Current Model Summary after 2008/09

Electric:

- 3% rate adjustments every year
- Transfer amounts based on net income
- More aggressive capital program of $37M in place after 2008/09

Water:

- Transfers to Wastewater starting in FY2012/13 totaling $58M
- 3% rate adjustments every year

Wastewater:

- 3% rate adjustments every year
- Transfers from Water to maintain a 10% EFB in Wastewater
- No transfers from Wastewater in FY2011/12 and beyond

Attachment 1

Scenario – 1 Summary

Electric:

- No rate adjustments
- Lower transfer amounts. Stabilized at $2.5M by FY2012/13
- More aggressive capital program of $ 37M in place

Water:

- Transfers to Wastewater starting in FY2012/13 totaling $42M
- Water rates higher due to 0% electric rate adjustments

Wastewater:

- 6.5% rate adjustments required to address debt service requirements in FY2009/10 and beyond
- Transfers from Water to maintain a 10% EFB in Wastewater
- No transfers from Wastewater in FY2011/12 and beyond

Same assumptions apply to Gas and Solid Waste as current model

Attachment 2

Scenario – 2 Summary

Electric:

- 1.5% rate adjustments every year instead of 3%
- Lower transfer amounts. Stabilized at $2.5M by FY2012/13
- More aggressive capital program of $37M in place

Water:

- Transfers out to Wastewater starting in FY2012/13 totaling $42M
- Water rates higher due to 1.5% annual electric rate adjustments

Wastewater:

- 6.5% rate adjustments required to address debt service requirements in FY2009/10 and beyond
- Transfers from Water to maintain a 10% EFB in Wastewater
- No transfers from Wastewater in FY2011/12 and beyond

Same assumptions apply to Gas and Solid Waste as current model