



Rochester Public Utilities

2020 Annual Operating Plan

ROCHESTER PUBLIC UTILITIES 2020 ANNUAL OPERATING PLAN

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ROCHESTER PUBLIC UTILITIES

2020

ELECTRIC UTILITY

OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2020 OPERATING BUDGET**

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**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2020 OPERATING BUDGET**

BASIC ASSUMPTIONS

- Cost center budgets and non-bonded projects set at level used in cost-of-service study
- Other than specifically identified projects, no assumptions have been made with regards to DMC
- Interest Earnings Rate: 1.80%
- Average Salary Expense Change: 3.2%
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Anticipated Bonding none
- Change in Full-time Equivalents: 3
- SMMPA Wholesale Power Cost: 0.0% increase
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: Current policy amount \$57,408,200

RETAIL REVENUES / SALES

- Revenue Adjustment: 0.0% proposed
- Electric KWH Sales Forecast: 0.9 % Increase from 2019 Year End Projected Sales
- Total Electric Utility Customers: 1.8% Increase over Year End 2019 Projected Customers
- Forecast Assumes Normal Weather : 523 Cooling Degree Days

WHOLESALE FUEL COSTS

- Estimated Cost of Fuel 2020 \$3.45 / mcf
- Budgeted Cost of Fuel 2019 F2 \$3.54 / mcf

OTHER ITEMS

- In Lieu of Tax forecast increasing \$80,100 to a total of \$8,825,228.

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L**

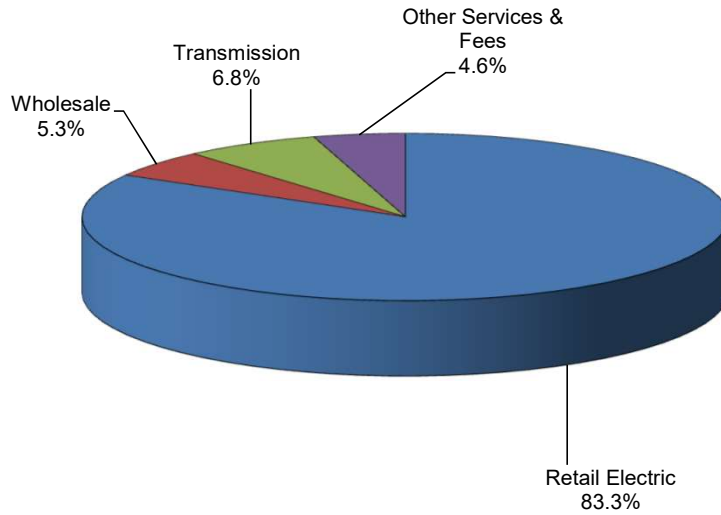
	Historical Data		2019 F2					
	2017	2018		2020	2021	2022	2023	2024
in 000's								
	RPU Rate Increase	3.7%	1.5%	1.9%	0.0%	2.5%	2.5%	2.5%
Revenue								
Retail Electric	\$146,779	\$151,914	\$150,685	\$152,891	\$157,012	\$160,948	\$164,952	\$170,165
Wholesale Electric	\$1,822	\$4,736	\$3,305	\$4,491	\$4,491	\$4,491	\$4,491	\$4,491
Wholesale Steam	\$4,419	\$4,322	\$3,664	\$4,548	\$5,427	\$5,427	\$5,427	\$4,662
Transmission	\$4,496	\$5,245	\$5,629	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Other Services & Fees	\$3,264	\$3,079	\$2,066	\$3,365	\$3,407	\$3,449	\$3,491	\$3,534
Total Revenue	\$160,780	\$169,295	\$165,349	\$170,295	\$175,338	\$179,315	\$183,362	\$187,851
Cost of Revenue	SMMPA Rate Increase (Decrease)	2.0%	0.0%	(4.0%)	0.0%	0.0%	0.0%	0.0%
Power Supply	\$93,062	\$94,984	\$90,600	\$91,663	\$91,796	\$91,675	\$91,498	\$91,641
Generation Fuel	\$3,413	\$5,497	\$4,411	\$5,153	\$5,613	\$5,613	\$5,613	\$5,212
Total Cost of Revenue	\$96,475	\$100,481	\$95,011	\$96,816	\$97,409	\$97,288	\$97,111	\$96,854
Gross Margin								
Retail Electric	\$53,717	\$56,930	\$60,085	\$61,228	\$65,216	\$69,272	\$73,454	\$78,524
Wholesale	\$2,828	\$3,561	\$2,558	\$3,886	\$4,306	\$4,306	\$4,306	\$3,940
Transmission	\$4,496	\$5,245	\$5,629	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Other Services & Fees	\$3,264	\$3,079	\$2,066	\$3,365	\$3,407	\$3,449	\$3,491	\$3,534
TOTAL GROSS MARGIN	\$64,305	\$68,814	\$70,339	\$73,479	\$77,929	\$82,027	\$86,251	\$90,998
Controllable Costs								
Salaries & Benefits	\$21,802	\$22,673	\$24,274	\$25,874	\$27,631	\$29,152	\$30,754	\$32,455
Other Operating Expenses	\$8,967	\$9,605	\$9,585	\$10,501	\$10,560	\$10,708	\$10,936	\$11,150
Major Maintenance	\$1,986	\$2,421	\$3,419	\$3,703	\$5,380	\$5,946	\$3,929	\$3,493
Non-Bonded Capital Projects	\$12,228	\$8,003	\$18,937	\$18,315	\$32,444	\$12,275	\$24,966	\$25,812
TOTAL CONTROLLABLE COSTS	\$44,984	\$42,703	\$56,214	\$58,392	\$76,015	\$58,081	\$70,584	\$72,910
Depreciation & Amortization	\$10,975	\$12,969	\$13,531	\$14,468	\$14,379	\$14,532	\$15,054	\$15,595
Less Non Bonded Projects (capitalized)	(\$12,228)	(\$8,003)	(\$18,937)	(\$18,315)	(\$32,444)	(\$12,275)	(\$24,966)	(\$25,812)
Less Total Internal Costs (capitalized)	(\$4,547)	(\$4,763)	(\$3,904)	(\$4,822)	(\$5,457)	(\$3,948)	(\$5,174)	(\$6,078)
Interutility Allocation	(\$1,228)	(\$1,333)	(\$1,546)	(\$1,575)	(\$1,607)	(\$1,639)	(\$1,672)	(\$1,705)
Total Operating Expenses	\$37,956	\$41,572	\$45,358	\$48,149	\$50,887	\$54,751	\$53,827	\$54,911
Net Operating Income (Loss)	\$26,349	\$27,242	\$24,980	\$25,330	\$27,042	\$27,276	\$32,424	\$36,087
Financing & Other Non-Operating Items:								
Bond & Interest Related Expenses	(\$5,039)	(\$5,939)	(\$6,473)	(\$6,421)	(\$6,268)	(\$6,098)	(\$5,912)	(\$5,710)
Interest Income	\$851	\$1,372	\$1,705	\$1,636	\$1,621	\$1,641	\$1,725	\$1,787
Misc Non-Operating Income (Expense)	(\$570)	(\$865)	(\$27)	(\$31)	(\$31)	(\$32)	(\$32)	(\$33)
Total Financing & Non-Operating Items	(\$4,758)	(\$5,431)	(\$4,794)	(\$4,816)	(\$4,678)	(\$4,488)	(\$4,219)	(\$3,956)
Income Before Transfers or Capital Contributions	\$21,591	\$21,811	\$20,186	\$20,513	\$22,364	\$22,787	\$28,205	\$32,131
Transfers (In Lieu of Taxes)	(\$8,422)	(\$8,725)	(\$8,745)	(\$8,825)	(\$8,999)	(\$9,183)	(\$9,373)	(\$9,574)
Capital Contributions/Intercompany	\$2,764	\$2,060	\$527	\$5,276	\$11,198	\$487	\$4,450	\$4,175
NET INCOME	\$15,933	\$15,147	\$11,967	\$16,964	\$24,563	\$14,091	\$23,282	\$26,732
NET INCOME (Excluding Capital Contributions)			\$11,441	\$11,688	\$13,365	\$13,604	\$18,832	\$22,557
TARGET NET INCOME			\$13,060	\$ 14,700	\$ 16,200	\$ 16,900	\$ 18,100	\$ 19,500
Excess (Deficit) from Target			\$ (1,619)	\$ (3,012)	\$ (2,835)	\$ (3,296)	\$ 732	\$ 3,057
1/01 Cash Balance	\$ 56,843	\$ 78,820	\$ 76,827	\$ 79,892	\$ 75,189	\$ 82,133	\$ 84,615	
Change in Net Assets	15,147	11,967	16,964	24,563	14,091	23,282	26,732	
Depreciation & Amortization	12,969	13,531	14,468	14,379	14,532	15,054	15,595	
Capital Additions/Service Territory Comp	(23,320)	(22,841)	(23,137)	(37,901)	(16,223)	(30,140)	(31,890)	
Bond Principal Payments	(5,460)	(5,725)	(6,015)	(6,315)	(6,625)	(6,955)	(7,310)	
Bond Proceeds	-	(0)	(0)	(0)	(0)	0	-	
Net Change in Other Assets/Liabilities	22,642	1,074	784	571	1,169	1,240	1,286	
Net Changes in Cash	21,977	(1,993)	3,065	(4,703)	6,944	2,482	4,413	
12/31 Cash Balance	\$ 78,820	\$ 76,827	\$ 79,892	\$ 75,189	\$ 82,133	\$ 84,615	\$ 89,028	
Minimum Cash Reserve	\$ 53,954	\$ 55,603	\$ 57,408	\$ 58,692	\$ 59,819	\$ 58,890	\$ 58,148	
Excess (Deficit) from Minimum Cash Reserve	\$ 24,866	\$ 21,224	\$ 22,484	\$ 16,497	\$ 22,314	\$ 25,725	\$ 30,880	
Debt Service Coverage Ratio		3.0	2.9	2.9	3.1	3.1	3.5	3.8

