Upcoming Rate Studies
Timeline & Scope

Rate Fairness Board
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Long-Term Rates Timeline

- **2019**
  - Power Rate Study

- **2020**
  - Water & Sewer Rate Study

- **2021**
  - Stormwater Charge Planning & Implementation

- **2022**
  - Spring 2021: Adopt Power Rates for July Implementation
  - Spring 2022: Adopt Water & Sewer Rates for July Implementation
Basic Rate Study Tasks

**Revenue Requirement**
Determines the total revenue required to operate and maintain facilities, cover capital expenses, and support the SFPUC’s strategic plan goal of financial sustainability.

**Cost of Service**
Allocates costs to functional buckets and then allocates functionalized costs to customer classes based on usage factors.

**Rate Design**
Develops specific rates and charges for customer classes that achieve SFPUC policy goals while meeting full cost recovery.
Example RFB Focus Areas

- **Revenue Requirement**
  - Consider whether financial policies provide sufficient reserves
  - Review demand/volume forecasts

- **Cost of Service**
  - Implementation of changes to cost allocation, such as the stormwater portion of the sewer service charge
  - Whether costs are recovered through general rates or customer-specific fees

- **Rate Design**
  - Incentives for conservation and sustainability practices
  - Affordability and support for low-income customers
  - Impacts of rate design on low- or high-volume users