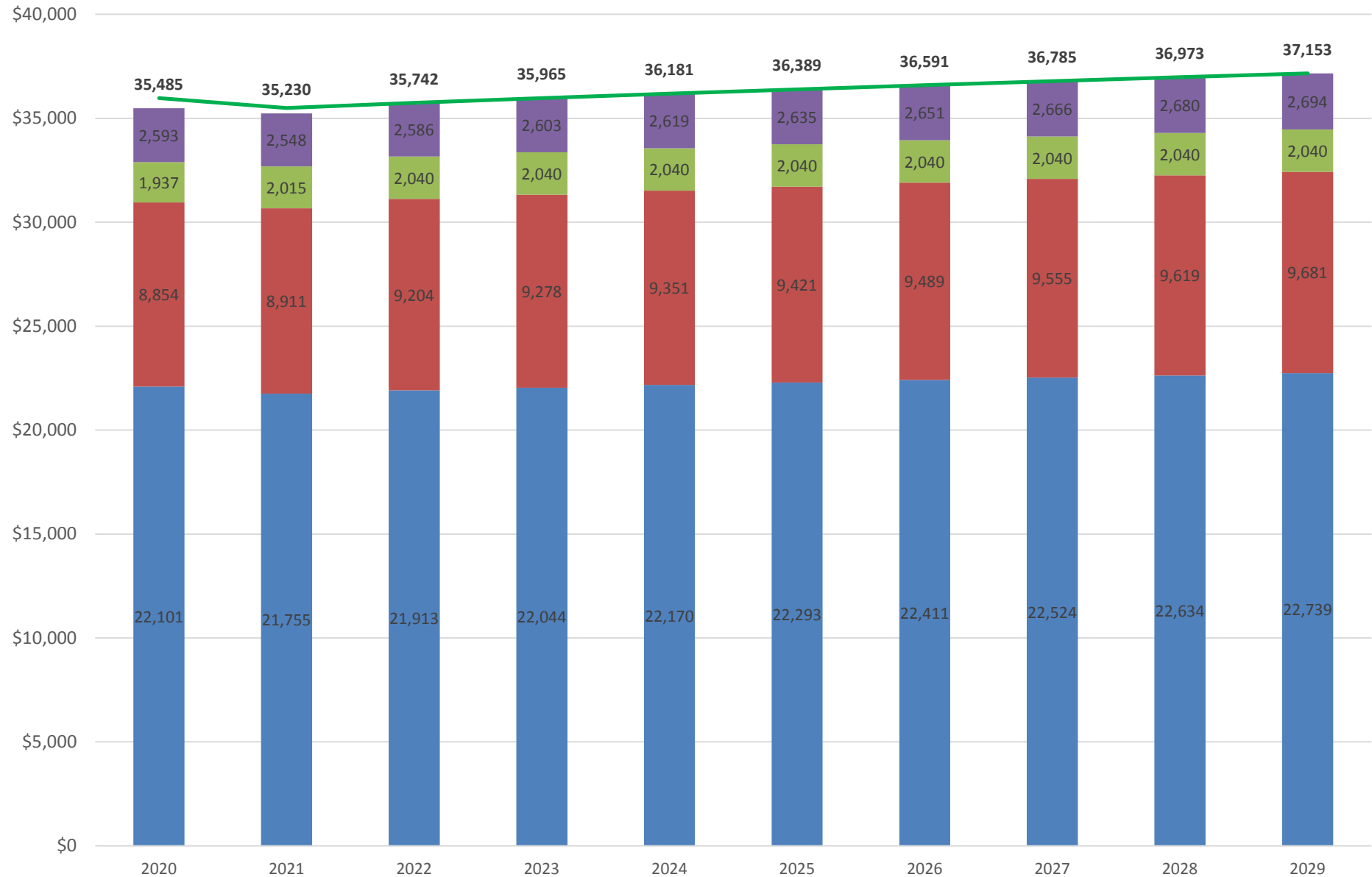
Average Annual Growth Rates

	FY2010-FY2019	FY2020-FY2029
Number of Customers	0.78%	0.79%
Energy Sales (therms)	-0.85%	0.29%
Revenue (\$000)	1.61%	0.42%

Water System

- **Residential Service**
~67,000 customers
- **Non-Residential Service**
~6,400 customers
- **University of Florida**
On-Campus (27) and Off-Campus (32)

Components of Water System Revenue (\$'000)