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L**

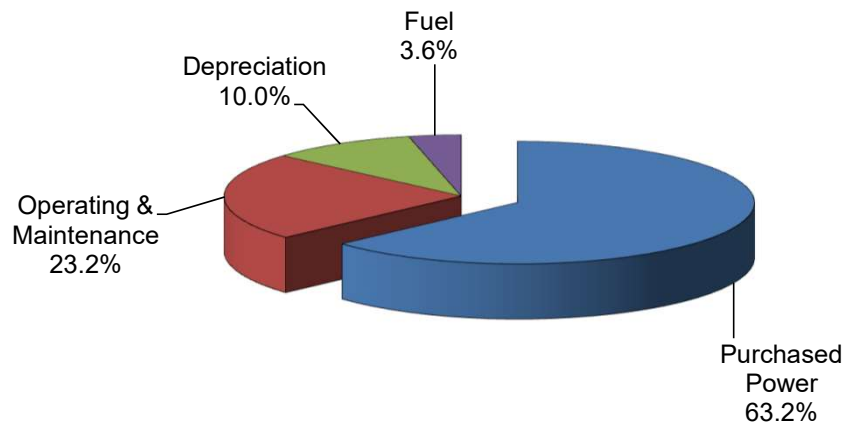
	Historical Data		2019		2020		Variance	%
	2017	2018	Orig Bdgt	2019 F2	2020	Orig Bdgt (from 2017 COSS)	2020 to Orig Bdgt	Variance
in 000's								
Revenue								
Retail Electric	\$146,779	\$151,914	\$153,201	\$150,685	\$152,891	\$170,964	(\$18,074)	-10.6%
Wholesale Electric	\$1,822	\$4,736	\$6,381	\$3,305	\$4,491	\$2,149	\$2,342	109.0%
Wholesale Steam	\$4,419	\$4,322	\$4,304	\$3,664	\$4,548	\$4,565	(\$17)	-0.4%
Transmission	\$4,496	\$5,245	\$5,000	\$5,629	\$5,000	\$5,000	\$0	0.0%
Other Services & Fees	\$3,264	\$3,079	\$3,224	\$2,066	\$3,365	\$3,377	(\$12)	-0.4%
Total Revenue	\$160,780	\$169,295	\$172,109	\$165,349	\$170,295	\$186,055	(\$15,760)	-8.5%
Cost of Revenue								
Power Supply	\$93,062	\$94,984	\$96,130	\$90,600	\$91,663	\$99,966	(\$8,303)	-8.3%
Generation Fuel	\$3,413	\$5,497	\$7,086	\$4,411	\$5,153	\$3,816	\$1,338	35.1%
Total Cost of Revenue	\$96,475	\$100,481	\$103,217	\$95,011	\$96,816	\$103,781	(\$6,965)	-6.7%
Gross Margin								
Retail Electric	\$53,717	\$56,930	\$57,071	\$60,085	\$61,228	\$70,999	(\$9,770)	-13.8%
Wholesale	\$2,828	\$3,561	\$3,599	\$2,558	\$3,886	\$2,898	\$988	34.1%
Transmission	\$4,496	\$5,245	\$5,000	\$5,629	\$5,000	\$5,000	\$0	0.0%
Other Services & Fees	\$3,264	\$3,079	\$3,224	\$2,066	\$3,365	\$3,377	(\$12)	-0.4%
TOTAL GROSS MARGIN	\$64,305	\$68,814	\$68,893	\$70,339	\$73,479	\$82,273	(\$8,795)	-12.8%
Controllable Costs								
Salaries & Benefits	\$21,802	\$22,673	\$24,698	\$24,274	\$25,874	\$25,321	\$553	2.2%
Other Operating Expenses	\$8,967	\$9,605	\$10,482	\$9,585	\$10,501	\$9,946	\$555	5.6%
Major Maintenance	\$1,986	\$2,421	\$3,348	\$3,419	\$3,703	\$2,426	\$1,277	52.7%
Non-Bonded Capital Projects	\$12,228	\$8,003	\$17,105	\$18,937	\$18,315	\$11,131	\$7,184	64.5%
TOTAL CONTROLLABLE COSTS	\$44,984	\$42,703	\$55,632	\$56,214	\$58,392	\$48,823	\$9,569	19.6%
Depreciation & Amortization	\$10,975	\$12,969	\$14,265	\$13,531	\$14,468	\$11,942	\$2,527	21.2%
Less Non Bonded Projects (capitalized)	(\$12,228)	(\$8,003)	(\$17,105)	(\$18,937)	(\$18,315)	(\$11,131)	(\$7,184)	64.5%
Less Total Internal Costs (capitalized)	(\$4,547)	(\$4,763)	(\$3,401)	(\$3,904)	(\$4,822)	(\$4,187)	(\$635)	15.2%
Interutility Allocation	(\$1,228)	(\$1,333)	(\$1,486)	(\$1,546)	(\$1,575)	(\$1,474)	(\$101)	6.9%
Total Operating Expenses	\$37,956	\$41,572	\$47,905	\$45,358	\$48,149	\$43,973	\$4,175	9.5%
Net Operating Income (Loss)	\$26,349	\$27,242	\$20,987	\$24,980	\$25,330	\$38,300	(\$12,970)	-33.9%
Financing & Other Non-Operating Items:								
Bond & Interest Related Expenses	(\$5,039)	(\$5,939)	(\$6,303)	(\$6,473)	(\$6,421)	(\$8,118)	\$1,697	-20.9%
Interest Income	\$851	\$1,372	\$735	\$1,705	\$1,636	\$185	\$1,451	786.5%
Misc Non-Operating Income (Expense)	(\$570)	(\$865)	(\$50)	(\$27)	(\$31)	(\$113)	\$83	-73.0%
Total Financing & Non-Operating Items	(\$4,758)	(\$5,431)	(\$5,618)	(\$4,794)	(\$4,816)	(\$8,047)	\$3,231	-40.1%
Income Before Transfers or Capital Contributions	\$21,591	\$21,811	\$15,369	\$20,186	\$20,513	\$30,253	(\$9,739)	-32.2%
Transfers (In Lieu of Taxes)	(\$8,422)	(\$8,725)	(\$8,881)	(\$8,745)	(\$8,825)	(\$9,603)	\$778	-8.1%
Capital Contributions/Intercompany	\$2,764	\$2,060	\$2,129	\$527	\$5,276	\$228	\$5,048	2211.1%
NET INCOME	\$15,933	\$15,147	\$8,617	\$11,967	\$16,964	\$20,878	(\$3,914)	-18.7%
1/01 Cash Balance	\$ 56,843		\$ 67,805	\$ 78,820	\$ 76,827	\$ 45,701	\$ 31,126	68.1%
Change in Net Assets		15,147	8,617	11,967	16,964	20,878	(3,914)	-18.7%
Depreciation & Amortization		12,969	14,265	13,531	14,468	11,942	2,527	21.2%
Capital Additions/Service Territory Comp		(23,320)	(27,758)	(22,841)	(23,137)	(25,704)	2,567	-10.0%
Bond Principal Payments		(5,460)	(5,725)	(5,725)	(6,015)	(7,442)	1,427	-19.2%
Bond Proceeds		-	-	(0)	(0)	-	(0)	0.0%
Net Change in Other Assets/Liabilities		22,642	7,067	1,074	784	9,982	(9,197)	-92.1%
Net Changes in Cash		21,977	(3,535)	(1,993)	3,065	9,656	(6,591)	-68.3%
12/31 Cash Balance	\$ 78,820		\$ 64,270	\$ 76,827	\$ 79,892	\$ 55,357	\$ 24,535	44.3%
Minimum Cash Reserve	\$ 53,954		\$ 55,603	\$ 55,603	\$ 57,408	\$ 49,577	\$ 7,831	15.8%
Excess (Deficit) from Minimum Cash Reserve	\$ 24,866		\$ 8,668	\$ 21,224	\$ 22,484	\$ 5,780	\$ 16,704	289.0%

