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ROCHESTER
PUBLIC UTILITIES
WE PLEDGE, WE DELIVER™

ANNUAL BUDGET ADOPTED

2025



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ROCHESTER PUBLIC UTILITIES 2025 ANNUAL OPERATING PLAN

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SECTION XII

Rochester Public Utilities Adopted Electric Utility 2025 Operating Budget

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**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2025 OPERATING BUDGET**

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**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2025 OPERATING BUDGET**

ASSUMPTIONS

- Interest Earnings Rate: 3.0%
- Average Salary Expense Change: 4.9%
(excluding headcount additions)
- Anticipated Bonding None
- Change in Full-time Equivalents: 2 Incremental
2 Replacements of Contract Work
- SMMPA Wholesale Power Cost: 0.00%
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: \$66,647,244
- In Lieu of Tax \$11,336,702

RETAIL REVENUES / SALES

- Revenue Adjustment: 4.0% Proposed General Rate Increase
- Electric KWH Sales Forecast: 1.9% Increase from 2024
Projected Sales
- Total Electric Utility Customers: 1.2% Increase over Y/E 2024
Projected Customers
- Forecast Assumes Normal Weather : 30 Yr Average Heating/Cooling Degree
Days per Year

WHOLESALE FUEL COSTS

- Estimated Cost of Fuel: \$4.88/mcf

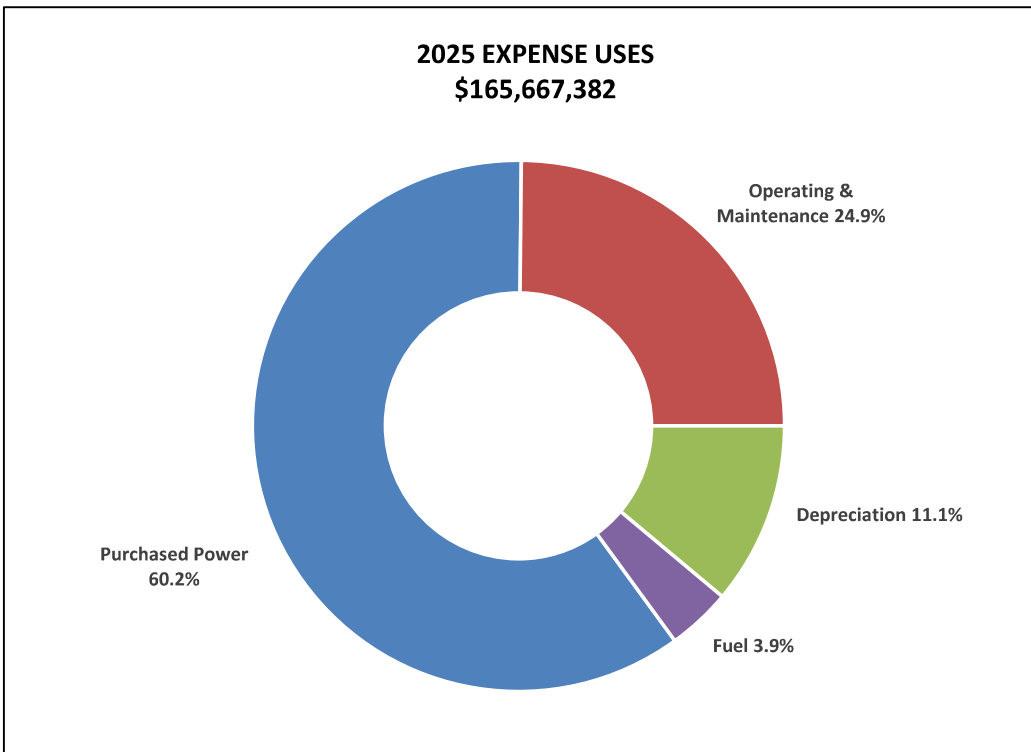
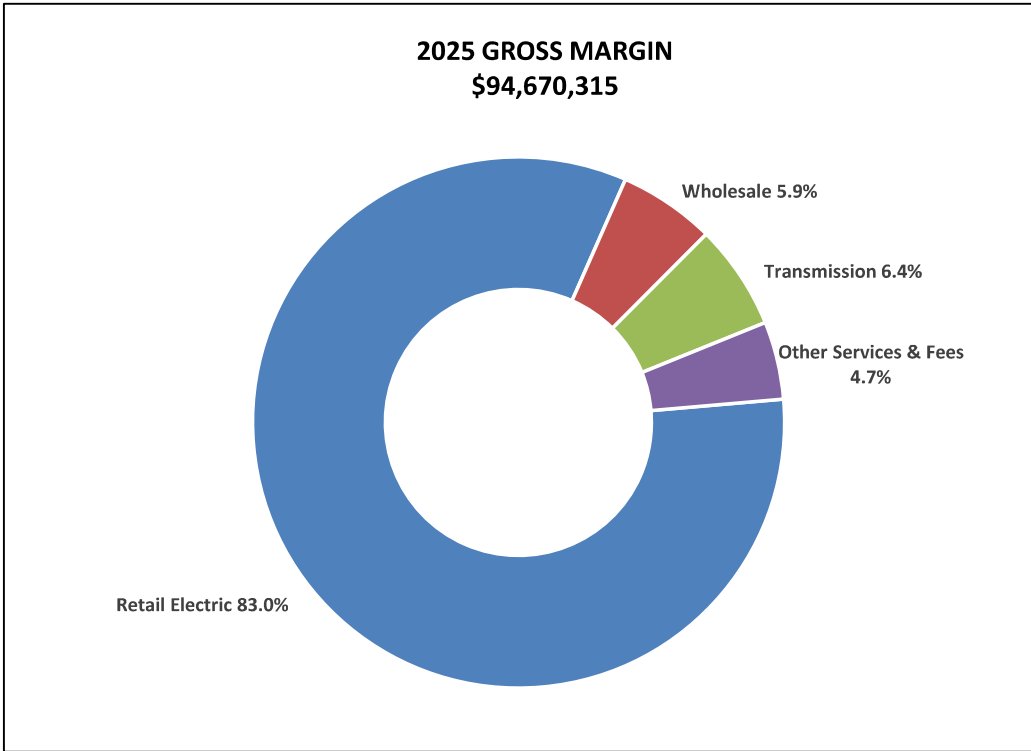
**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L**

	Historical Data		2024 F2	2025 - 2029					
	2022	2023		2025	2026	2027	2028	2029	
in 000's									
	RPU Rate Increase	1.5%	2.5%	3.2%	4.0%	2.0%	2.0%	2.0%	2.0%
	Plus AMI Customer Charge			\$1.94					
1 Revenue									
2 Retail Electric	\$149,439	164,508	\$172,483	177,983	180,787	187,461	193,010	198,088	
3 Wholesale Electric	\$8,864	7,562	\$5,587	\$6,570	\$6,505	\$6,505	\$6,505	\$6,505	
4 Wholesale Steam	\$7,871	5,383	\$4,421	\$5,602	\$5,580	\$5,580	\$5,580	\$5,580	
5 Transmission	\$7,367	6,433	\$6,063	\$6,063	\$6,063	\$8,418	\$8,418	\$8,418	
6 Other Services & Fees	\$1,652	4,149	\$4,165	\$4,493	\$4,539	\$4,585	\$4,633	\$4,680	
7 Total Revenue	\$175,193	\$188,035	\$192,719	\$200,711	\$203,475	\$212,549	\$218,147	\$223,271	
8 Cost of Revenue									
9 Power Supply	\$88,583	\$99,424	\$98,767	\$99,429	\$88,289	\$84,995	\$85,789	\$86,613	
10 Generation Fuel	\$9,833	\$5,632	\$4,628	\$6,612	\$7,564	\$7,569	\$7,573	\$7,578	
11 Total Cost of Revenue	\$98,417	\$105,056	\$103,395	\$106,041	\$95,853	\$92,564	\$93,362	\$94,191	
12 Gross Margin									
13 Retail Electric	\$60,856	65,083	73,716	78,554	92,498	102,466	107,221	111,475	
14 Wholesale	\$6,902	7,313	5,379	\$5,560	\$4,521	\$4,517	\$4,512	\$4,508	
15 Transmission	\$7,367	6,433	6,063	\$6,063	\$6,063	\$8,418	\$8,418	\$8,418	
16 Other Services & Fees	\$1,652	4,149	4,165	\$4,493	\$4,539	\$4,585	\$4,633	\$4,680	
17 TOTAL GROSS MARGIN	\$76,776	\$82,979	\$89,324	\$94,670	\$107,622	\$119,985	\$124,785	\$129,081	
18 Controllable Costs									
19 Salaries & Benefits	\$26,879	\$27,650	\$29,198	\$32,155	\$35,443	\$37,090	\$37,759	\$39,729	
20 Other Operating Expenses	\$9,651	\$9,756	\$12,125	\$12,568	\$13,130	\$13,690	\$14,252	\$15,290	
21 Major Maintenance	\$6,479	\$3,808	\$5,173	\$6,474	\$6,073	\$5,157	\$5,264	\$5,359	
22 Non-Bonded Capital Projects	\$19,713	\$21,120	\$53,547	19,100	\$26,835	\$23,625	\$21,746	\$19,358	
23 TOTAL CONTROLLABLE COSTS	\$62,723	\$62,334	\$100,043	\$70,297	\$81,481	\$79,562	\$79,021	\$79,737	
24 Depreciation & Amortization	\$15,017	\$15,721	\$15,577	\$18,403	\$17,280	\$17,755	\$18,735	\$24,302	
25 Subscription Amortization	-	\$441	\$569	\$880	\$1,325	\$1,700	\$2,355	\$3,021	
26 Less Non Bonded Projects (capitalized)	(\$19,713)	(\$21,120)	(\$53,547)	(19,100)	(26,835)	(23,625)	(21,746)	(19,358)	
27 Less Total Internal Costs (capitalized)	(\$4,193)	(\$4,579)	(\$12,636)	(\$9,087)	(\$8,986)	(\$10,842)	(\$10,608)	(\$7,252)	
28 Interutility Allocation	(\$1,874)	(\$1,956)	(\$2,045)	(\$1,766)	(\$1,819)	(\$1,874)	(\$1,930)	(\$1,988)	
29 Total Operating Expenses	\$51,959	\$50,841	\$47,961	\$59,627	\$62,446	\$62,677	\$65,826	\$78,462	
30 Net Operating Income (Loss)	\$24,818	\$32,138	\$41,362	\$35,043	\$45,175	\$57,309	\$58,959	\$50,618	
31 Financing & Other Non-Operating Items:									
32 Bond & Interest Related Expenses	(\$5,463)	(\$5,373)	(\$5,230)	(\$5,076)	(\$6,161)	(\$21,241)	(\$26,607)	(\$29,648)	
33 Interest Income	(\$2,621)	\$6,547	\$4,187	\$3,468	\$2,921	\$8,196	\$6,681	\$5,065	
34 Misc Non-Operating Income (Expense)	(\$356)	(\$249)	(\$75)	(\$21)	(\$22)	(\$23)	(\$23)	(\$24)	
35 Total Financing & Non-Operating Items	(\$8,440)	\$925	(\$1,118)	(\$1,629)	(\$3,262)	(\$13,067)	(\$19,950)	(\$24,608)	
36 Income Before Transfers or Capital Contributions	\$16,378	\$33,063	\$40,244	\$33,415	\$41,914	\$44,241	\$39,009	\$26,010	
37 Transfers (In Lieu of Taxes)	(\$8,756)	(\$9,629)	(10,963)	(11,337)	(11,401)	(11,540)	(11,632)	(11,729)	
38 Capital Contributions/Intercompany	\$8,824	\$7,069	\$21,032	\$3,395	\$624	\$615	\$631	\$648	
39 NET INCOME	\$16,446	\$30,502	\$50,314	\$25,473	\$31,138	\$33,316	\$28,008	\$14,929	
40 NET INCOME (Excluding Capital Contributions)			\$29,282	\$22,078	\$30,513	\$32,701	\$27,377	\$14,281	
41 TARGET NET INCOME			\$19,643	\$21,577	\$24,650	\$16,909	\$22,829	\$23,269	
42 Excess (Deficit) from Target			\$9,639	\$501	\$5,864	\$15,792	\$4,548	\$(8,988)	
43 1/01 Cash Balance	\$103,856	\$117,149	\$110,413	\$105,284	\$73,393	\$81,386	\$86,538	\$86,538	
44 Change in Net Assets		30,502	50,314	25,473	31,138	33,316	28,008	14,929	
45 Depreciation & Amortization		15,721	15,577	18,403	17,280	17,755	18,735	24,302	
46 Capital Additions/Service Territory Comp		(25,338)	(66,463)	(40,620)	(91,676)	(175,467)	(219,355)	(86,610)	
47 Bond Principal Payments		(7,395)	(7,730)	(8,005)	(8,305)	(9,170)	(9,552)	(9,951)	
48 Bond Proceeds		-	-	-	16,700	301,200	73,800	66,100	
49 Net Change in Other Assets/Liabilities		(197)	1,566	(381)	2,972	(159,643)	113,517	12,138	
50 Net Changes in Cash		13,293	(6,736)	(5,129)	(31,891)	7,992	5,153	20,908	
51 12/31 Cash Balance	\$117,149	\$110,413	\$105,284	\$73,393	\$81,386	\$86,538	\$107,447	\$107,447	
52 Minimum Cash Reserve	\$53,826	\$62,629	\$66,647	\$64,781	\$56,763	\$58,150	\$59,373	\$59,373	
53 Excess (Deficit) from Minimum Cash Reserve	\$63,323	\$47,784	\$38,637	\$8,612	\$24,623	\$28,389	\$48,074	\$48,074	
54 Debt Service Coverage Ratio		3.9	4.4	4.1	4.4	2.7	2.4	2.0	