Water System

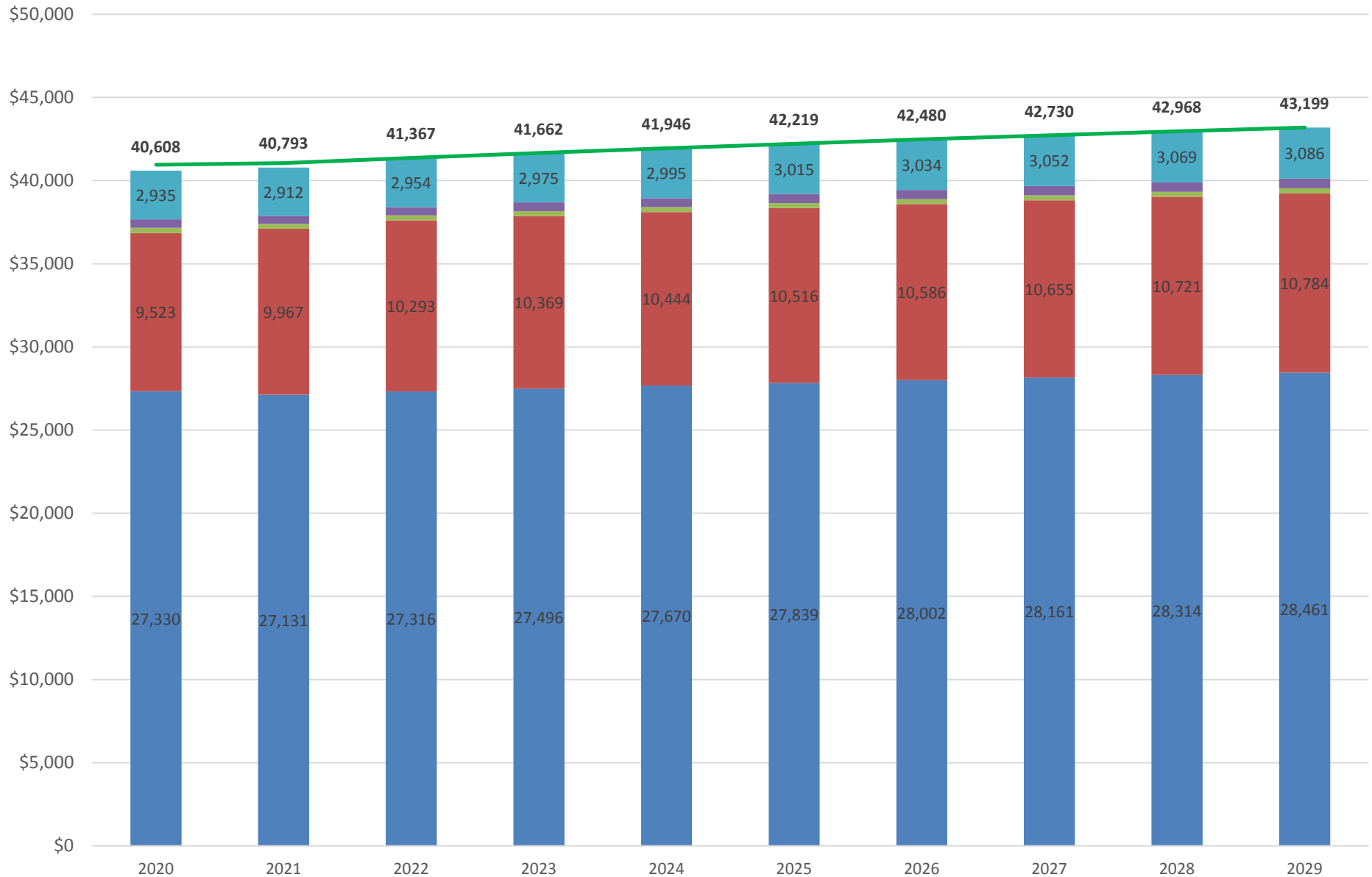
Average Annual Growth Rates

	FY2010-FY2019	FY2020-FY2029
Number of Customers	0.67%	0.76%
Water Sales (kGal)	-0.42%	0.48%
Revenue (\$000)	3.44%	0.58%

Wastewater System

- **Residential Service**
~61,000 customers
- **Non-Residential Service**
~4,400 customers
- **Reclaimed Water Service**
~1,400 customers

Components of Wastewater System Revenue (\$'000)