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2020 OPERATING BUDGET**

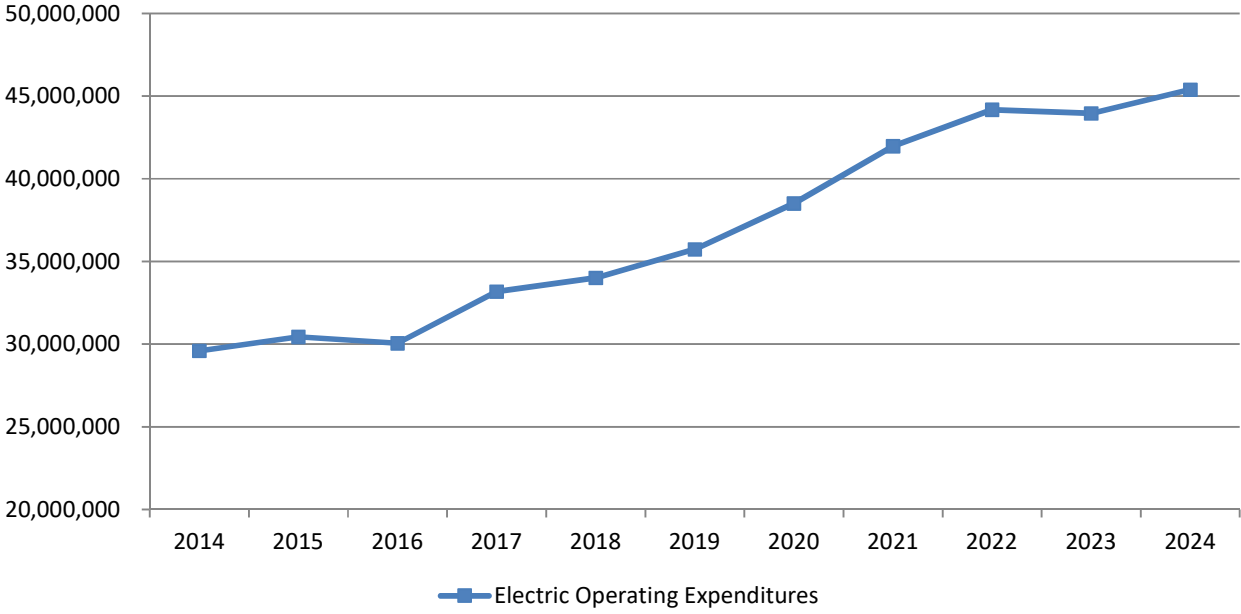
**GROSS MARGIN
\$73,478,519**



**EXPENSE USES
\$144,964,764**



Electric Operating Expenditures



ROCHESTER PUBLIC UTILITIES
PRODUCTION & SALES STATISTICS FORECAST
ELECTRIC UTILITY

	2019 F2	2020	2021	2022	2023	2024
Peak MW						
SMMPA	216	216	216	216	216	216
Self Generation	-	-	-	-	-	-
Market	68	57	58	58	59	60
Total Peak MW	284	273	274	274	275	276
% Change	2.4%	-3.8%	0.3%	0.3%	0.3%	0.3%
Retail MWH	1,175,163	1,185,419	1,184,982	1,185,357	1,186,053	1,187,516
% Change	-2.5%	0.9%	0.0%	0.0%	0.1%	0.1%
Purchased Power MWH						
SMMPA	1,199,722	1,204,670	1,204,219	1,204,633	1,205,398	1,206,995
Other	3,661	1,515	1,591	1,675	1,772	1,863
Total Purchased Power MWH	1,203,383	1,206,185	1,205,810	1,206,307	1,207,170	1,208,858
% Change	-2.1%	0.2%	0.0%	0.0%	0.1%	0.1%
Generation MWH						
Total Generation MWH	89,020	97,934	97,934	97,934	97,934	97,934
% Change	-21.0%	10.0%	0.0%	0.0%	0.0%	0.0%
Number of Customers						
Residential	51,627	52,620	53,633	54,665	55,717	56,789
Small General Service	4,571	4,612	4,653	4,694	4,735	4,776
Medium General Service	447	457	467	477	488	498
Large General Service	13	13	13	13	13	13
Large Industrial Service	2	2	2	2	2	2
Street & Hwy Lightings	3	3	3	3	3	3
Interdepartmental	1	1	1	1	1	1
Total Customers	56,664	57,708	58,772	59,855	60,959	62,082
% Change	2.4%	1.8%	1.8%	1.8%	1.8%	1.8%
Blended cost per MWH for retail supply	\$ 75.29	\$ 75.99	\$ 76.13	\$ 76.00	\$ 75.80	\$ 75.81
Steam Generation MLBS	333,350	438,000	522,699	522,699	522,699	448,950
% Change	1.0%	31.4%	19.3%	0.0%	0.0%	-14.1%

ROCHESTER PUBLIC UTILITIES

2020

ELECTRIC UTILITY

**CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2020 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

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**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY
MAJOR MAINTENANCE
(\$000's)**