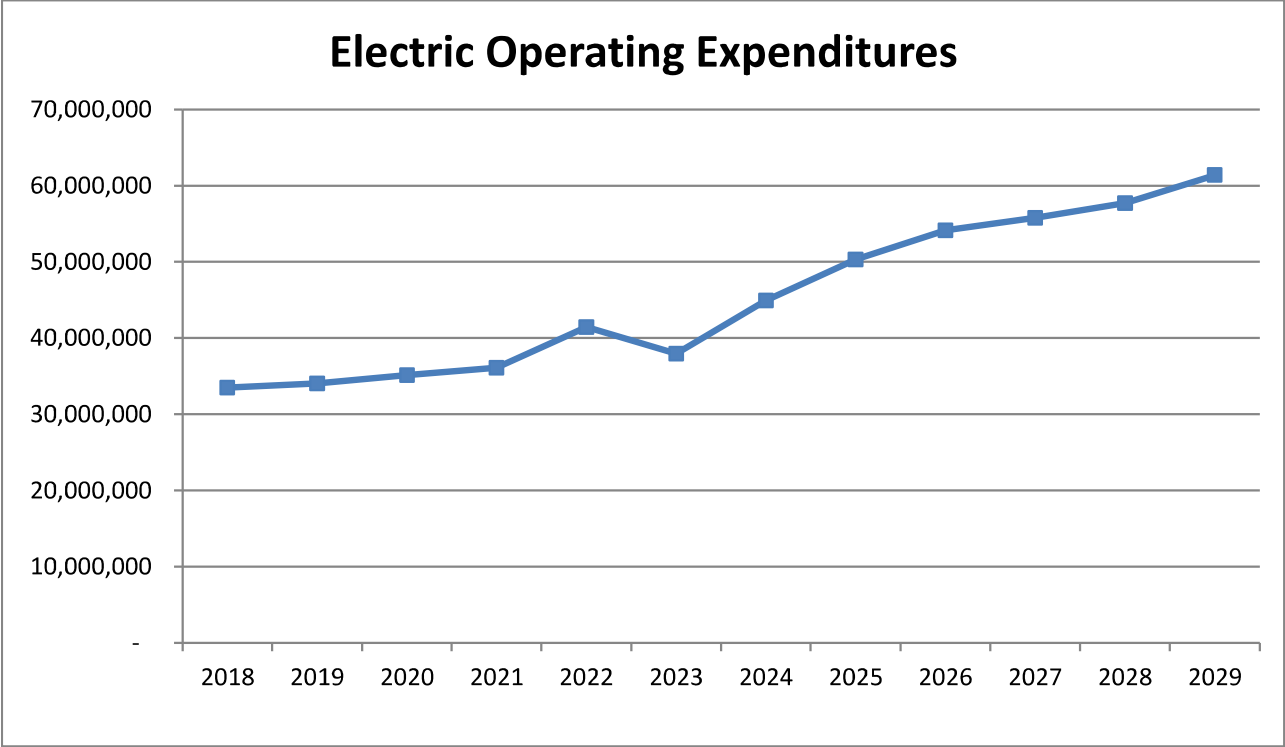
**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L**

	Historical Data		2024		2025		Variance	%	
	2022	2023	Orig Bdg't	2024 F2	2025	Orig Bdg't	2025 to Orig Bdg't	Variance	
in 000's									
1	Revenue								
2	Retail Electric	\$149,439	\$164,508	\$170,177	\$172,483	\$177,983	\$178,571	(\$589)	-0.3%
3	Wholesale Electric	\$8,864	\$7,562	\$4,436	\$5,587	\$6,570	\$4,711	\$1,859	39.5%
4	Wholesale Steam	\$7,871	\$5,383	\$5,161	\$4,421	\$5,602	\$5,602	-	0.0%
5	Transmission	\$7,367	\$6,433	\$6,684	\$6,063	\$6,063	\$6,000	\$63	1.1%
6	Other Services & Fees	\$1,652	\$4,149	\$4,156	\$4,165	\$4,493	\$4,209	\$284	6.8%
7	Total Revenue	\$175,193	\$188,035	\$190,614	\$192,719	\$200,711	\$199,093	\$1,618	0.8%
8	Cost of Revenue								
9	Power Supply	\$88,583	\$99,424	\$101,388	\$98,767	\$99,429	\$102,445	(\$3,016)	-2.9%
10	Generation Fuel	\$9,833	\$5,632	\$5,473	\$4,628	\$6,612	\$6,307	\$305	4.8%
11	Total Cost of Revenue	\$98,417	\$105,056	\$106,861	\$103,395	\$106,041	\$108,752	(\$2,711)	-2.5%
12	Gross Margin								
13	Retail Electric	\$60,856	\$65,083	\$68,789	\$73,716	\$78,554	\$76,126	\$2,428	3.2%
14	Wholesale	\$6,902	\$7,313	\$4,124	\$5,379	\$5,560	\$4,006	\$1,554	38.8%
15	Transmission	\$7,367	\$6,433	\$6,684	\$6,063	\$6,063	\$6,000	\$63	1.1%
16	Other Services & Fees	\$1,652	\$4,149	\$4,156	\$4,165	\$4,493	\$4,209	\$284	6.8%
17	TOTAL GROSS MARGIN	\$76,776	\$82,979	\$83,753	\$89,324	\$94,670	\$90,341	\$4,329	5.2%
18	Controllable Costs								
19	Salaries & Benefits	\$26,879	\$27,650	\$29,288	\$29,198	\$32,155	\$31,846	\$309	1.0%
20	Other Operating Expenses	\$9,651	\$9,756	\$12,378	\$12,125	\$12,568	\$12,440	\$128	1.0%
21	Major Maintenance	\$6,479	\$3,808	\$5,174	\$5,173	\$6,474	\$6,793	(\$319)	-4.7%
22	Non-Bonded Capital Projects	\$19,713	\$21,120	\$52,409	\$53,547	\$19,100	\$18,513	\$587	3.2%
23	TOTAL CONTROLLABLE COSTS	\$62,723	\$62,334	\$99,249	\$100,043	\$70,297	\$69,592	\$705	1.0%
24	Depreciation & Amortization	\$15,017	\$15,721	\$16,707	\$15,577	\$18,403	\$17,995	\$408	2.3%
25	Subscription Amortization	-	\$441	-	\$569	\$880	-	\$880	0.0%
26	Less Non Bonded Projects (capitalized)	(\$19,713)	(\$21,120)	(\$52,409)	(\$53,547)	(\$19,100)	(\$18,513)	(\$587)	3.2%
27	Less Total Internal Costs (capitalized)	(\$4,193)	(\$4,579)	(8,516)	(\$12,636)	(\$9,087)	(\$6,212)	(\$2,875)	46.3%
28	Interutility Allocation	(\$1,874)	(\$1,956)	(\$1,971)	(\$2,045)	(\$1,766)	(\$2,030)	\$264	-13.0%
29	Total Operating Expenses	\$51,959	\$50,841	\$53,060	\$47,961	\$59,627	\$60,832	(\$1,205)	-2.0%
30	Net Operating Income (Loss)	\$24,818	\$32,138	\$30,693	\$41,362	\$35,043	\$29,510	\$5,534	18.8%
31	Financing & Other Non-Operating Items:								
32	Bond & Interest Related Expenses	(\$5,463)	(\$5,373)	(\$5,138)	(\$5,230)	(\$5,076)	(\$4,942)	(\$134)	2.7%
33	Interest Income	(\$2,621)	\$6,547	\$3,011	\$4,187	\$3,468	\$3,100	\$369	11.9%
34	Misc Non-Operating Income (Expense)	(\$356)	(\$249)	(\$24)	(\$75)	(\$21)	(\$24)	\$2	-10.2%
35	Total Financing & Non-Operating Items	(\$8,440)	\$925	(\$2,151)	(\$1,118)	(\$1,629)	(\$1,866)	\$237	-12.7%
36	Income Before Transfers or Capital Contributions	\$16,378	\$33,063	\$28,542	\$40,244	\$33,415	\$27,644	\$5,771	20.9%
37	Transfers (In Lieu of Taxes)	(\$8,756)	(\$9,629)	(\$10,759)	(\$10,963)	(\$11,337)	(\$11,338)	\$2	0.0%
38	Capital Contributions/Intercompany	\$8,824	\$7,069	\$4,907	\$21,032	\$3,395	\$2,852	\$543	19.1%
39	NET INCOME	\$16,446	\$30,502	\$22,690	\$50,314	\$25,473	\$19,157	\$6,316	33.0%
40	1/01 Cash Balance		\$ 103,856	\$ 90,699	\$ 117,149	\$ 110,413	\$ 93,028	\$ 17,386	18.7%
41	Change in Net Assets		\$30,502	\$22,690	\$50,314	\$25,473	\$19,157	\$6,316	33.0%
42	Depreciation & Amortization		\$15,721	\$16,707	\$15,577	\$18,403	\$17,995	\$408	2.3%
43	Capital Additions/Service Territory Comp		(\$25,338)	(\$61,204)	(\$66,463)	(\$40,620)	(\$24,726)	(\$15,894)	64.3%
44	Bond Principal Payments		(\$7,395)	(\$7,730)	(\$7,730)	(\$8,005)	(\$8,005)	-	0.0%
45	Bond Proceeds		-	-	-	-	-	-	0.0%
46	Net Change in Other Assets/Liabilities		(\$197)	\$31,866	\$1,566	(\$381)	(\$731)	\$350	-47.9%
47	Net Changes in Cash		\$13,293	\$2,329	(\$6,736)	(\$5,129)	\$3,690	(\$8,820)	-239.0%
48	12/31 Cash Balance		\$ 117,149	\$ 93,028	\$ 110,413	\$ 105,284	\$ 96,718	\$ 8,566	8.9%
49	Minimum Cash Reserve		\$ 53,826	\$ 62,629	\$ 62,629	\$ 66,647	\$ 64,058	\$ 2,590	4.0%
50	Excess (Deficit) from Minimum Cash Reserve		\$ 63,323	\$ 30,399	\$ 47,784	\$ 38,637	\$ 32,660	\$ 5,977	18.3%