Wastewater System

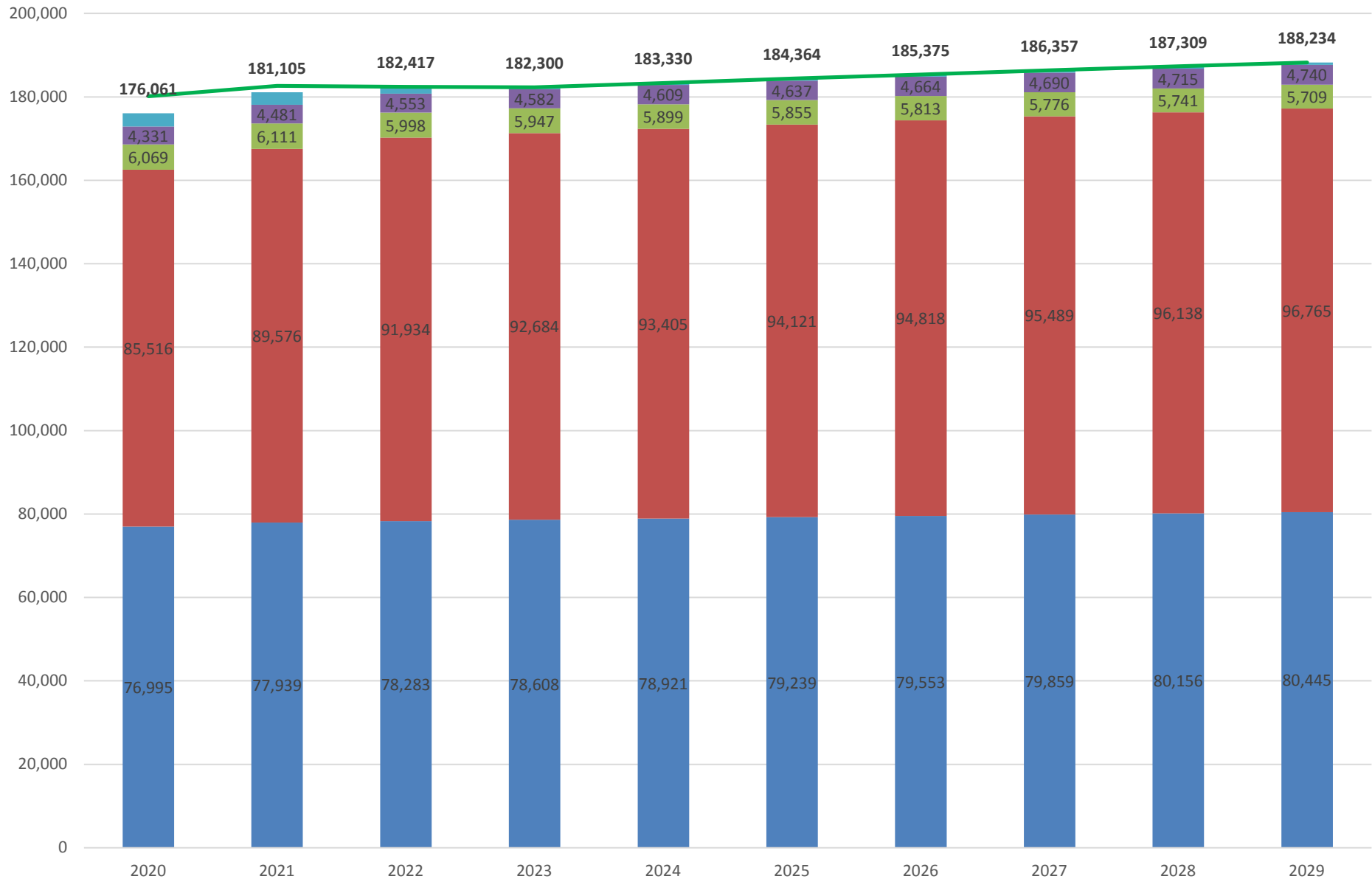
Average Annual Growth Rates

	FY2010-FY2019	FY2020-FY2029
Number of Customers	0.72%	0.80%
Wastewater Billed (kGal)	0.23%	0.59%
Revenue (\$000)	3.07%	0.69%

Electric System

- Residential Service ~87,000 customers
- GS Non-Demand ~10,000 customers
- GS Demand ~1,200 customers
- GS Large Demand, 10 customers
- Outdoor Lighting (Street and Rental)
- Sales for Resale to the City of Alachua

Electric System Non-Fuel Revenue (\$'000)



Electric System

Average Annual Growth Rates

	FY2010-FY2019	FY2020-FY2029
