

**RETAIL RATES**

	Fiscal Year Ending in Year				
	2018	2019	2020	2021	2022
Forecasted Retail Rate Increase	8.4%	8.3%	10.7%	8.1%	4.5%

	Fiscal Year Ending in Year				
	2013	2014	2015	2016	2017
Financial Plan Rate Forecast	11.0%	7.8%	14.1%	11.3%	9.4%
Adopted Retail Rate Increase	7.6%	3.6%	7.0%	7.0%	7.0%

**RETAIL RATE DRIVERS**

**POSITIVE DRIVERS**

Bond Interest Rate/Refunding  
Capital Revenues

**NEGATIVE DRIVERS**

Regulatory Compliance Requirements  
Labor Preservation Project Funding



**DRIVER IMPACTS UNDETERMINED**

Escalation Factor

- Cost of Living Adjustment
- Interest Earning Rate

Wholesale Revenues

Low-Income Program

Capital Program Updates

- Water System Seismic Study
- Supply System Master Plan
- Conduit Condition Assessment

Invoice Cloud/Electronic Payment Fees

Interagency/General Fund Overhead

## SCHEDULE AND PROCESS

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### In Progress

#### Now through mid-October

- **Review 5-Year Financial Plan with PUB.**
- Groups are working to develop FY 2017-18 Operating Budget and identifying future budget requirements.
- 5-Year Capital Program is being updated.
- Forecast assumptions are being reviewed.

### Next Steps

#### Mid-October through November

- Review and evaluate FY 2017-18 budget requests from Groups and updated 5-Year Capital Program.
- Update factors impacting wholesale rates.
- **Review forecast assumptions and changes to those assumptions with PUB**

#### December

- **Review preliminary FY 2017-18 Budget, 5-Year Capital Plan, preliminary rates forecast with PUB.**

#### January

- **Review updates/changes to the preliminary FY 2017-18 Budget, 5-Year Capital Plan, and rates forecast with PUB**
- Finalize FY 2017-18 Budget and 5-Year Capital Plan.
- Prepare 5-Year Financial Plan.

#### February

- Submit FY 2017-18 Budget, 5-Year Capital Plan, and 5-Year Financial Plan to CBO.
- **Review final submission and the forecast assumptions in the Financial Plan with PUB.**