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2025 OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2025 OPERATING BUDGET**



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

	2024 F2	2025	2026	2027	2028	2029
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
4 Market	63	68	71	76	79	83
5 Total Peak MW	279	284	287	292	295	299
6 % Change	-5.3%	1.9%	1.0%	1.7%	1.2%	1.3%
7 Retail MWH	1,149,469	1,171,354	1,182,409	1,201,334	1,215,508	1,230,267
8 % Change	0.2%	1.9%	0.9%	1.6%	1.2%	1.2%
9 Purchased Power MWH						
10 SMMPA	1,163,952	1,183,654	1,194,930	1,214,234	1,228,692	1,243,746
11 Other	3,518	3,323	3,356	3,412	3,454	3,498
12 Total Purchased Power MWH	1,167,470	1,186,976	1,198,286	1,217,646	1,232,146	1,247,245
13 % Change	-0.8%	1.7%	1.0%	1.6%	1.2%	1.2%
14 Generation MWH						
15 Total Generation MWH	83,736	86,896	86,896	86,896	86,896	86,896
16 % Change	-14.0%	3.8%	0.0%	0.0%	0.0%	0.0%
17 Number of Service Points						
18 Residential	54,910	55,588	56,266	56,944	57,620	58,295
19 Small General Service	4,241	4,279	4,318	4,356	4,395	4,433
20 Medium General Service	984	993	1,002	1,011	1,021	1,031
21 Large General Service	13	13	13	13	13	13
22 Large Industrial Service	1	1	1	1	1	1
23 Street & Hwy Lightings	2	2	2	2	2	2
24 Interdepartmental	1	1	1	1	1	1
25 Total Customers	60,152	60,877	61,603	62,328	63,053	63,776
26 % Change	1.0%	1.2%	1.2%	1.2%	1.2%	1.1%
27 Blended cost per MWH for retail supply	\$ 84.60	\$ 83.77	\$ 73.68	\$ 69.80	\$ 69.63	\$ 69.44
28 Steam Generation MLBS	398,192	438,000	438,000	438,000	438,000	438,000
29 % Change	-1.9%	10.0%	0.0%	0.0%	0.0%	0.0%

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Rochester Public Utilities
Adopted
Electric Utility 2025
Capital Improvement & Major
Maintenance Budget

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**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2025 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

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**Rochester Public Utilities
Electric Utility
2025 - 2029 Major Maintenance Plan**

		Multi-Year Project Total	2025	2026	2027	2028	2029	5-Yr Total
Core Services								
1	Substation Asset Management Services		80,000	80,000	80,000	80,000	80,000	400,000
2	Arc Flash Assessment Services		40,000	40,000	40,000	40,000	40,000	200,000
3	Vegetation Mgmt Program Improvements		75,000	75,000	75,000	-	-	225,000
4	Asbestos Mitigation in Manholes		100,000	100,000	100,000	100,000	100,000	500,000
5	T&D Inspection Services		87,550	100,000	103,000	106,090	109,273	505,913
6	Service Assured-Electric		173,510	175,874	178,273	180,707	183,177	891,541
7	Tree Trimming		1,700,000	1,800,000	1,854,000	1,910,000	1,968,000	9,232,000
8	Allocation - New Services		300,000	317,500	325,225	343,182	351,377	1,637,284
9	Transmission Lines & Equipment Maintenance		50,000	60,000	60,000	70,000	70,000	360,000
10	Distribution Lines & Equipment Maintenance		250,000	257,500	265,225	273,182	281,377	1,567,284
11	Capacitor Bank Controls Replacement		5,000	-	-	-	-	5,000
12	Allocation - Substation Asset Management (Maint)		185,000	200,000	180,000	180,000	180,000	925,000
13	Downtown Electric Reconfiguration Study		80,000	80,000	-	-	-	160,000
14	DER Hosting Capacity Study		-	150,000	220,000	-	300,000	670,000
15	Engineering Records in ImageNow		-	-	-	200,000	-	200,000
16	Transmission LIDAR & Clearance Analysis		270,000	-	-	-	-	270,000
17	Total Core Services		3,096,060	3,118,374	3,155,498	3,139,979	3,311,827	15,821,737
Customer Relations								
19	Cayenta Application Enhancements		63,100	100,000	70,000	100,000	100,000	433,100
20	Cayenta Upgrade		-	-	251,160	-	-	251,160
21	Total Customer Relations		63,100	100,000	321,160	100,000	100,000	684,260
Corporate Services								
23	Rates Modeling		20,000	20,000	20,000	20,000	20,000	100,000
24	Elec Cost-of-Srvc/Rate Design Study		-	100,000	-	-	110,000	210,000
25	SAP ERP Requirements/RFP		50,000	-	-	200,000	-	250,000
26	SAP FERC Conversion		100,000	-	-	-	-	100,000
27	Vena Support - RVNA		60,000	60,000	60,000	60,000	60,000	300,000
28	Utegration (HPC) Support Contract		75,000	75,000	75,000	80,000	85,000	390,000
29	ImageNow Upgrade		-	30,000	-	30,000	-	60,000
30	Sharepoint Site		30,000	30,000	30,000	30,000	30,000	150,000
31	SCADA Pen Test		30,000	33,000	36,000	39,000	42,000	180,000
32	SAP Technical Upgrade		-	100,000	-	-	-	100,000
33	SAP Technical Upgrade		-	-	75,000	-	-	75,000
34	OSI OpenOTS Maint.		-	9,500	10,000	10,500	11,000	41,000
35	Data Analytics		75,000	65,000	65,000	65,000	65,000	335,000
36	Allocation - Technology		54,500	99,500	44,500	44,500	44,500	287,500
37	Info Risk & Security/City Shared Infrastructure		14,500	59,500	4,500	4,500	4,500	87,500
38	Business Systems/Applications		40,000	40,000	40,000	40,000	40,000	200,000
39	Total Corporate Services		494,500	622,000	415,500	579,000	467,500	2,578,500
Compliance and Public Affairs								
41	WES Emissions Testing		-	-	-	75,000	-	75,000
42	Website Upgrade		150,000	-	-	-	-	150,000
43	Total Compliance and Public Affairs		150,000	-	-	75,000	-	225,000
Power Resources								
45	SLP Decommissioning		275,000	200,000	150,000	125,000	400,000	1,150,000
46	Silver Lake Dam Modification		1,240,000	760,000	-	-	-	2,000,000
47	Allocation - Power Resources		430,000	490,000	535,000	665,000	500,000	2,620,000
48	Master Plan		150,000	-	-	-	-	150,000
49	Paint Warehouse		-	102,000	-	-	-	102,000
50	Concrete Repairs (Driveway/Stockyard)		-	105,600	-	-	-	105,600
51	Allocation - Facilities		215,000	215,000	220,000	220,000	220,000	1,090,000
52	Total Power Resources		2,310,000	1,872,600	905,000	1,010,000	1,120,000	7,217,600
General Management								
54	Operating Contingency Fund		360,000	360,000	360,000	360,000	360,000	1,800,000
55	Total General Management		360,000	360,000	360,000	360,000	360,000	1,800,000
56	Total Major Maintenance Plan - External Expenditures		6,473,660	6,072,974	5,157,158	5,263,979	5,359,327	33,500,079