Number of Customers	0.67%	0.62%
Electric Sales (Retail kWh)	-0.08%	0.57%
Revenue (\$000)	2.72%	0.54%

Historical Revenue Requirements by System

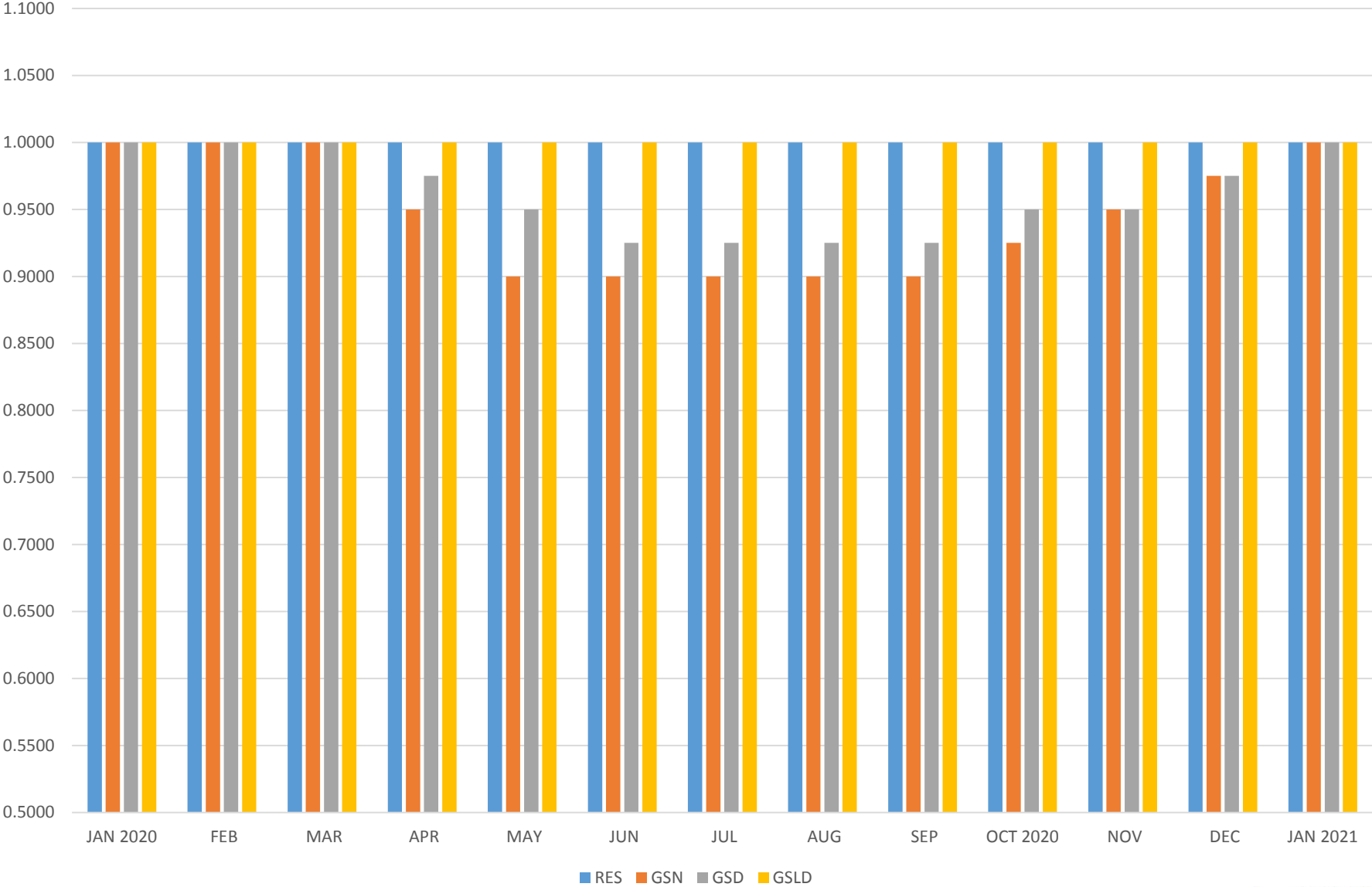
	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Natural Gas	2.3%	0.0%	0.0%	0.9%	4.3%	4.8%	9.0%	0.0%	0.0%	0.6%
Water	7.0%	8.4%	3.5%	3.9%	3.8%	3.8%	3.0%	0.0%	0.0%	0.4%
Wastewater	3.5%	4.4%	3.0%	2.4%	4.9%	4.9%	3.0%	0.0%	0.0%	0.4%
Electric	2.5%	1.7%	0.0%	-5.6%	-8.5%	0.0%	0.0%	2.0%	2.0%	6.4%
U.S. CPI	3.2%	2.1%	1.5%	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	n/a