		Multi-Year Project Total	2020	2021	2022	2023	2024	5-Yr Total
8	<u>Core Services</u>							
9	Tree Trimming		1,430	1,750	2,000	2,000	2,000	9,180
10	Allocation - New Services		210	200	205	195	195	1,005
11	Transmission Asset Management		30	20	25	15	15	105
12	Distribution Lines & Equipment Maintenance		180	180	180	180	180	900
13	Distribution System Planning Study		-	-	75	-	-	75
14	Substation Switchgear Analysis Report		-	50	50	-	-	100
15	Transmission Coordination Study		75	-	-	-	-	75
16	Asbestos Mitigation in Manholes		-	50	50	-	-	100
17	DER Hosting Capacity Study		-	-	80	-	-	80
18	Downtown Duct & Feeder Routing Study	205	30	100	75	-	-	205
19	Total Core Services	205	1,745	2,150	2,535	2,195	2,195	10,820
20	<u>Customer Relations</u>							
21	Customer Experience Mapping	200	40	160	-	-	-	200
22	Low Income		12	-	-	-	-	12
23	Total Customer Relations	200	52	160	-	-	-	212
24	<u>Corporate Services</u>							
25	Elec Cost-of-Srvc/Rate Design Study		65	-	-	70	-	135
26	Rates Modeling		25	45	45	45	45	205
27	Budgeting System		-	45	-	-	-	45
28	HPC Support Contract		125	125	125	125	125	625
29	SAP Technical Upgrade		60	-	-	-	-	60
30	Move Phone System for PCI Compliance		15	-	-	-	-	15
31	Sharepoint Site		-	100	-	-	-	100
32	ImageNow Upgrade		82	-	-	30	-	112
33	Total Corporate Services		372	315	170	270	170	1,297
34	<u>Compliance and Public Affairs</u>							
35	Zumbro River Dredging		161	-	-	-	-	161
36	WES Emissions Testing		63	-	-	67	-	130
37	Total Compliance and Public Affairs		224	-	-	67	-	291
38	<u>Power Resources</u>							
39	SLP Decommissioning		25	575	325	250	250	1,425
40	GT1 Major Overhaul		-	-	2,000	-	-	2,000
41	Silver Lake Dam Ownership		-	1,000	-	-	-	1,000
42	Remove Unit 4 Chimney		450	-	-	-	-	450
43	RPU Comprehensive Master Plan		-	195	-	-	-	195
44	Allocation - Power Resources		355	504	434	664	394	2,351
45	Allocation - Facilities		180	181	182	183	184	910
46	Total Power Resources		1,010	2,455	2,941	1,097	828	8,331
47	<u>General Management</u>							
48	Operating Contingency Fund		300	300	300	300	300	1,500
49	Total General Management		300	300	300	300	300	1,500
50	Total Outside Expenditures	405	3,703	5,380	5,946	3,929	3,493	22,451
51	Total Internal Expenditures	107	379	465	346	244	231	1,665
52	Total Major Maintenance Plan	512	4,082	5,845	6,292	4,173	3,724	24,116

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY
CAPITAL
(\$000's)**

		Multi-Year					5-Yr Total
	<u>Project Total</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	
9 Core Services							
10 OSI SCADA Version Upgrade		1,109	-	175	-	175	1,459
11 Forestry Mower		30	-	-	-	-	30
12 Radio System Indoor Bi-Directional Amplifier		30	-	-	-	-	30
13 Allocation - New Services		955	1,045	1,010	1,010	1,080	5,100
14 New Service Installations		625	625	625	625	625	3,125
15 Distribution Lines & Equipment - Capital		180	180	180	180	180	900
16 Property Damage - Repair/Replace		75	75	75	75	75	375
17 Other Equipment Failures		75	165	130	130	200	700
18 Load Management Installations		8	8	8	8	8	38
19 Mobile Meter Reader		40	-	40	-	40	120
20 Metering/Shop Test Equipment Upgrade/Repl		15	45	15	15	15	105
21 Substation/Shop Test Equipment Upgrade/Repl		40	35	35	35	35	180
22 Substation Spares and Replacements		20	20	20	20	20	100
23 TOU Limited Hybrid Smart Metering Transition		105	-	-	-	-	105
24 AMI		100	587	500	450	450	2,087
25 Allocation - Metering - AMI		-	321	621	601	220	1,763
26 Allocation - Metering		989	1,009	1,029	1,049	1,070	5,146
27 Hydro Line Rebuild		-	-	-	-	200	200
28 Northern Hills 65th St Feeder		560	-	-	-	-	560
29 Feeder 306 Install		-	-	-	-	300	300
30 Feeder 615 Install		-	-	350	-	-	350
31 Feeder 715 Install		325	-	-	-	-	325
32 Feeder 913 Install		-	-	300	-	-	300
33 Feeder 914 Install		-	-	-	300	-	300
34 Feeder 1315 Install		-	-	-	250	-	250
35 Feeder 1602 Install		-	-	-	300	-	300
36 Feeder 1732 Install		70	-	-	-	-	70
37 Feeder 1733 Install		-	-	200	-	-	200
38 1st Ave SE Duct Relocation		80	-	-	-	-	80
39 Downtown New Duct Systems		-	-	200	2,300	3,000	5,500
40 Downtown New Feeder Extensions		-	-	-	1,000	1,500	2,500
41 65th St - 50th to 60th Ave		-	-	-	-	500	500
42 Q2 Rebuild from Bear Creek - RCTC		-	-	-	-	350	350
43 Q4 Rebuild from BV Sub to Salem Rd		-	-	-	400	400	800
44 Q7 Rebuild to Grade B		-	-	-	-	400	400
45 Q11 W.C. to new St. Bridget Sub - ROW		320	-	-	-	-	320
46 Fiber Cascade Creek to Westside		-	195	-	-	-	195
47 Fiber OWEF Splice to Chester		-	-	275	-	-	275
48 Small Cell Antennas		15	20	-	-	-	35
49 Feeder 1401 & 1411 Bifurcation		640	-	-	-	-	640
50 Marion Rd Substation & Feeder Buildout	27,554	3,178	21,147	679	370	2,180	27,554
51 Hydro Line Reconfig for New Hydro Sub		-	-	-	250	-	250
52 New Padmount Hydro Sub		-	-	-	150	-	150
53 New Mayo Feeders		-	-	-	3,500	-	3,500
54 Mayo - Feeders to St. Mary's		-	-	-	-	3,000	3,000
55 Substation Communication		-	1,130	1,000	-	-	2,130
56 Volt/VAR Optimization		-	50	250	250	-	550
57 Solar/DER 20+ MW		1,620	-	-	-	-	1,620
58 DER Software Portal		50	-	-	-	-	50
59 SAG10 Software		14	-	-	-	-	14

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY
CAPITAL
(\$000's)**

Multi-Year

	Project Total	2020	2021	2022	2023	2024	5-Yr Total
Allocation - Distribution Expansion		3,021	3,230	3,030	4,170	4,330	17,781
Feeder Extensions		350	100	260	375	250	1,335
Feeder Rebuilds		130	150	165	210	265	920
Transmission Projects		30	30	30	30	30	150
Substation Projects		205	180	105	195	220	905
Road Projects		125	325	425	600	525	2,000
Road Projects - DMC		445	475	375	150	50	1,495
Manhole Switch Replacements		85	90	90	95	95	455
Mainline Cable Replacement		646	800	450	550	830	3,276
Manhole Repair/Replace		275	300	300	325	350	1,550
Substation Switchgear Replacement		-	-	-	675	700	1,375
Capacitor Bank Installations		30	30	30	35	35	160
Fiber Optic Projects		25	25	25	30	30	135
Distribution Transformers		550	600	650	700	750	3,250
Overhead to Underground Conversion		125	125	125	200	200	775
Pole Replacements		-	-	-	-	-	-
Survey GPS Replacement		-	-	-	30	-	30
Responder/SCADA Integration		60	-	-	-	-	60
GIS Utility Network Implementation		-	95	-	-	-	95
Service Territory Payments		355	355	355	355	355	1,775
Service Territory Payments - SMMPA Reimbursement		(178)	(178)	(89)	(89)	(44)	(577)
Total Core Services	27,554	13,571	29,114	10,002	16,724	19,583	88,994
Customer Relations							
TOU Post Go Live	275	115	160	-	-	-	275
Total Customer Relations	275	115	160	-	-	-	275
Corporate Services							
ERP/Work Mgmt Implementation		-	-	-	6,000	4,000	10,000
Enterprise Systems and Applications		-	150	150	-	-	300
Change Management Tool		50	-	-	-	-	50
NSX Implementation	142	42	100	-	-	-	142
Enterprise Software Backup		-	140	-	-	-	140
Report Server		30	-	-	-	-	30
Allocation - Technology		460	524	584	535	525	2,628
Network Management		228	200	165	165	165	923
Output Management		16	16	16	21	16	85
Server Management		19	99	144	40	85	387
Workstation Management		107	93	93	93	93	479
Backup/DR		35	26	26	26	26	139
Information Risk and Security		25	10	10	10	10	65
Storage Management		-	50	50	50	50	200
Business Systems/Applications		-	-	-	-	-	-
City Shared Infrastructure		-	-	-	-	-	-
Operation Technology		30	30	80	130	80	350
Total Corporate Services	142	582	914	734	6,535	4,525	13,290
Power Resources							
Allocation - Power Resources		609	450	215	350	300	1,924
Civic Center Solar		191	-	-	-	-	191
Replace AHU 1-4	1,999	1,527	473	-	-	-	1,999
Fleet Hoist #3 Replacement		208	-	-	-	-	208
Allocation - Facilities		30	31	32	33	34	160
Pickup - Tech Services Electrician		83	-	-	-	-	83
Hydro Vac - T&D		96	-	-	-	-	96
Allocation - Fleet		604	602	592	624	670	3,092
Total Power Resources	1,999	3,348	1,556	839	1,007	1,004	7,753
General Management							
Project Contingency Fund		700	700	700	700	700	3,500
Total General Management		700	700	700	700	700	3,500
Total Outside Expenditures	29,970	18,315	32,444	12,275	24,966	25,812	113,812
Total Internal Expenditures	3,159	4,822	5,457	3,948	5,174	6,078	25,479
Less Bonding		-	-	-	-	-	-
Net Capital Plan	33,129	23,137	37,901	16,223	30,140	31,890	139,291
Net Capital and Major Maintenance Plan	33,641	27,219	43,746	22,515	34,312	35,614	163,406