**Rochester Public Utilities
Electric Utility
2025 - 2029 Capital Improvement Plan**

		Multi-Year Project Total	2025	2026	2027	2028	2029	5-Yr Total
1	Core Services							
2	OSI SCADA Version Upgrade		10,000	290,000	290,000	-	-	590,000
3	Web-Based Service Application		25,000	-	-	-	-	25,000
4	OSI Simulator		161,291	-	-	-	-	161,291
5	Backyard Aerial Lift		-	200,000	-	-	-	200,000
6	Underground Cable Tester		-	57,000	-	-	-	57,000
7	Allocation - New Services		1,330,901	1,366,521	1,407,646	1,451,336	1,491,085	7,047,489
8	New Service Installations		833,205	858,201	883,947	910,466	937,780	4,423,599
9	Distribution Lines & Equipment - Capital		329,012	338,882	349,049	359,520	370,306	1,746,769
10	Property Damage - Repair/Replace		114,437	114,437	118,000	123,000	123,000	592,874
11	T&D Equipment Upgrade/Replace		54,247	55,000	56,650	58,350	60,000	284,247
12	Load Management Installations		7,500	7,500	7,500	7,500	7,500	37,500
13	Substation/Shop Test Equipment Upgrade/Repl		30,000	40,000	40,000	40,000	40,000	190,000
14	Substation Spares and Replacements		20,000	20,000	20,000	20,000	20,000	100,000
15	Northern Hills Sub Control Building Improvement		-	81,500	-	-	-	81,500
16	Vacuum Interrupter Tester		-	50,000	-	-	-	50,000
17	Allocation - Substation Asset Management Capital		220,000	220,000	215,000	215,000	215,000	1,085,000
18	Metering/Shop Test Equipment Upgrade/Repl		45,000	70,000	35,000	40,000	40,000	230,000
19	Primary Metering Replacement - Kemps		28,000	-	-	-	-	28,000
20	AMI MDM	273,973	-	-	-	-	-	-
21	AMI Headend	892,922	143,258	-	-	-	-	143,258
22	AMI Meter Installation Service	9,668,824	4,032,539	4,032,539	601,202	-	-	8,666,280
23	AMI General Implementation Services	5,695,796	639,504	1,515,110	1,535,263	-	-	3,689,877
24	AMI MDM Subscription	570,301	-	-	-	-	-	-
25	AMI Headend Subscription	1,272,894	-	-	-	-	-	-
26	Allocation - Metering		150,000	358,500	370,200	380,000	392,000	1,650,700
27	Q11 - W.C. to new St. Bridget Sub ROW		600,000	-	-	-	-	600,000
28	Replace 20kA, 161kV Circuit Breakers		10,000	210,000	220,000	230,000	240,000	910,000
29	6th St SE Bridge	1,200,000	150,000	850,000	200,000	-	-	1,200,000
30	CSAH 44 and Hwy 14 Interchange	1,045,000	500,000	525,000	-	-	-	1,025,000
31	N Broadway between Elton Hills & the Bri		700,000	-	-	-	-	700,000
32	Mayo Downtown Feeder Rework		100,000	100,000	200,000	1,100,000	1,500,000	3,000,000
33	Q6 Galloping Dampers		125,000	-	-	-	-	125,000
34	Q6 NESC Clearance Mitigation W of E River		70,000	-	-	-	-	70,000
35	Fiber Replacement Silver Lake		70,000	-	-	-	-	70,000
36	DMC - BRT Route Corridor		400,000	-	-	-	-	400,000
37	DMC - BRT West Transit Village		100,000	-	-	-	-	100,000
38	Grid North Partners-N Roch 345kV Line		432,000	1,855,000	12,000,000	9,000,000	8,000,000	31,287,000
39	New Mayo Feeders		1,300,000	-	-	-	-	1,300,000
40	65th St - 50th to 60th Ave		400,000	-	-	-	-	400,000
41	Westside Subst Expansion		-	-	5,000,000	-	-	5,000,000
42	55th St NW Fdr W of 60th Ave		-	-	250,000	250,000	-	500,000
43	20th St SW - 1st Ave to Mayowood Rd		-	-	200,000	300,000	-	500,000
44	Eastwood Rd - Marion to Harbor Dr		-	-	-	100,000	900,000	1,000,000
45	13th & 14th St NW - 11th Ave to Broadway		-	-	-	-	300,000	300,000
46	25th St SW		-	-	-	-	1,000,000	1,000,000
47	11th Ave E - 4th St SE to Silver Creek Bridge		-	-	150,000	150,000	-	300,000
48	Feeder 306 Install		-	-	-	250,000	250,000	500,000
49	Feeder 615 Install		-	400,000	300,000	-	-	700,000
50	Feeder 913 Install		-	-	350,000	350,000	-	700,000
51	Feeder 914 Install		-	-	-	600,000	200,000	800,000
52	Feeder 1315 Install		-	-	350,000	350,000	-	700,000
53	Feeder 1602 Install		-	-	300,000	500,000	-	800,000
54	Feeder 1914 Install		-	1,100,000	1,000,000	-	-	2,100,000
55	Downtown New Duct Systems		-	1,272,727	1,272,727	1,909,091	2,545,455	7,000,000
56	Q2 Rebuild from Bear Creek - RCTC		-	-	300,000	500,000	-	800,000
57	Q4 Rebuild from BV Sub to Salem Rd		-	300,000	700,000	-	-	1,000,000
58	Q7 Rebuild to Grade B		-	-	200,000	300,000	700,000	1,200,000
59	Volt/VAR Optimization		-	-	-	100,000	100,000	200,000
60	Capacitor Control Replacement (10/yr)		-	-	-	150,000	150,000	300,000
61	Fiber - Marion to Cty PW/St Bridget Twr to WC		-	300,000	-	-	-	300,000
62	EV Bus Charging Expansion		-	100,000	100,000	400,000	-	600,000
63	50th Ave NW - 19th St to Valleyhigh		-	-	800,000	1,500,000	-	2,300,000
64	Eastwood Rd SE		-	-	-	700,000	-	700,000
65	TH 14E and S Broadway Intersection		-	350,000	-	-	-	350,000
66	Feeder Extension 50th Ave - S of 50th St NW	170,000	70,000	50,000	50,000	-	-	170,000
67	E Center Street	650,000	100,000	550,000	-	-	-	650,000
68	18th Ave SW - Mayowood to 40th	1,175,000	75,000	550,000	550,000	-	-	1,175,000

**Rochester Public Utilities
Electric Utility
2025 - 2029 Capital Improvement Plan**

	Multi-Year Project Total	2025	2026	2027	2028	2029	5-Yr Total	
69	DMC - South Broadway from 4th St to 9th St	-	50,000	200,000	200,000	-	450,000	
70	Replace 161kV Disconnect Switches	535,000	90,000	100,000	110,000	115,000	120,000	535,000
71	Replace 20kA, 161kV Circuit Breakers	-	-	200,000	205,000	210,000	220,000	835,000
72	Kemps Metering Repl & 406 Reconfiguration	115,000	-	-	-	-	115,000	
73	Bamber Valley Sub Capacitor Bank	-	-	-	225,000	-	225,000	
74	NE Substation	-	-	300,000	1,500,000	2,500,000	4,300,000	
75	Allocation - Distribution Expansion	2,565,814	2,642,788	2,722,072	2,803,734	2,887,846	13,622,254	
76	Feeder Extensions	117,656	125,000	140,000	150,000	170,000	702,656	
77	Feeder Rebuilds	113,131	130,000	140,000	150,000	160,000	693,131	
78	Transmission Projects	45,253	48,000	50,000	55,000	58,000	256,253	
79	Substation Projects	185,535	200,000	210,000	225,000	240,000	1,060,535	
80	Road Projects	135,757	140,000	160,000	180,000	200,000	815,757	
81	Road Projects - DMC	95,030	100,000	110,000	120,000	130,000	555,030	
82	Manhole Switch Replacements	99,555	105,000	110,000	115,000	120,000	549,555	
83	Cable Replacement	226,262	250,000	260,000	275,000	300,000	1,311,262	
84	Manhole Repair/Replace	248,889	275,000	280,000	290,000	300,000	1,393,889	
85	Distribution Transformers	859,797	777,788	732,072	681,734	614,846	3,666,237	
86	Overhead to Underground Conversion	316,767	360,000	380,000	400,000	420,000	1,876,767	
87	Pole Replacements	54,303	57,000	60,000	62,000	65,000	298,303	
88	Upgrades Due to Electrification	67,879	75,000	90,000	100,000	110,000	442,879	
89	GIS Utility Network Implementation	150,000	-	-	-	-	150,000	
90	Designer XI Implementation	-	500,000	-	-	-	500,000	
91	Dual Sensor Drone	-	-	-	15,000	-	15,000	
92	Survey GPS Replacement	-	-	-	-	30,000	30,000	
93	Fiber Manager Replacement	-	80,000	-	-	-	80,000	
94	AMI OMS Integration	-	-	100,000	-	-	100,000	
95	OMS Replacement	-	-	825,000	-	-	825,000	
96	Small Drone Replacement	15,000	12,500	-	-	-	27,500	
97	Impervious Data Acquisition	-	25,000	-	-	-	25,000	
98	Service Territory Payments	385,832	426,999	488,610	572,627	682,195	2,556,263	
99	Service Territory Payments - SMMPA Reimbursement	(191,675)	(211,437)	(241,364)	(282,397)	(336,052)	(1,262,925)	
100	Total Core Services	23,149,710	15,174,964	20,647,247	33,723,856	26,251,891	24,195,029	119,992,987
101	Customer Relations							
102	DSM Rebate Software	-	-	30,000	-	-	30,000	
103	DSM Rebate Software Subscription	-	-	825,000	-	-	825,000	
104	Customer Portal Replacement	100,000	-	-	-	-	100,000	
105	Add't Kiosk Locations	-	-	41,400	-	-	41,400	
106	Phone Tech Upgrade	-	85,000	-	-	-	85,000	
107	Customer Portal Subscription	-	515,000	-	-	-	515,000	
108	Total Customer Relations	-	100,000	600,000	896,400	-	-	1,596,400
109	Compliance & Public Affairs							
110	AED's	50,000	-	-	-	-	50,000	
111	Total Compliance & Public Affairs	50,000	-	-	-	-	50,000	
112	Corporate Services							
113	SAP ERP/HCM	-	750,000	1,800,000	1,050,000	-	3,600,000	
114	Work Management Solution	-	-	700,000	-	-	700,000	
115	Vena Subscription	343,575	-	-	-	-	343,575	
116	SAP ERP Subscription	-	3,350,605	-	-	-	3,350,605	
117	Racking Replacement in Stockyard - 2024	20,000	20,000	20,000	20,000	20,000	100,000	
118	Business Intelligence/Reporting	45,000	45,000	45,000	45,000	45,000	225,000	
119	PRI to SIP	-	40,000	-	-	-	40,000	
120	SCADA Upgrade	-	150,000	-	-	-	150,000	
121	Community Room Tech Refresh	100,000	-	-	-	-	100,000	
122	Teams Conference Room	50,000	-	-	-	-	50,000	
123	Data Analytics Subscription	16,000	50,000	-	-	-	66,000	
124	Data Analytics License Purchase	-	-	350,000	-	-	350,000	
125	Allocation - Technology	806,000	821,000	691,000	601,000	586,000	3,505,000	
126	Network Management	406,000	211,000	251,000	191,000	266,000	1,325,000	
127	Server Management	-	210,000	210,000	210,000	120,000	750,000	
128	Operation Technology	400,000	400,000	230,000	200,000	200,000	1,430,000	
129	Total Corporate Services	1,380,575	5,226,605	3,606,000	1,716,000	651,000	12,580,180	
130	Power Resources							
131	Lake Zumbro Hydro Controls Upgrade	-	-	-	-	-	-	
131	Firm Dispatchable Generation	120,000,000	12,000,000	24,000,000	24,000,000	48,000,000	12,000,000	120,000,000
132	Solar	-	-	10,000,000	10,000,000	50,000,000	30,000,000	100,000,000
133	Storage	-	-	20,000,000	90,000,000	80,000,000	10,000,000	200,000,000
134	2030 RESOURCE PLAN	2,000,000	-	-	-	-	-	
134	Allocation - Power Resources	100,000	125,000	250,000	200,000	600,000	1,275,000	