Impacts of Covid-19 on Forecasts

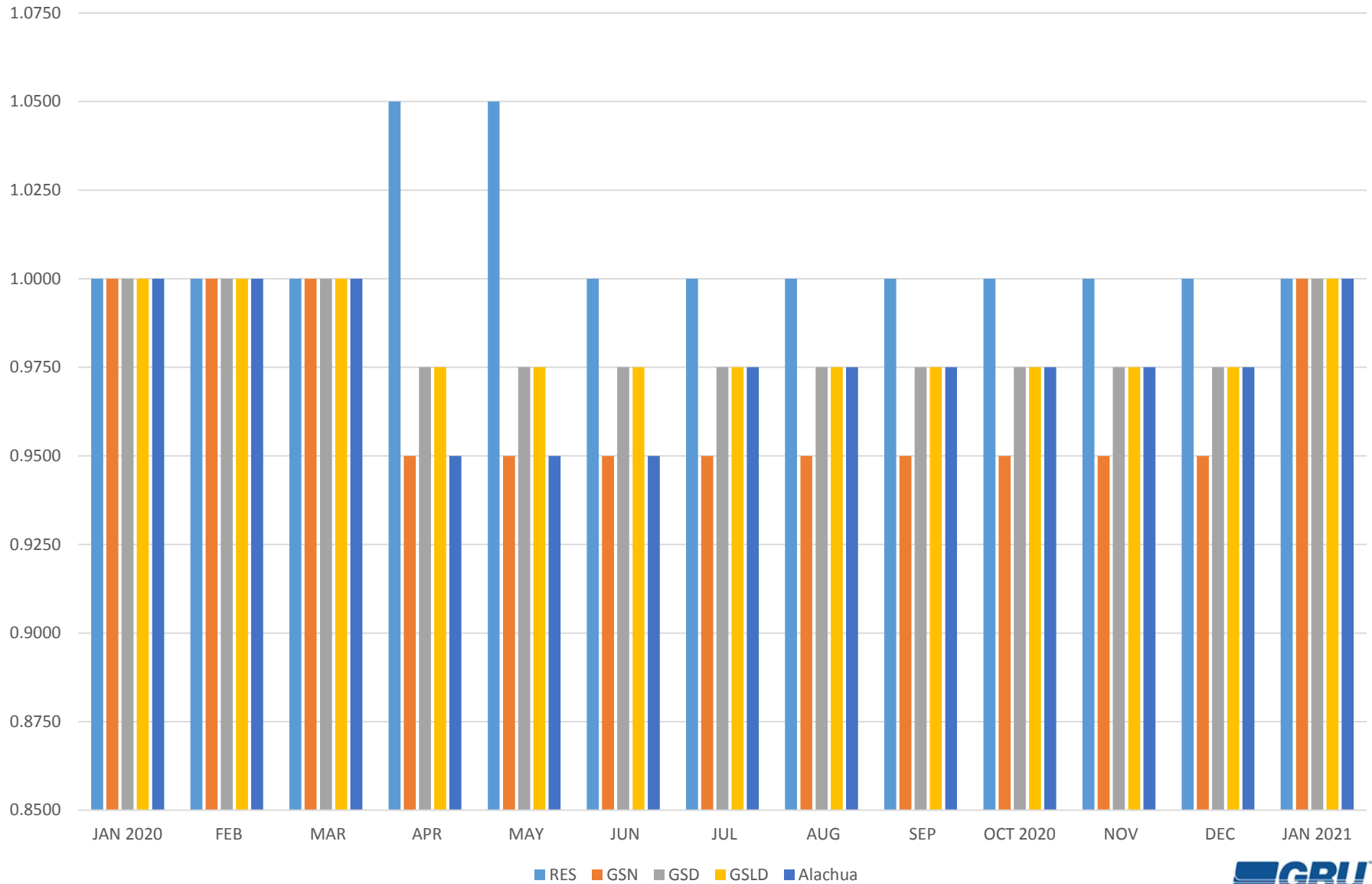
Revenue Impacts

	FY20 Dollars	FY20 Percentage	FY21 Dollars	FY21 Percentage
Electric	-\$4.331M	-2.3%	-\$1.649M	-0.8%
Water	-\$0.479M	-1.3%	-\$0.259M	-0.7%
Wastewater	-\$0.351M	-0.9%	-\$0.267M	-0.6%
Natural Gas	-\$0.274M	-1.8%	-\$0.124M	-0.8%

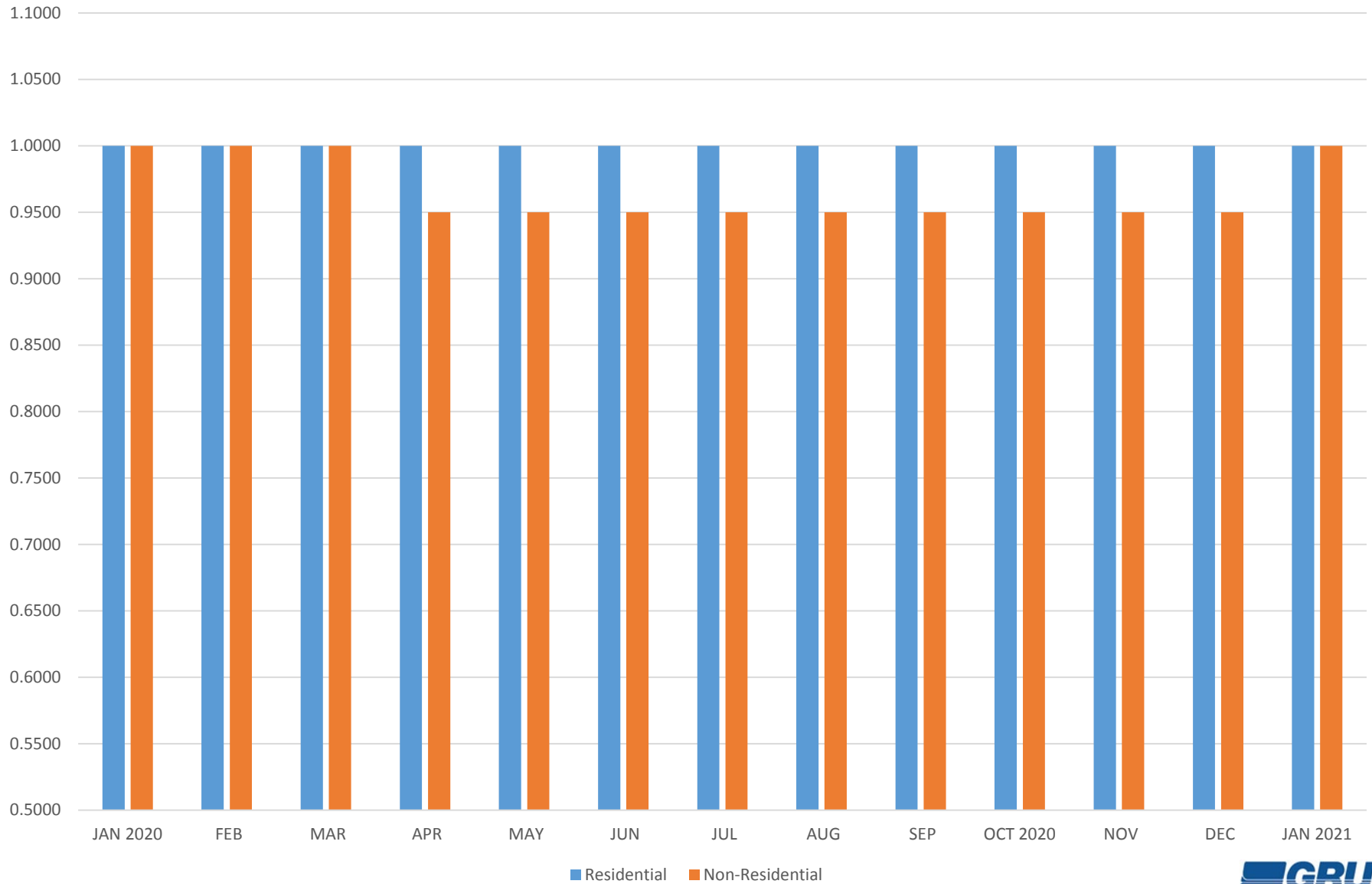
Covid-19 Electric System Multipliers Number of Customers