ROCHESTER PUBLIC UTILITIES

2020

WATER UTILITY

OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2020 OPERATING BUDGET**

INDEX

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Basic Assumptions	1
Forecast by Year 2019 through 2024	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2020 OPERATING BUDGET**

BASIC ASSUMPTIONS

- Interest Earnings Rate: 1.80%
- Average Salary Expense Change: 3.2%
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Change in Full-time Equivalents: 1
- Minimum Cash Reserve Requirement: Policy Amount \$7,908,100

RETAIL REVENUES / SALES

- Revenue Adjustment: 3.5% proposed
- Water CCF Sales Forecast: 2.85% Increase from 2019 Projected Sales
- Total Water Utility Customers: 1.2% Increase over Y/E 2018 Projected Customers
- Forecast Assumes Normal Weather : 523 Cooling Degree Days,
23.9 Inches Summer Rainfall

OTHER ITEMS

- In Lieu of Tax forecast increasing \$17,179 to a total of \$378,887.

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
Management Reporting P&L**

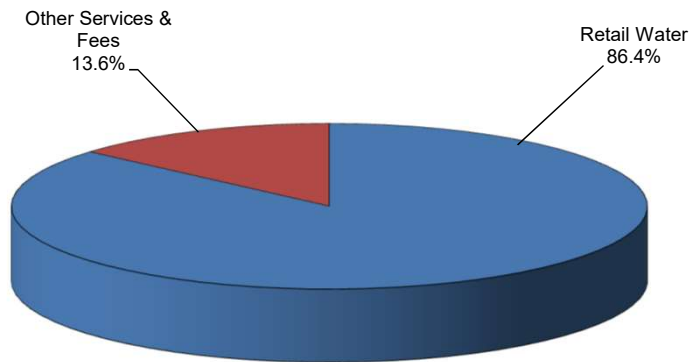
	Historical Data							
	2017	2018	2019 F2	2020	2021	2022	2023	2024
in 000's								
RPU Rate Increase	6.0%	6.0%	6.0%	3.5%	3.5%	3.5%	3.5%	3.5%
Revenue								
Retail Water	\$9,121	\$9,601	\$10,013	\$10,560	\$11,005	\$11,383	\$11,862	\$12,276
Other Services & Fees	\$1,091	\$1,217	\$1,323	\$1,367	\$1,392	\$1,417	\$1,443	\$1,470
Total Revenue	\$10,213	\$10,817	\$11,336	\$11,927	\$12,396	\$12,800	\$13,306	\$13,745
Cost of Revenue								
Water Supply	\$1,974	\$1,892	\$1,756	\$1,865	\$1,857	\$1,851	\$1,841	\$1,831
Total Cost of Revenue	\$1,974	\$1,892	\$1,756	\$1,865	\$1,857	\$1,851	\$1,841	\$1,831
Gross Margin								
Retail Water	\$7,147	\$7,709	\$8,258	\$8,695	\$9,147	\$9,532	\$10,021	\$10,444
Other Services & Fees	\$1,091	\$1,217	\$1,323	\$1,367	\$1,392	\$1,417	\$1,443	\$1,470
TOTAL GROSS MARGIN	\$8,239	\$8,925	\$9,580	\$10,062	\$10,539	\$10,949	\$11,464	\$11,914
Controllable Costs								
Salaries & Benefits	\$2,559	\$2,593	\$2,978	\$3,406	\$3,538	\$3,783	\$3,925	\$4,194
Other Operating Expenses	\$1,001	\$1,313	\$1,286	\$1,285	\$1,302	\$1,326	\$1,357	\$1,377
Major Maintenance	\$369	\$304	\$325	\$553	\$415	\$375	\$355	\$205
Non-Bonded Capital Projects	\$1,729	\$2,271	\$3,343	\$4,822	\$7,407	\$4,493	\$5,205	\$6,700
TOTAL CONTROLLABLE COSTS	\$5,657	\$6,481	\$7,932	\$10,066	\$12,662	\$9,978	\$10,842	\$12,475
Depreciation & Amortization	\$2,640	\$2,674	\$2,771	\$2,883	\$2,996	\$3,099	\$3,143	\$3,162
Less Non Bonded Projects (capitalized)	(\$1,729)	(\$2,271)	(\$3,343)	(\$4,822)	(\$7,407)	(\$4,493)	(\$5,205)	(\$6,700)
Less Total Internal Costs (capitalized)	(\$266)	(\$164)	(\$281)	(\$373)	(\$384)	(\$808)	(\$878)	(\$881)
Interutility Allocation	\$1,228	\$1,333	\$1,546	\$1,575	\$1,607	\$1,639	\$1,672	\$1,705
Total Operating Expenses	\$7,530	\$8,052	\$8,625	\$9,328	\$9,474	\$9,414	\$9,574	\$9,762
Net Operating Income (Loss)	\$708	\$873	\$955	\$733	\$1,065	\$1,535	\$1,890	\$2,152
Financing & Other Non-Operating Items:								
Bond & Interest Related Expenses	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0	\$0
Interest Income	\$89	\$146	\$190	\$162	\$149	\$138	\$119	\$98
Misc Non-Operating Income (Expense)	(\$132)	(\$31)	\$0	\$0	\$0	\$0	\$0	\$0
Total Financing & Non-Operating Items	(\$43)	\$115	\$190	\$162	\$149	\$138	\$119	\$98
Income Before Transfers or Capital Contributions	\$666	\$988	\$1,145	\$895	\$1,213	\$1,673	\$2,009	\$2,251
Transfers (In Lieu of Taxes)	(\$370)	(\$368)	(\$361)	(\$378)	(\$386)	(\$389)	(\$398)	(\$401)
Capital Contributions	\$2,493	\$1,657	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
Cash Transfers from City/Intercompany	\$303	\$0	\$363	\$600	\$3,550	\$0	\$0	\$1,475
NET INCOME	\$3,090	\$2,278	\$2,247	\$2,218	\$5,477	\$2,384	\$2,711	\$4,424
NET INCOME (Excluding Cash Tfrs from City)			\$1,884	\$1,618	\$1,927	\$2,384	\$2,711	\$2,949
TARGET NET INCOME			\$3,148	\$ 3,446	\$ 3,294	\$ 3,376	\$ 3,385	\$ 3,405
Excess (Deficit) from Target			\$ (1,264)	\$ (1,828)	\$ (1,367)	\$ (992)	\$ (674)	\$ (456)
1/01 Cash Balance	\$ 7,123	\$ 9,335	\$ 9,652	\$ 8,516	\$ 8,158	\$ 7,300	\$ 6,031	
Change in Net Assets	2,277	2,247	2,218	5,477	2,384	2,711	4,424	
Depreciation & Amortization	2,674	2,771	2,883	2,996	3,099	3,143	3,162	
Capital Additions	(2,435)	(3,624)	(5,196)	(7,791)	(5,302)	(6,083)	(7,581)	
Non-Cash Contributions	(1,657)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	
Debt Principal Payments	-	0	-	-	-	-	-	
Debt Proceeds	-	0	-	-	-	-	-	
Net Change in Other Assets/Liabilities	1,354	22	60	60	60	60	60	
Net Changes in Cash	2,212	317	(1,135)	(358)	(859)	(1,268)	(1,034)	
12/31 Cash Balance	\$ 9,335	\$ 9,652	\$ 8,516	\$ 8,158	\$ 7,300	\$ 6,031	\$ 4,997	
Minimum Cash Reserve	\$ 6,063	\$ 7,641	\$ 7,908	\$ 8,061	\$ 7,979	\$ 7,813	\$ 7,692	
Excess (Deficit) from Minimum Cash Reserve	\$ 3,272	\$ 2,010	\$ 608	\$ 98	\$ (679)	\$ (1,781)	\$ (2,694)	