**Rochester Public Utilities
Electric Utility
2025 - 2029 Capital Improvement Plan**

		Multi-Year						
		Project Total	2025	2026	2027	2028	2029	5-Yr Total
135	Allocation - Fleet		821,320	851,179	993,142	1,007,518	764,324	4,437,483
136	UPS #3 Main Replacement - BUCC		75,600	-	-	-	-	75,600
137	Mezzanine T&D Clean Room		-	69,000	-	-	-	69,000
138	Stock Yard Concrete		-	158,400	-	-	-	158,400
139	Culverts at SE Section		-	182,400	-	-	-	182,400
140	Replace EV Charger		-	-	180,000	-	-	180,000
141	BUCC CRAC Unit Replacement		-	-	66,000	-	-	66,000
142	UPS Charger Unit #4		-	-	79,200	-	-	79,200
143	SCADA CRAC Unit Replacement		-	-	-	78,000	-	78,000
144	Warehouse Window Replacements		-	-	-	297,000	-	297,000
145	Concrete NE Section Phase 1		-	-	-	198,000	-	198,000
146	Substation HVAC Syst Phase 1		-	-	-	168,000	-	168,000
147	Concrete NE Section Phase 2		-	-	-	-	198,000	198,000
148	Substation HVAC Syst Phase 2		-	-	-	-	120,000	120,000
149	Allocation - Facilities		30,000	30,000	30,000	30,000	30,000	150,000
150	Total Power Resources	122,000,000	13,026,920	55,415,979	125,598,342	179,978,518	53,712,324	427,732,083
151	General Management							
152	Mayo Bold Forward Unbound Contingency		1,000,000	-	-	-	-	1,000,000
153	Project Contingency Fund		800,000	800,000	800,000	800,000	800,000	4,000,000
154	Total General Management	-	1,800,000	800,000	800,000	800,000	800,000	5,000,000
155	Total External Expenditures	145,149,710	31,532,459	82,689,831	164,624,598	208,746,409	79,358,353	566,951,650
156	Less: Bonding		(12,432,000)	(55,855,000)	(141,000,000)	(187,000,000)	(60,000,000)	(456,287,000)
157	Less: Non-cash Subscription Assets		(276,075)	(3,156,230)	(660,000)	-	-	(4,092,305)
158	Less: Contributions in Aid of Construction		(3,395,000)	(624,350)	(615,081)	(631,295)	(647,974)	(5,913,700)
159	Net Capital External Expenditures (Rate Funded)	145,149,710	15,429,384	23,054,251	22,349,518	21,115,113	18,710,379	100,658,645
160	Total Internal Expenditures (Capital Labor)		9,087,157	8,985,857	10,842,013	10,608,476	7,251,754	46,775,257
161	Net Capital Expenditures	145,149,710	24,516,541	32,040,108	33,191,530	31,723,589	25,962,133	147,433,902

SECTION XIII

Rochester Public Utilities Adopted Water Utility 2025 Operating Budget

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**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2025 OPERATING BUDGET**

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Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2025 OPERATING BUDGET**

ASSUMPTIONS

- Interest Earnings Rate: 3.0%
- Average Salary Expense Change: 4.9%
(excluding headcount additions)
- Anticipated Bonding None
- Change in Full-time Equivalent: 0
- Minimum Cash Reserve Requirement: \$8,629,700
- In Lieu of Tax \$514,088

RETAIL REVENUES / SALES

- Revenue Adjustment: 5.5% Proposed General Rate Increase
Plus \$1.32 Customer Charge Increase
- Water CCF Sales Forecast: 2.3% Increase from 2024
Projected Sales
- Total Water Utility Customers: 0.9% Increase over Y/E 2024
Projected Customers
- Forecast Assumes Normal Weather : 538 Cooling Degree Days,
27.85 Inches Summer Rainfall

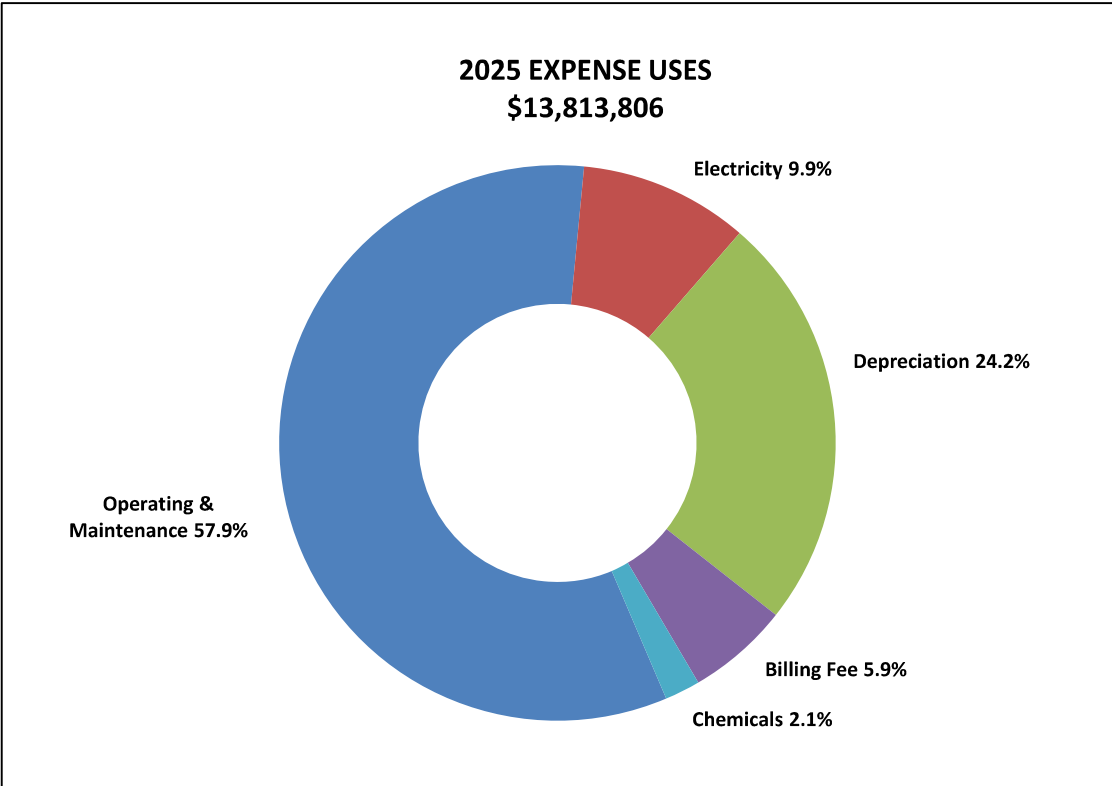
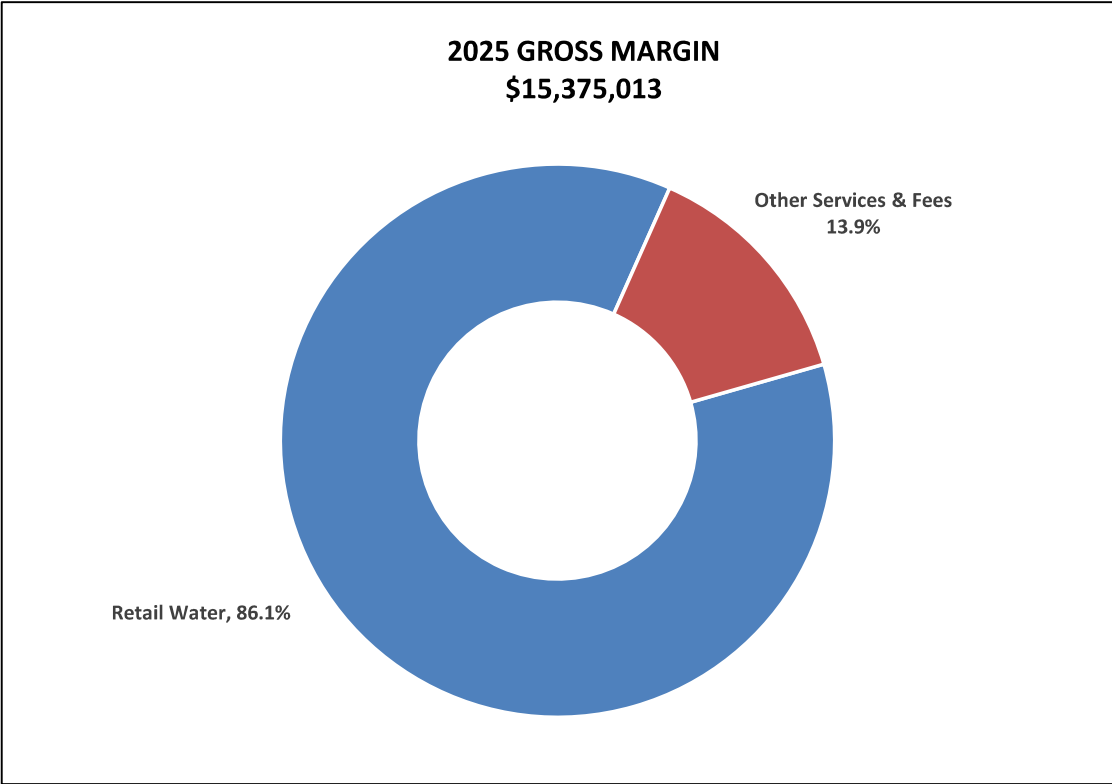
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
Management Reporting P&L**