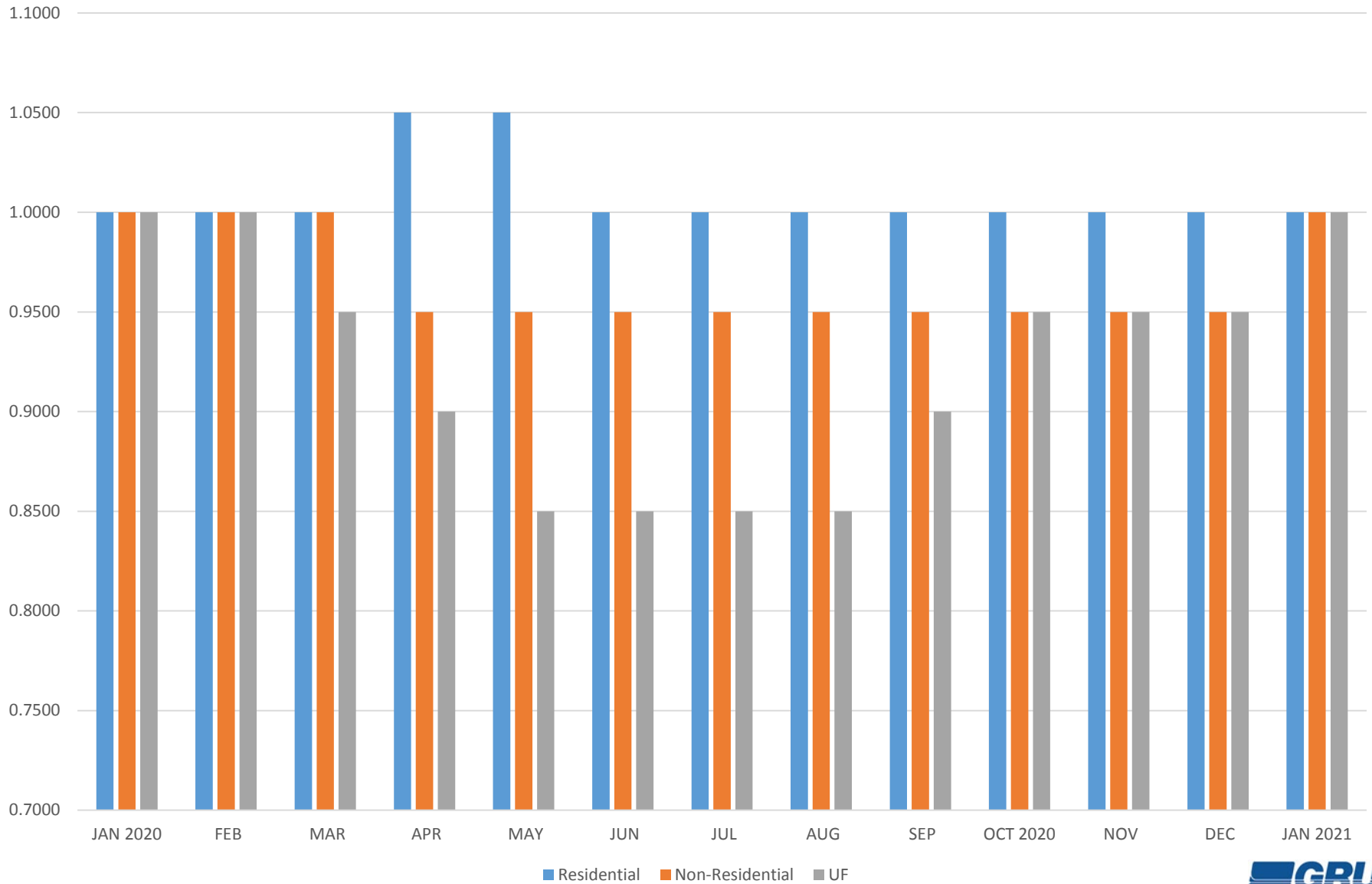
Covid-19 Electric System Multipliers kWh/Customer