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
Management Reporting P&L**

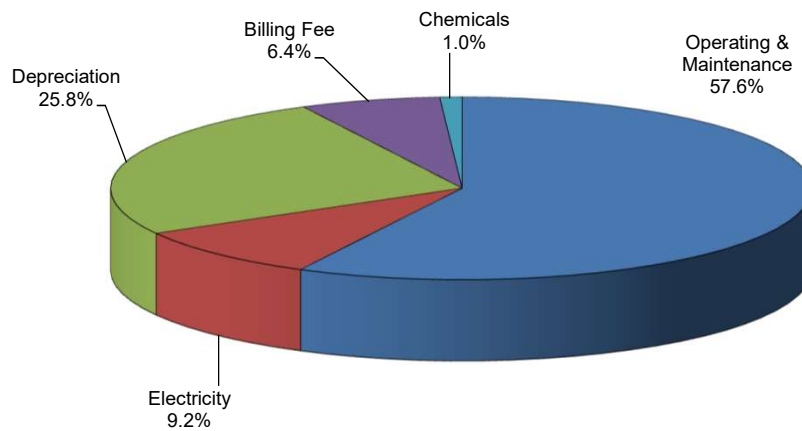
	Historical Data		2019		2020		Variance 2020 to 2019	%
	2017	2018	Orig Bdgt	2019 F2	2020	Orig Bdgt	Orig Bdgt	Variance
in 000's								
Revenue								
Retail Water	\$9,121	\$9,601	\$10,636	\$10,013	\$10,560	\$11,388	(\$828)	-7.3%
Other Services & Fees	\$1,091	\$1,217	\$1,222	\$1,323	\$1,367	\$1,244	\$122	9.8%
Total Revenue	\$10,213	\$10,817	\$11,858	\$11,336	\$11,927	\$12,633	(\$705)	-5.6%
Cost of Revenue								
Water Supply	\$1,974	\$1,892	\$1,867	\$1,756	\$1,865	\$1,866	(\$1)	0.0%
Total Cost of Revenue	\$1,974	\$1,892	\$1,867	\$1,756	\$1,865	\$1,866	(\$1)	0.0%
Gross Margin								
Retail Water	\$7,147	\$7,709	\$8,769	\$8,258	\$8,695	\$9,522	(\$827)	-8.7%
Other Services & Fees	\$1,091	\$1,217	\$1,222	\$1,323	\$1,367	\$1,244	\$122	9.8%
TOTAL GROSS MARGIN	\$8,239	\$8,925	\$9,991	\$9,580	\$10,062	\$10,767	(\$705)	-6.5%
Controllable Costs								
Salaries & Benefits	\$2,559	\$2,593	\$3,095	\$2,978	\$3,406	\$3,361	\$45	1.3%
Other Operating Expenses	\$1,001	\$1,313	\$1,372	\$1,286	\$1,285	\$1,428	(\$142)	-10.0%
Major Maintenance	\$369	\$304	\$568	\$325	\$553	\$526	\$27	5.0%
Non-Bonded Capital Projects	\$1,729	\$2,271	\$4,554	\$3,343	\$4,822	\$6,341	(\$1,519)	-24.0%
TOTAL CONTROLLABLE COSTS	\$5,657	\$6,481	\$9,588	\$7,932	\$10,066	\$11,656	(\$1,590)	-13.6%
Depreciation & Amortization	\$2,640	\$2,674	\$2,770	\$2,771	\$2,883	\$2,811	\$72	2.6%
Less Non Bonded Projects (capitalized)	(\$1,729)	(\$2,271)	(\$4,554)	(\$3,343)	(\$4,822)	(\$6,341)	\$1,519	-24.0%
Less Total Internal Costs (capitalized)	(\$266)	(\$164)	(\$318)	(\$281)	(\$373)	(\$305)	(\$68)	22.4%
Interutility Allocation	\$1,228	\$1,333	\$1,486	\$1,546	\$1,575	\$1,516	\$59	3.9%
Total Operating Expenses	\$7,530	\$8,052	\$8,971	\$8,625	\$9,328	\$9,337	(\$8)	-0.1%
Net Operating Income (Loss)	\$708	\$873	\$1,019	\$955	\$733	\$1,430	(\$697)	-48.7%
Financing & Other Non-Operating Items:								
Bond & Interest Related Expenses	\$0	\$0	\$0	(\$0)	\$0	\$0	\$0	0.0%
Interest Income	\$89	\$146	\$44	\$190	\$162	\$32	\$130	410.2%
Misc Non-Operating Income (Expense)	(\$132)	(\$31)	\$0	\$0	\$0	\$0	\$0	0.0%
Total Financing & Non-Operating Items	(\$43)	\$115	\$44	\$190	\$162	\$32	\$130	410.2%
Income Before Transfers or Capital Contributions	\$666	\$988	\$1,063	\$1,145	\$895	\$1,462	(\$566)	-38.7%
Transfers (In Lieu of Taxes)	(\$370)	(\$368)	(\$398)	(\$361)	(\$378)	(\$412)	\$34	-8.3%
Capital Contributions	\$2,493	\$1,657	\$1,100	\$1,100	\$1,100	\$1,100	\$0	0.0%
Cash Transfers from City	\$303	\$0	\$0	\$363	\$600	\$0	\$600	0.0%
NET INCOME	\$3,090	\$2,278	\$1,765	\$2,247	\$2,218	\$2,150	(\$532)	-24.8%
1/01 Cash Balance	\$ 7,123		\$ 6,194	\$ 9,335	\$ 9,652	\$ 5,607	\$ 4,044	72.1%
Change in Net Assets		2,277		2,247		2,150	68	3.2%
Depreciation & Amortization		2,674		2,771		2,811	72	2.6%
Capital Additions/Service Territory Comp		(2,435)		(3,624)		(6,646)	1,451	-21.8%
Non-Cash Contributions		(1,657)		(1,100)		(1,100)	-	0.0%
Debt Principal Payments		-		0		-	-	0.0%
Debt Proceeds		-		0		-	-	0.0%
Net Change in Other Assets/Liabilities		1,354		851		72	(12)	-16.7%
Net Changes in Cash		2,212		317		(1,135)	1,579	-58.2%
12/31 Cash Balance	\$ 9,335		\$ 5,607	\$ 9,652	\$ 8,516	\$ 2,894	\$ 5,623	194.3%
Minimum Cash Reserve	\$ 6,063		\$ 7,641	\$ 7,641	\$ 7,908	\$ 7,102	\$ 806	11.3%
Excess (Deficit) from Minimum Cash Reserve	\$ 3,272		\$ (2,034)	\$ 2,010	\$ 608	\$ (4,209)	\$ 4,817	-114.5%