	Historical Data							
	2022	2023	2024 F2	2025	2026	2027	2028	2029
in 000's								
RPU Rate Increase	2.5%	5.0%	5.5%	5.5%	9.0%	7.0%	7.0%	7.0%
Plus AMI Customer Charge			\$1.32	\$1.32				
1 Revenue								
2 Retail Water	\$11,026	\$12,460	\$12,246	\$13,237	\$14,406	\$15,626	\$16,871	\$18,187
3 Other Services & Fees	\$2,154	\$2,148	\$2,122	\$2,138	\$2,160	\$2,180	\$2,201	\$2,222
4 Total Revenue	\$13,180	\$14,609	\$14,368	\$15,375	\$16,566	\$17,806	\$19,073	\$20,409
5 Cost of Revenue								
6 Water Supply	\$2,120	\$2,380	\$2,356	\$2,465	\$2,533	\$2,625	\$2,711	\$2,813
7 Total Cost of Revenue	\$2,120	\$2,380	\$2,356	\$2,465	\$2,533	\$2,625	\$2,711	\$2,813
8 Gross Margin								
9 Retail Water	\$8,907	\$10,080	\$9,890	\$10,772	\$11,873	\$13,001	\$14,160	\$15,374
10 Other Services & Fees	\$2,154	\$2,148	\$2,122	\$2,138	\$2,160	\$2,180	\$2,201	\$2,222
11 TOTAL GROSS MARGIN	\$11,060	\$12,228	\$12,012	\$12,910	\$14,033	\$15,181	\$16,361	\$17,596
12 Controllable Costs								
13 Salaries & Benefits	\$3,338	\$3,495	\$3,471	\$3,850	\$4,170	\$4,337	\$4,655	\$4,842
14 Other Operating Expenses	\$1,176	\$1,291	\$1,564	\$1,597	\$1,655	\$1,716	\$1,779	\$1,933
15 Major Maintenance	\$448	\$396	\$668	\$906	\$893	\$900	\$960	\$915
16 Non-Bonded Capital Projects	\$2,890	\$3,397	\$9,801	\$8,539	\$7,211	\$7,564	\$5,225	\$3,198
17 TOTAL CONTROLLABLE COSTS	\$7,852	\$8,581	\$15,504	\$14,892	\$13,929	\$14,517	\$12,619	\$10,888
18 Depreciation & Amortization	\$2,916	\$2,916	\$3,007	\$3,349	\$3,316	\$3,806	\$4,057	\$4,262
19 Subscription Amortization	-	-	-	\$222	\$346	\$346	\$346	\$346
20 Less Non Bonded Projects (capitalized)	(\$2,890)	(\$3,397)	(\$9,801)	(\$8,539)	(\$7,211)	(\$7,564)	(\$5,225)	(\$3,198)
21 Less Total Internal Costs (capitalized)	(\$291)	(\$324)	(\$409)	(\$341)	(\$579)	(\$578)	(\$311)	(\$115)
22 Interutility Allocation	\$1,874	\$1,956	\$2,045	\$1,766	\$1,819	\$1,874	\$1,930	\$1,988
23 Total Operating Expenses	\$9,408	\$9,731	\$10,346	\$11,349	\$11,621	\$12,401	\$13,416	\$14,171
24 Net Operating Income (Loss)	\$1,652	\$2,497	\$1,666	\$1,561	\$2,412	\$2,780	\$2,945	\$3,426
25 Financing & Other Non-Operating Items:								
26 Bond & Interest Related Expenses	-	-	-	(\$2)	(\$7)	(\$7)	(\$7)	(\$7)
27 Interest Income	\$676	\$775	\$811	\$718	\$653	\$577	\$552	\$613
28 Misc Non-Operating Income (Expense)	(\$34)	(\$67)	(\$14)	-	-	-	-	-
29 Total Financing & Non-Operating Items	\$642	\$709	\$798	\$716	\$645	\$570	\$544	\$606
30 Income Before Transfers or Capital Contributions	\$2,294	\$3,206	\$2,464	\$2,277	\$3,057	\$3,350	\$3,489	\$4,031
31 Transfers (In Lieu of Taxes)	(\$402)	(\$491)	(\$492)	(\$514)	(\$515)	(\$522)	(\$527)	(\$534)
32 Capital Contributions	\$3,271	\$3,251	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
33 Cash Transfers from City/Intercompany	\$193	-	\$637	\$3,000	-	-	-	-
34 NET INCOME	\$5,357	\$5,967	\$3,709	\$5,863	\$3,642	\$3,928	\$4,063	\$4,597
35 NET INCOME (Excluding Contrib & Cash Tfrs from City)			\$1,972	\$1,763	\$2,542	\$2,828	\$2,963	\$3,497
36 TARGET NET INCOME			\$ 5,777	\$ 6,052	\$ 6,294	\$ 6,546	\$ 6,718	\$ 6,821
37 Excess (Deficit) from Target			\$ (3,805)	\$ (4,290)	\$ (3,752)	\$ (3,719)	\$ (3,755)	\$ (3,324)
38 1/01 Cash Balance	\$ 14,147	\$ 14,774	\$ 14,774	\$ 11,115	\$ 10,158	\$ 8,186	\$ 6,661	\$ 8,153
39 Change in Net Assets		\$5,967	\$3,709	\$5,863	\$3,642	\$3,928	\$4,063	\$4,597
40 Depreciation & Amortization		\$2,916	\$3,007	\$3,571	\$3,662	\$4,153	\$4,404	\$4,608
41 Capital Additions		(\$3,708)	(\$10,210)	(\$8,880)	(\$7,790)	(\$8,142)	(\$5,536)	(\$3,313)
42 Non-Cash Contributions		(3,058)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)
43 Debt Principal Payments		-	-	-	-	-	-	-
44 Debt Proceeds		-	-	-	-	-	-	-
45 Net Change in Other Assets/Liabilities		(\$1,491)	\$935	(\$410)	(\$387)	(\$363)	(\$338)	(\$310)
46 Net Changes in Cash		\$627	(\$3,659)	(\$956)	(\$1,972)	(\$1,525)	\$1,492	\$4,481
47 12/31 Cash Balance	\$ 14,774	\$ 11,115	\$ 11,115	\$ 10,158	\$ 8,186	\$ 6,661	\$ 8,153	\$ 12,635
48 Minimum Cash Reserve	\$ 7,367	\$ 8,971	\$ 8,971	\$ 8,630	\$ 8,004	\$ 7,342	\$ 7,195	\$ 7,421
49 Excess (Deficit) from Minimum Cash Reserve	\$ 7,406	\$ 2,144	\$ 2,144	\$ 1,529	\$ 182	\$ (682)	\$ 958	\$ 5,213

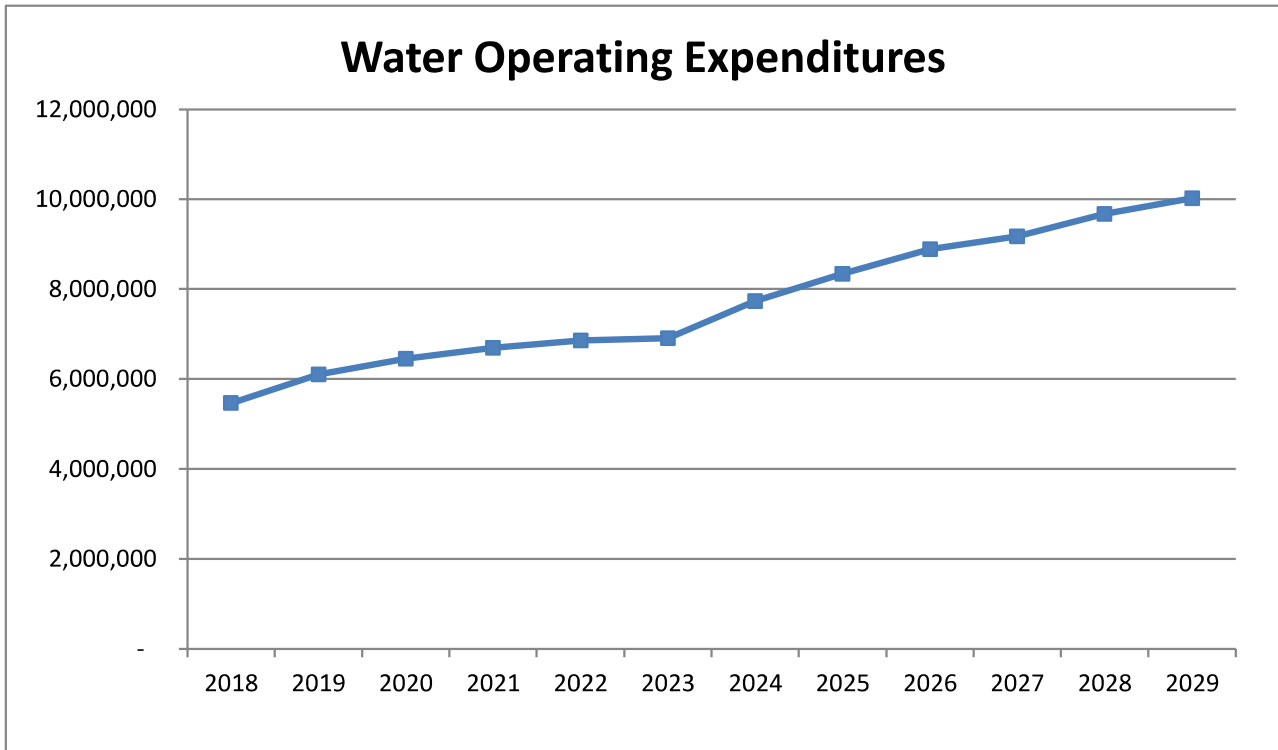
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
Management Reporting P&L**