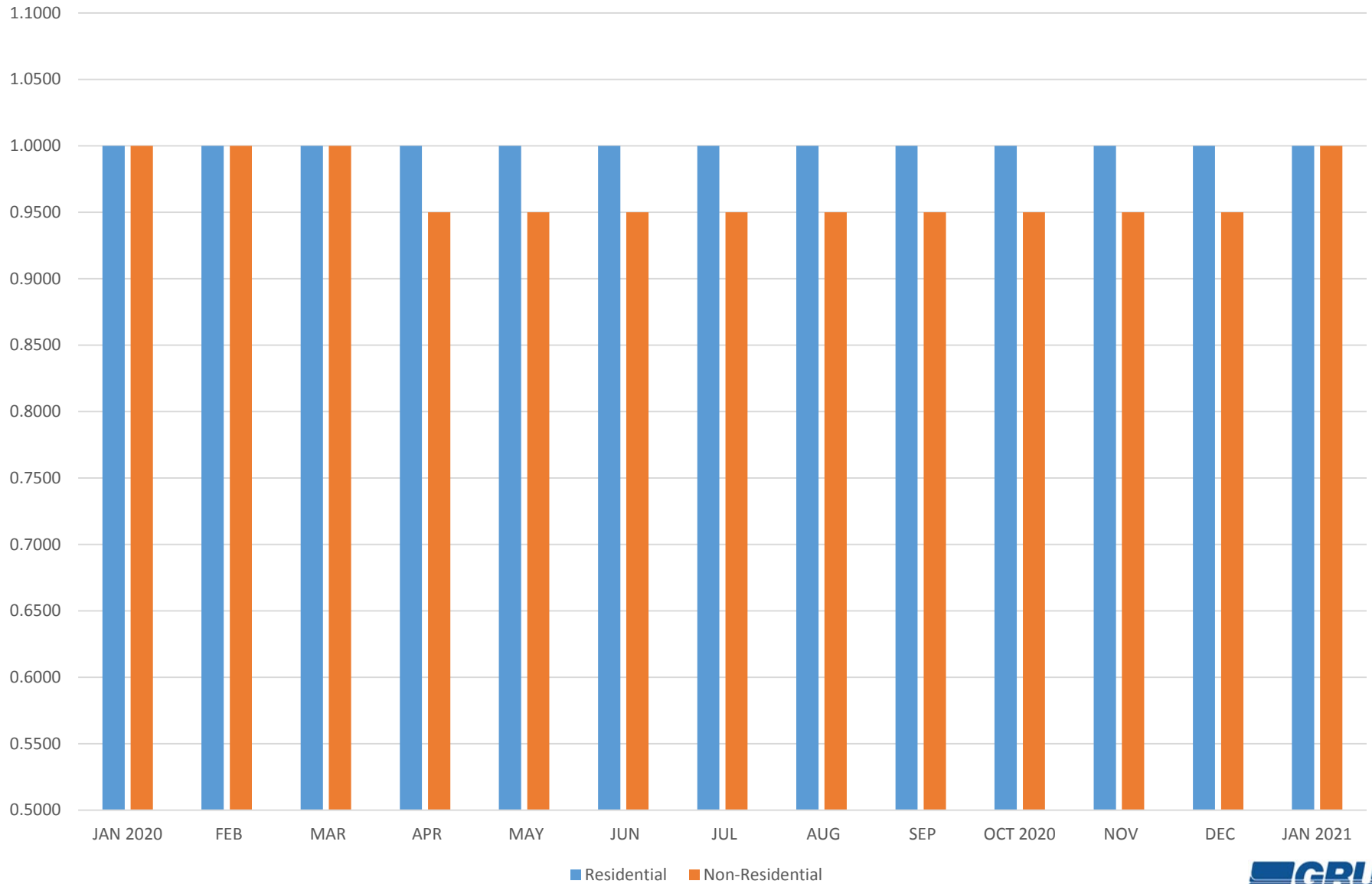
Covid-19 Water System Multipliers Number of Customers



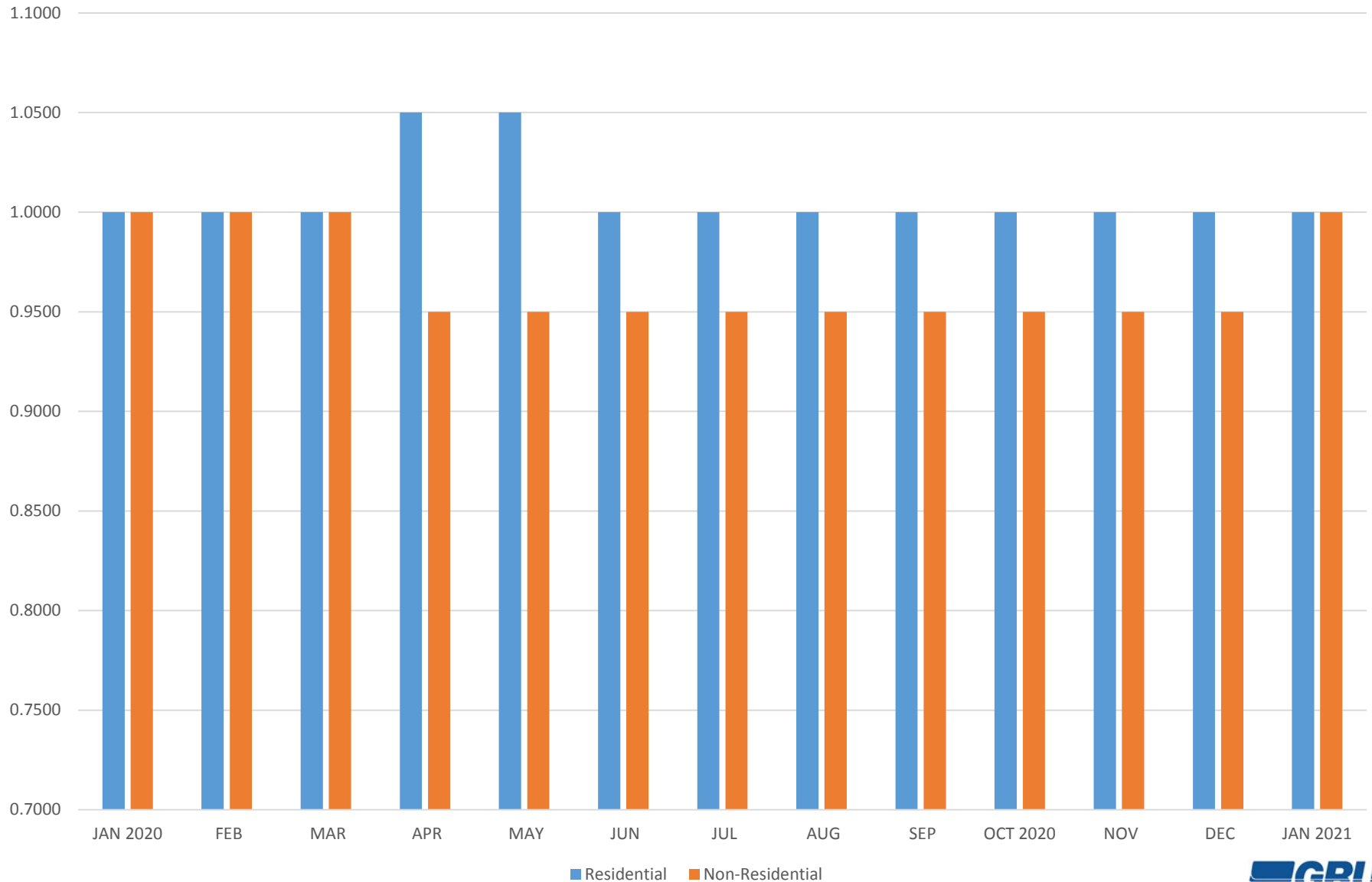
Covid-19 Water System Multipliers kGal/Customer