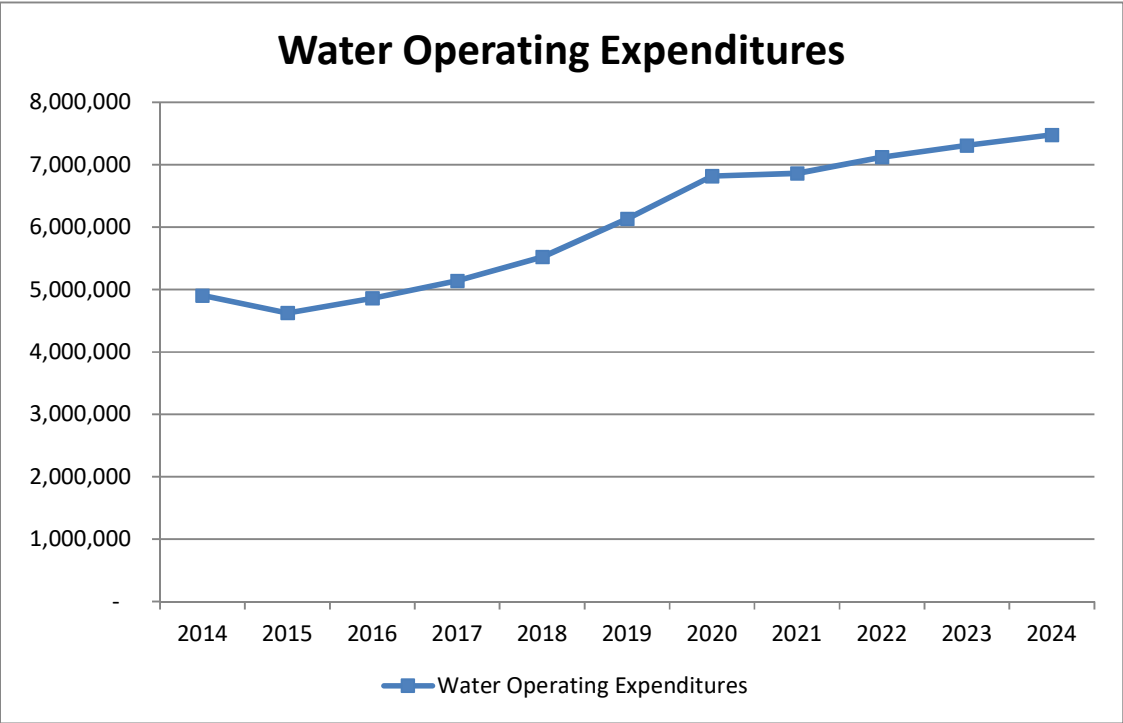
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2020 OPERATING BUDGET**

**GROSS MARGIN
\$10,061,839**



**EXPENSE USES
\$11,193,833**





**ROCHESTER PUBLIC UTILITIES
PRODUCTION & SALES STATISTICS FORECAST
WATER UTILITY**

	2019 F2	2020	2021	2022	2023	2024
CCF Pumped	5,570,703	5,729,546	5,743,547	5,672,070	5,686,237	5,619,495
% Change	-4.4%	2.9%	0.2%	-1.2%	0.2%	-1.2%
Retail CCF	5,368,203	5,521,272	5,534,764	5,465,885	5,479,537	5,415,221
% Change	-4.4%	2.9%	0.2%	-1.2%	0.2%	-1.2%
Number of Customers						
Residential	36,882	37,271	37,664	38,061	38,463	38,869
Commercial	3,684	3,735	3,786	3,838	3,889	3,940
Industrial	31	31	31	31	31	31
Interdepartmental	1	1	1	1	1	1
Total Customers	40,598	41,038	41,482	41,931	42,384	42,841
% Change	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%

ROCHESTER PUBLIC UTILITIES

2020

WATER UTILITY

**CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2020 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

INDEX

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5 Year Project List:	
Major Maintenance	1
Capital	2

ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST

WATER UTILITY
MAJOR MAINTENANCE
(\$000's)

	Multi-Year						
8	Project Total	2020	2021	2022	2023	2024	5-Yr Total
9	Core Services						
10	Municipal Well Abandonment	-	75	-	-	-	75
11	Allocation - Water Distribution System Maintenance	400	265	255	275	120	1,315
12	Water Storage Facility Painting	400	265	255	275	120	1,315
13	Water Cost-of-Service/Rate Design Study	-	-	40	-	-	40
14	Operating Contingency Fund	75	75	80	80	85	395
15	Computer Water Model	3	-	-	-	-	3
16	Water Comprehensive Plan	75	-	-	-	-	75
17	Total Core Services	553	415	375	355	205	1,903
18	Total Outside Expenditures	553	415	375	355	205	1,903
19	Total Internal Expenditures	45	30	25	20	13	133
20	Total Major Maintenance Plan	597	445	400	375	218	2,036

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**WATER UTILITY
CAPITAL
(\$000's)**

	Multi-Year Project Total	2020	2021	2022	2023	2024	5-Yr Total
Core Services							
Well & Booster Station Metering		23	20	26	26	22	116
Bulk Water Dispensing Station		-	35	-	22	-	57
Well House Manual Switchgear		16	17	17	18	18	86
Water Leak Correlator		-	-	-	-	30	30
Mechanical Valve Operator		16	8	8	-	-	32
Chlorine Sensor Replacement		-	23	24	25	-	72
Allocation - Water Distribution System Replacement		121	115	125	152	140	653
Replacement of Pumping Units		84	42	89	89	89	392
Well Motor Replacements		18	19	19	20	20	94
Installation of Variable Frequency Drive Units		19	21	18	22	19	98
Replacement of Booster Pumps		-	34	-	22	13	69
Allocation - Water Metering/AMR		306	313	1,760	1,766	1,772	5,917
Alloc - Residential Water Metering/AMR		186	191	195	199	202	971
Alloc - Residential Water Metering - AMI		-	-	1,040	1,040	1,040	3,120
Alloc - Commercial Water Metering/AMR		121	123	125	128	130	626
Alloc - Commercial Water Metering - AMI		-	-	400	400	400	1,200
New Wells		-	482	560	125	-	1,167
Water Utility Contingency Fund		175	175	175	200	200	925
New Marion L 1.0MG Reservoir		-	-	-	-	1,475	1,475
DMC - 12th Ave SW from Center St W to 2nd St SW		550	-	-	-	-	550
DMC - 6th & 7th Ave and 3rd St NW Phase 1		275	-	-	-	-	275
1.0MG Baihly High Level Tower	4,150	600	3,550	-	-	-	4,150
DMC - Broadway From Civic Center Dr to 13th St N	1,575	575	1,000	-	-	-	1,575
DMC - 1st St NW from Broadway to 1st Ave		140	-	-	-	-	140
DMC - 2nd St SE from Broadway to 1st Ave		105	-	-	-	-	105
InfoWater Software for Computer Model		25	-	-	-	-	25
DMC - Heart of the City - Peace Plaza	245	140	105	-	-	-	245
DMC - 3rd St SW		60	-	-	-	-	60
DMC - Discovery Walk		-	135	135	-	-	270
DMC - 2nd St SW 11th to 16th Ave		-	160	-	-	-	160
DMC - St. Mary's Transit Station		-	338	-	-	-	338
Allocation - Water Distribution System Expansion		1,431	787	1,438	2,640	2,862	9,158
T&D City Projects		749	485	900	1,793	430	4,357
T&D Developer Projects		360	200	200	200	200	1,160
T&D RPU Projects		322	102	338	647	2,232	3,641
Total Core Services	5,970	4,558	7,262	4,268	4,974	6,519	27,581
Compliance & Public Affairs							
Well Conversion		75	-	-	-	-	75
Total Compliance & Public Affairs		75	-	-	-	-	75
Power Resources							
Allocation - Fleet		190	144	226	232	180	972
Total Power Resources		190	144	226	232	180	972
Total Outside Expenditures	5,970	4,822	7,407	4,493	5,205	6,700	28,627
Total Internal Expenditures	79	373	384	808	878	881	3,325
Total Contributed Assets		1,100	1,100	1,100	1,100	1,100	5,500
Total Capital Plan	6,049	6,296	8,891	6,402	7,183	8,681	37,452
Total Capital & Major Maintenance Plan	6,049	6,893	9,336	6,802	7,558	8,899	39,488

ROCHESTER PUBLIC UTILITIES

2020

PERSONNEL BUDGET

**ROCHESTER PUBLIC UTILITIES
2020 PERSONNEL BUDGET**

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<u>Title</u>	<u>Pages</u>
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Permanent and Temporary Staffing Comparison	2

**ROCHESTER PUBLIC UTILITIES
2020 PERSONNEL BUDGET
Regular Staff Per Customer Served
And Dollars of Retail Sales**

<u>Year</u>	<u>Total Service Points</u>	<u>Retail Sales \$'s</u>	<u>Authorized Number of Utility Employees</u>	<u># Customers Served Per Employee</u>	<u>\$'s of Retail Sales Per Employee</u>
2020	98,746 ⁽¹⁾	163,451,247 ⁽¹⁾	207 ⁽²⁾	477	789,620
2019	97,262 ⁽¹⁾	160,697,748 ⁽¹⁾	203 ⁽²⁾	479	791,615
2018	95,534	161,514,438	198	482	815,729
2017	93,981	155,900,173	195	482	799,488
2016	92,608	150,530,034	186	498	809,301

NOTES: Numbers include combined water and electric utilities.