	Historical Data		2024		2025		Variance	%
	2022	2023	Orig Bdgt	2024 F2	2025	Orig Bdgt	2025 to Orig Bdgt	Variance
in 000's								
1 Revenue								
2 Retail Water	\$11,026	\$12,460	\$12,506	\$12,246	\$13,237	\$14,037	(\$800)	-5.7%
3 Other Services & Fees	\$2,154	\$2,148	\$2,150	\$2,122	\$2,138	\$2,184	(\$45)	-2.1%
4 Total Revenue	\$13,180	\$14,609	\$14,656	\$14,368	\$15,375	\$16,220	(\$845)	-5.2%
5 Cost of Revenue								
6 Water Supply	\$2,120	\$2,380	\$2,182	\$2,356	\$2,465	\$2,176	\$289	13.3%
7 Total Cost of Revenue	\$2,120	\$2,380	\$2,182	\$2,356	\$2,465	\$2,176	\$289	13.3%
8 Gross Margin								
9 Retail Water	\$8,907	\$10,080	\$10,324	\$9,890	\$10,772	\$11,860	(\$1,089)	-9.2%
10 Other Services & Fees	\$2,154	\$2,148	\$2,150	\$2,122	\$2,138	\$2,184	(\$45)	-2.1%
11 TOTAL GROSS MARGIN	\$11,060	\$12,228	\$12,474	\$12,012	\$12,910	\$14,044	(\$1,134)	-8.1%
12 Controllable Costs								
13 Salaries & Benefits	\$3,338	\$3,495	\$3,506	\$3,471	\$3,850	\$3,677	\$173	4.7%
14 Other Operating Expenses	\$1,176	\$1,291	\$1,289	\$1,564	\$1,597	\$1,370	\$227	16.6%
15 Major Maintenance	\$448	\$396	\$908	\$668	\$906	\$1,075	(\$169)	-15.7%
16 Non-Bonded Capital Projects	\$2,890	\$3,397	\$11,547	\$9,801	\$8,539	\$5,239	\$3,300	63.0%
17 TOTAL CONTROLLABLE COSTS	\$7,852	\$8,581	\$17,249	\$15,504	\$14,892	\$11,361	\$3,531	31.1%
18 Depreciation & Amortization	\$2,862	\$2,916	\$3,233	\$3,007	\$3,349	\$3,421	(\$72)	-2.1%
19 Subscription Amortization	-	-	-	-	\$222	-	\$222	0.0%
20 Less Non Bonded Projects (capitalized)	(\$2,890)	(\$3,397)	(\$11,547)	(\$9,801)	(\$8,539)	(\$5,239)	(\$3,300)	63.0%
21 Less Total Internal Costs (capitalized)	(\$291)	(\$324)	(\$311)	(\$409)	(\$341)	(\$274)	(\$67)	24.5%
22 Interutility Allocation	\$1,874	\$1,956	\$1,971	\$2,045	\$1,766	\$2,030	(\$264)	-13.0%
23 Total Operating Expenses	\$9,408	\$9,731	\$10,595	\$10,346	\$11,349	\$11,299	\$50	0.4%
24 Net Operating Income (Loss)	\$1,652	\$2,497	\$1,879	\$1,666	\$1,561	\$2,745	(\$1,184)	-43.1%
25 Financing & Other Non-Operating Items:								
26 Bond & Interest Related Expenses	-	-	-	-	(\$2)	-	(\$2)	0.0%
27 Interest Income	\$676	\$775	\$799	\$811	\$718	\$770	(\$52)	-6.8%
28 Misc Non-Operating Income (Expense)	(\$34)	(\$67)	-	(\$14)	-	-	-	0.0%
29 Total Financing & Non-Operating Items	\$642	\$709	\$799	\$798	\$716	\$770	(\$55)	-7.1%
30 Income Before Transfers or Capital Contributions	\$2,294	\$3,206	\$2,677	\$2,464	\$2,277	\$3,515	(\$1,239)	-35.2%
31 Transfers (In Lieu of Taxes)	(\$402)	(\$491)	(\$487)	(\$492)	(\$514)	(\$512)	(\$2)	0.3%
32 Capital Contributions	\$3,271	\$3,251	\$1,100	\$1,100	\$1,100	\$1,100	-	0.0%
33 Cash Transfers from City	\$193	-	\$3,740	\$637	\$3,000	-	\$3,000	0.0%
34 NET INCOME	\$5,357	\$5,967	\$7,030	\$3,709	\$5,863	\$4,103	(\$1,240)	-30.2%
35 1/01 Cash Balance		\$ 14,147	\$ 13,194	\$ 14,774	\$ 11,115	\$ 12,158	\$ (1,043)	-8.6%
36 Change in Net Assets		\$5,967	\$7,030	\$3,709	\$5,863	\$4,103	\$1,760	42.9%
37 Depreciation & Amortization		\$2,916	\$3,233	\$3,007	\$3,571	\$3,421	\$150	4.4%
38 Capital Additions/Service Territory Comp		(\$3,708)	(\$11,858)	(\$10,210)	(\$8,880)	(\$5,513)	(\$3,367)	61.1%
39 Non-Cash Contributions		(\$3,058)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)	-	0.0%
40 Debt Principal Payments		-	-	-	-	-	-	0.0%
41 Debt Proceeds		-	-	-	-	-	-	0.0%
42 Net Change in Other Assets/Liabilities		(\$1,491)	\$1,658	\$935	(\$410)	(\$410)	-	0.0%
43 Net Changes in Cash		\$627	(\$1,036)	(\$3,659)	(\$956)	\$502	(\$1,458)	-290.6%
44 12/31 Cash Balance		\$ 14,774	\$ 12,158	\$ 11,115	\$ 10,158	\$ 12,659	\$ (2,501)	-19.8%
45 Mimumum Cash Reserve		\$ 7,367	\$ 8,971	\$ 8,971	\$ 8,630	\$ 8,767	\$ (137)	-1.6%
46 Excess (Deficit) from Mimumum Cash Reserve		\$ 7,406	\$ 3,187	\$ 2,144	\$ 1,529	\$ 3,892	\$ (2,363)	-60.7%

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2025 OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2025 OPERATING BUDGET**



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

	2024 F2	2025	2026	2027	2028	2029
1 CCF Pumped	6,360,794	6,476,461	6,489,134	6,578,747	6,637,047	6,733,117
2 % Change	-4.0%	1.8%	0.2%	1.4%	0.9%	1.4%
3 Retail CCF	6,058,508	6,197,570	6,209,698	6,295,452	6,351,241	6,443,174
4 % Change	-4.1%	2.3%	0.2%	1.4%	0.9%	1.4%
5 Number of Service Points						
6 Residential	38,318	38,640	38,958	39,272	39,582	39,888
7 Commercial	3,919	3,960	4,002	4,044	4,088	4,132
8 Industrial	22	22	22	22	22	22
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	42,260	42,623	42,983	43,339	43,693	44,043
11 % Change	1.4%	0.9%	0.8%	0.8%	0.8%	0.8%

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Rochester Public Utilities
Adopted
Water Utility 2025
Capital Improvement & Major
Maintenance Budget

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**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2025 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

INDEX

<u>Title</u>	<u>Pages</u>
5 Year Project List:	
Major Maintenance	1
Capital	2

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**Rochester Public Utilities
Water Utility
2025 - 2029 Major Maintenance Plan**

		Multiple-Year						
		Project Total	2025	2026	2027	2028	2029	5-Yr Total
1	Core Services							
2	Operating Contingency Fund		90,000	95,000	95,000	95,000	100,000	475,000
3	Water Cost-of-Service/Rate Design Study		50,000	-	-	55,000	-	105,000
4	Wtr Master Plan Update		100,000	-	-	-	-	100,000
5	Service Assure - Water		260,800	268,000	275,000	280,000	285,000	1,368,800
6	Allocation - Water Distribution System Maintenance		375,000	500,000	500,000	500,000	500,000	2,375,000
7	Water Storage Facility Painting		<i>375,000</i>	<i>500,000</i>	<i>500,000</i>	<i>500,000</i>	<i>500,000</i>	<i>2,375,000</i>
8	Total Core Services		875,800	863,000	870,000	930,000	885,000	4,423,800
9	Power Resources							
10	Allocation - RPU Water Facilities		30,000	30,000	30,000	30,000	30,000	150,000
11	Total Power Resources		30,000	30,000	30,000	30,000	30,000	150,000
12	Total Major Maintenance Plan - External Expenditures		905,800	893,000	900,000	960,000	915,000	4,573,800