Covid-19 Wastewater System Multipliers Number of Customers

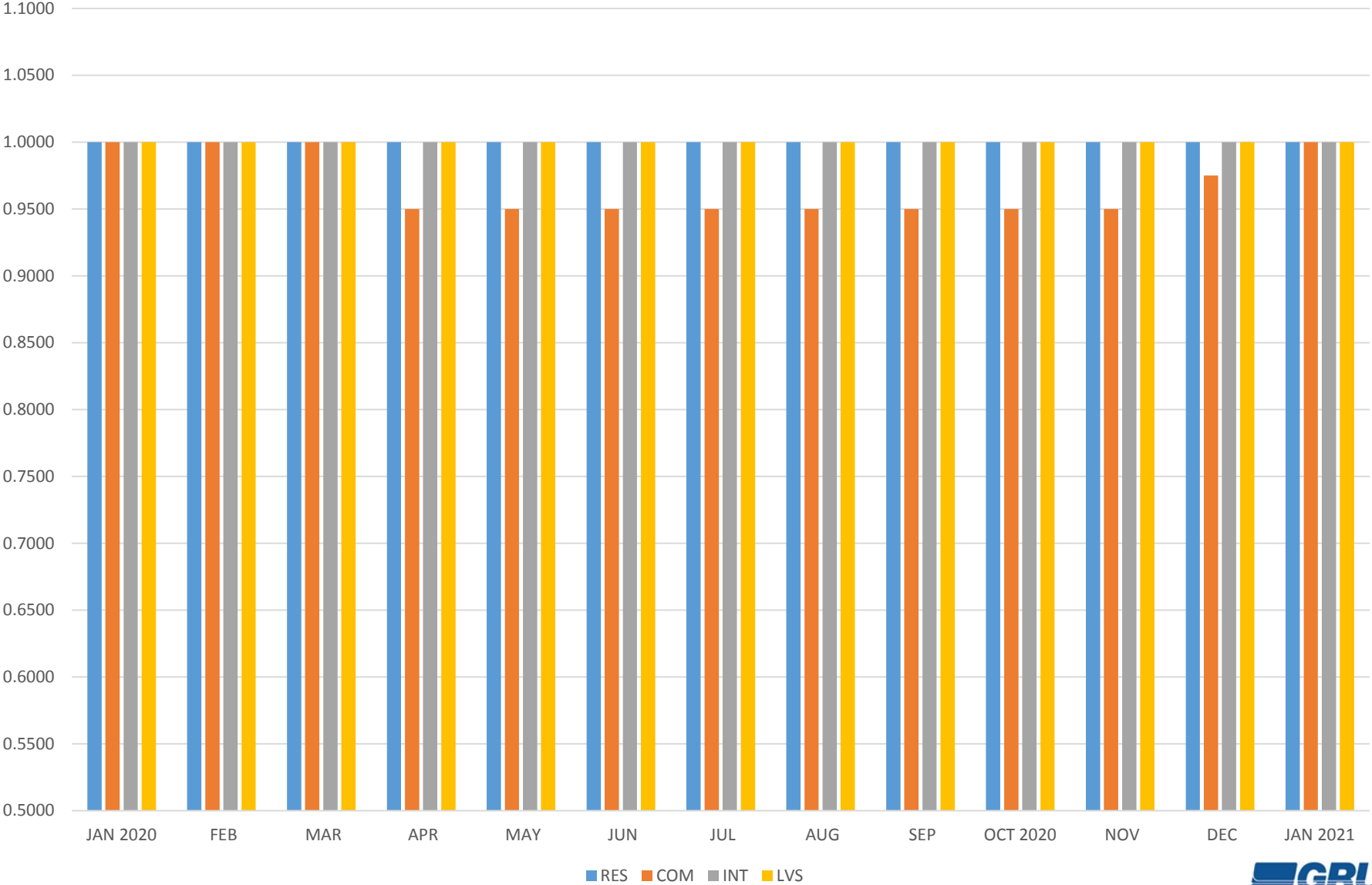


Covid-19 Wastewater System Multipliers kGal/Customer



Covid-19 Natural Gas System Multipliers

Number of Customers



Covid-19 Natural Gas System Multipliers therms/Customer