For Electric Utilities, APPA 2017 Retail Customers per Non-Power-Generation Employee for customer size class of 50K-100K customers, is 328. RPU comparison using this criteria and 2018 data is 324.

(1) Forecasted

(2) Staff changes:

Two additional positions in 2019:

Janitor (2)

Four potential reclassifications in 2020

Adding four new positions in 2020:

Lead Lineworker (City Growth)

IT System Administrator (NERC CIP Requirements)

Replacement of Existing Contract Position with FTE

Lead Water Distribution Worker (City Growth)

**ROCHESTER PUBLIC UTILITIES
2020 PERSONNEL BUDGET
Regular and Temporary Staffing
Total Costs**

<u>Year</u>	<u>2019 Original budget</u>	<u>2019 Projected</u>	<u>2020 Estimated</u>	<u>Difference 2019 original to 2020</u>	<u>% Change</u>
Regular Employees	\$26,592,460	\$26,154,682	\$28,083,832	\$1,491,372	5.6%
Limited-Term Employees	\$374,542	\$411,373	\$230,538	-\$144,004	-38.4%
Temporary/Contract Labor	<u>\$825,380</u>	<u>\$685,955</u>	<u>\$965,653</u>	<u>\$140,273</u>	<u>17.0%</u>
Total	\$27,792,381	\$27,252,010	\$29,280,022	\$1,487,642	5.4%

NOTE: Estimated cost include base salaries, salary increases, overtime, RPU's share of employee pensions, payroll taxes, and benefits.

ROCHESTER PUBLIC UTILITIES

2020

SUPPLEMENTAL DATA

CAPITAL / OPERATING BUDGETS

**ROCHESTER PUBLIC UTILITIES
2020 SUPPLEMENTAL DATA
CAPITAL / OPERATING BUDGETS**

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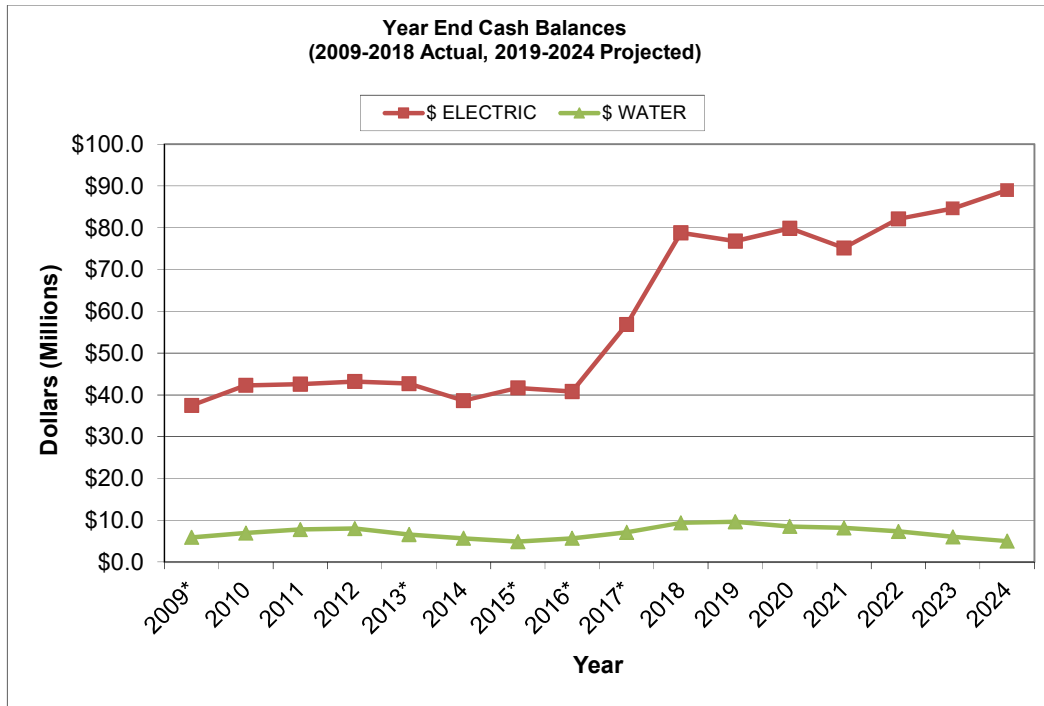
<u>Title</u>	<u>Pages</u>
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Year End Cash Balances	2
RPU Tax and Tax Equivalents	3

**ROCHESTER PUBLIC UTILITIES
2020 CAPITAL / OPERATING BUDGETS
ELECTRIC AND WATER REVENUE CHANGE
VERSUS INFLATION**

<u>Year</u>	<u>Inflation %</u>	<u>Electric Rates %</u>	<u>Water Rates %</u>	<u>SMMPA Rates %</u>
2020*	2.0%	0.0%	3.5%	0.0%
2019*	2.2%	1.9%	6.0%	-4.0%
2018	2.4%	1.5%	6.0%	0.0%
2017	2.1%	3.7%	6.0%	2.0%
2016	1.3%	1.7%	6.0%	6.0%
2015	0.1%	3.5%	3.5%	0.0%
2014	1.6%	3.0%	1.5%	0.0%
2013	1.5%	0.0%	0.0%	0.0%
2012	2.1%	0.0%	0.0%	0.0%
2011	3.2%	0.0%	0.0%	0.0%
Annualized Average	1.8%	1.5%	3.2%	0.4%

*Estimated Yearly Values

**ROCHESTER PUBLIC UTILITIES
2020 CAPITAL/OPERATING BUDGETS
YEAR END CASH BALANCES**



Millions of Dollars

Year	YEAR-END REMAINING		\$ WATER
	\$ ELECTRIC	DEBT PROCEEDS ELECTRIC	
2009*	37.5	3.6	5.9
2010	42.3		6.9
2011	42.6		7.8
2012	43.2		8.0
2013*	42.7	25.9	6.6
2014	38.6	15.7	5.7
2015*	41.7	3.1	4.9
2016*	40.8		5.7
2017*	56.8	23.1	7.1
2018	78.8		9.3
2019	76.8		9.7
2020	79.9		8.5
2021	75.2		8.2
2022	82.1		7.3
2023	84.6		6.0
2024	89.0		5.0

* The Electric Utility has had debt financings of \$34 million in December 2000, \$9.9 million in August 2002, \$5.7 million in March 2005, \$76.7 million in March 2007 which included an advance refunding of the 2000 bond issue in the amount of \$30.2 million, \$6.7 million in September 2009, \$4.0 million in February 2013 to refinance the remaining 2002 issue, \$38.4 million in May 2013, \$39.97 in November 2015 to advance refund the new money portion of the 2007C bond issue, a \$25.0 million temporary borrowing in April 2016, and \$108.3 in February 2017, which included \$23.6 million to refund the remaining portion of the 2007C bond issue and \$20.9 million to pay off the 2016 temporary borrowing. The Water Utility has had debt financings of \$1.5 million in August 2006. There are no proposed future debt financings.

**ROCHESTER PUBLIC UTILITIES
2020 CAPITAL / OPERATING BUDGETS
RPU ESTIMATED TAX AND TAX EQUIVALENTS**

Utility Licenses, Permits & Penalties	459,051
Water Appropriation Fees	59,534
Payment to General Fund	
Electric	8,825,227
Water	<u>377,887</u>
Total	<u>9,203,114</u>
Sales Tax - Electric & Water	1,128,418
SMMPA Property Taxes (\$10,268,400 x 42%)	<u>4,312,728</u>
Total Tax & Tax Equivalents	<u>15,162,846</u>
Electric/Water Retail Sales	<u>163,451,246</u>
% of Electric/Water Retail Sales	9.3%