**Rochester Public Utilities
Water Utility
2025 - 2029 Capital Improvement Plan**

	Multi-Year Project Total	2025	2026	2027	2028	2029	5-Yr Total
1 Core Services							
2 Water Utility Contingency Fund-Capital		180,000	185,000	185,000	185,000	190,000	925,000
3 1.0 MG Baihly High Level Tower		3,000,000	-	-	-	-	3,000,000
4 DMC - Rochester Rapid Transit 2nd St SW	880,000	110,000	330,000	-	-	-	440,000
5 DMC - Broadway N, Zumbro River Bridge N	700,000	110,000	190,000	-	-	-	300,000
6 Wtr Main Repl Risk Prioritization		80,000	-	-	-	-	80,000
7 Mayo Bold Forward Unbound		500,000	-	-	-	-	500,000
8 New Wells		385,000	525,000	475,000	125,000	380,000	1,890,000
9 Allocation - Water Distribution System Expansion		1,152,641	1,080,000	1,805,000	2,280,000	2,010,000	8,327,641
10 T&D City Projects		602,641	480,000	680,000	555,000	885,000	3,202,641
11 T&D Developer Projects		150,000	175,000	175,000	175,000	175,000	850,000
12 T&D RPU Projects		400,000	425,000	950,000	1,550,000	950,000	4,275,000
13 Install New AC Units at Wells & Boosters		39,800	40,300	40,500	41,500	42,500	204,600
14 Water PLC - 2025		25,000	25,000	25,000	26,000	27,000	128,000
15 Duel Sensor Drone Replacement		-	-	-	15,000	-	15,000
16 Survey GPS Replacement		-	-	-	-	30,000	30,000
17 Well & Booster Station Metering		11,000	12,000	13,000	14,000	14,000	64,000
18 AMI General Implementation Services - Wtr	3,959,079	449,941	80,862	480,176	385,135	-	1,396,114
19 Wtr AMI Meter Installation Services	11,781,635	1,797,743	4,120,710	4,088,986	1,742,225	-	11,749,664
20 MDM - Wtr	192,762	-	-	-	-	-	-
21 AMI Headend - Wtr	628,240	100,793	-	-	-	-	100,793
22 MDM Subscription - Wtr	401,251	-	-	-	-	-	-
23 AMI Headend Subscription - Wtr	895,580	-	-	-	-	-	-
24 Allocation - Water Distribution System Replacement		250,850	198,200	200,600	208,000	211,000	1,068,650
25 Replacement of Pumping Units		185,000	130,000	130,000	135,000	135,000	715,000
26 Well Motor Replacements		20,050	21,600	22,700	23,800	24,900	113,050
27 Installation of Variable Frequency Drive Units		21,400	21,700	22,400	23,000	24,100	112,600
28 Replacement of Booster Pumps		24,400	24,900	25,500	26,200	27,000	128,000
29 Allocation - Water Metering/AMR		118,306	124,256	130,469	136,993	143,842	653,866
30 Alloc - Residential Water Metering/AMR		69,300	72,800	76,440	80,262	84,275	383,077
31 Alloc - Commercial Water Metering/AMR		49,006	51,456	54,029	56,731	59,567	270,789
32 Total Core Services	19,438,547	8,311,074	6,911,328	7,443,731	5,158,853	3,048,342	30,873,328
33 Power Resources							
34 Allocation - Fleet		227,620	299,500	120,117	65,890	149,750	862,877
35 Total Power Resources		227,620	299,500	120,117	65,890	149,750	862,877
36 Total External Expenditures	19,438,547	8,538,694	7,210,828	7,563,848	5,224,743	3,198,092	31,736,205
37 Less: Bonding		-	-	-	-	-	-
38 Less: Contribution in Aid of Construction		-	-	-	-	-	-
39 Less: WAC Funds		(3,000,000)	-	-	-	-	(3,000,000)
40 Net Capital External Expenditures (Rate Funded)	19,438,547	5,538,694	7,210,828	7,563,848	5,224,743	3,198,092	28,736,205
41 Total Internal Expenditures (Capital Labor)		341,369	578,762	578,496	311,438	114,943	2,321,081
42 Total Contributed Assets		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	5,500,000
43 Net Capital Expenditures	19,438,547	6,980,063	8,889,590	9,242,344	6,636,180	4,413,035	36,161,212

SECTION XIV

Rochester Public Utilities Adopted 2025 Personnel Budget

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**ROCHESTER PUBLIC UTILITIES
2025 PERSONNEL BUDGET**

INDEX

<u>Title</u>	<u>Pages</u>
Full-Time Staff Per Customer Served/Retail Sales	1
Full-Time and Temporary Staffing Comparison	2

**ROCHESTER PUBLIC UTILITIES
2025 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>
2025	103,501 ⁽¹⁾	191,113,559 ⁽¹⁾	221 ⁽²⁾	468	864,767
2024	102,413 ⁽¹⁾	184,729,223 ⁽¹⁾	219	468	843,512
2023	101,261	176,967,937	211	480	838,711
2022	99,950	160,465,198	211	474	760,499
2021	99,386	157,782,929	208	478	758,572
2020	98,503	154,640,308	207	476	747,055

NOTES: Numbers include combined water and electric utilities.

For Electric Utilities, APPA 2022 Retail Customers per Non-Power-Generation Employee for customer size class of 50K-100K customers, is 295. RPU comparison using this criteria and 2023 data is 361.

(1) Forecasted

(2) Staff changes:

2025

Seven potential reclassifications

Adding two new positions:

- Buyer

- Human Resources Liaison

Replacement of two existing contract positions with FTE's

**ROCHESTER PUBLIC UTILITIES
2025 PERSONNEL BUDGET
Regular and Temporary Staffing
Total Costs**

<u>Year</u>	<u>2024 Original budget</u>	<u>2024 Projected</u>	<u>2025 Estimated</u>	<u>Difference 2024 Original to 2025</u>	<u>% Change</u>
Regular Employees	\$32,018,108	\$31,806,529	\$34,993,385	\$2,975,278	9.3%
Limited-Term Employees	\$372,141	\$293,435	\$526,912	\$154,771	41.6%
Temporary/Contract Labor	<u>\$403,520</u>	<u>\$445,747</u>	<u>\$485,646</u>	<u>\$82,125</u>	<u>20.4%</u>
Total	\$32,793,769	\$32,545,710	\$36,005,943	\$3,212,174	9.8%

NOTE: Estimated cost include base salaries, salary increases, overtime, RPU's share of employee pensions, payroll taxes, and benefits. Excludes accrual adjustment for unfunded PERA liability.

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SECTION XV

Rochester Public Utilities

Adopted

Supplemental Data

Capital/Operating Budgets

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**ROCHESTER PUBLIC UTILITIES
2025 SUPPLEMENTAL DATA
CAPITAL / OPERATING BUDGETS**

INDEX

<u>Title</u>	<u>Pages</u>
Electric & Water Rate Increases vs. Inflation	1
Year End Cash Balances	2
RPU Tax and Tax Equivalents	3

**ROCHESTER PUBLIC UTILITIES
2025 CAPITAL / OPERATING BUDGETS
ELECTRIC AND WATER REVENUE CHANGE
VERSUS INFLATION**

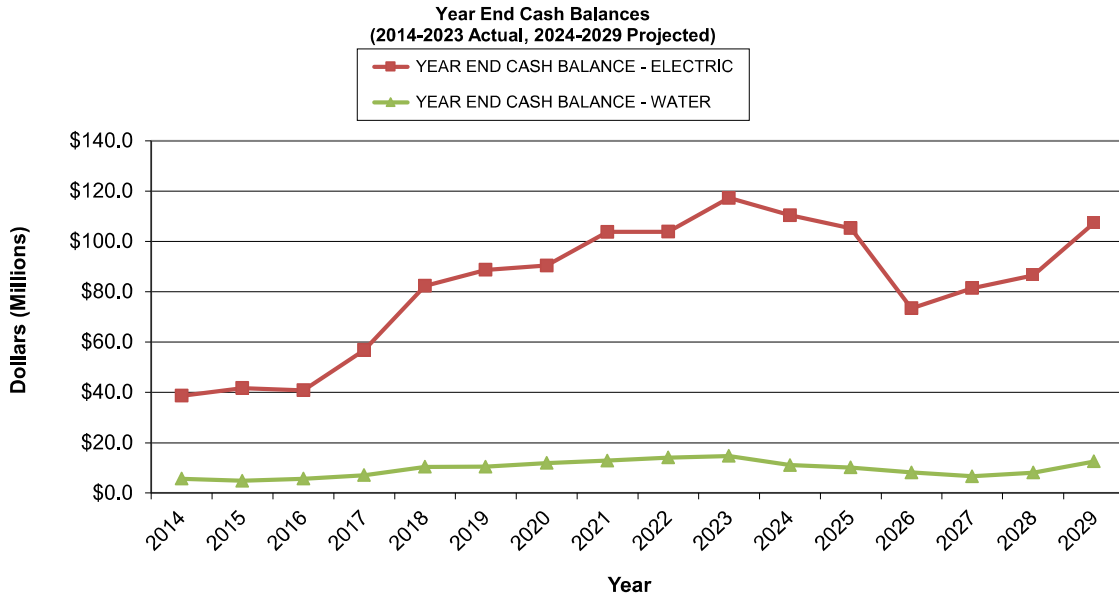
<u>Year</u>	<u>Inflation %</u>	<u>Electric Rates %</u>	<u>Water Rates %</u>	<u>SMPA Rates %</u>
2024	3.0% *	3.2% **	5.5% ***	0.0%
2023	4.1%	2.5%	5.0%	10.0%
2022	8.0%	1.5%	2.5%	0.0%
2021	4.7%	0.0%	0.0%	0.0%
2020	1.2%	0.0%	3.5%	-4.0%
2019	1.8%	1.9%	6.0%	0.0%
2018	2.4%	1.5%	6.0%	2.0%
2017	2.1%	3.7%	6.0%	6.0%
2016	1.3%	1.7%	6.0%	0.0%
2015	0.1%	3.5%	3.5%	0.0%
10-Year Annualized Average	3.2%	2.0%	4.6%	1.4%
2025	3.0% *	4.0%	5.5% ***	0.0%

*Estimated Yearly Values

**Plus AMI Customer Charge of \$1.94 for 2024

***Plus AMI Customer Charge of \$1.32 for 2024 and 2025

**ROCHESTER PUBLIC UTILITIES
2025 CAPITAL / OPERATING BUDGETS
YEAR END CASH BALANCES**



(Millions of Dollars)

Year	YEAR END CASH BALANCE - ELECTRIC	YEAR END REMAINING DEBT PROCEEDS ELECTRIC	YEAR END CASH BALANCE - WATER	YEAR END REMAINING DEBT PROCEEDS WATER
2014	38.6		5.7	
2015 *	41.7		4.9	
2016 *	40.8		5.7	
2017 *	56.8	23.1	7.1	
2018	82.3		10.4	
2019	88.7		10.5	
2020	90.4		12.0	
2021 *	103.8		12.9	
2022	103.9		14.1	
2023	117.2		14.8	
2024	110.4		11.1	
2025	105.3		10.2	
2026 *	73.4		8.2	
2027 *	81.4	132.5	6.7	
2028 *	86.5	17.8	8.2	
2029 *	107.4		12.6	

* 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, \$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, and \$37.17 in February 2021 to advance refund the 2013B bond issue. The Water Utility has had debt financings of \$1.5 million in August 2006. There are proposed future short-term borrowings of \$16.7 million in 2026 and \$73.8 million in 2028 for the Electric Utility, followed by long-term borrowings of \$301.2 million in 2027 and \$66.1 million in 2029 for the Grid North Partners transmission investment and 2030 Resource Plan. The short-term borrowings would be paid off in 2030 with the investment tax credit funds received upon completion of the Resource Plan projects.

**ROCHESTER PUBLIC UTILITIES
2025 CAPITAL / OPERATING BUDGETS
RPU ESTIMATED TAX AND TAX EQUIVALENTS**

	<u>2025</u>
Utility Licenses, Permits & Penalties	932,301
Water Appropriation Fees	67,025
Payment to General Fund	
Electric	11,336,702
Water	514,088
Total	<u>11,850,791</u>
Sales Tax - Electric & Water	1,338,187
SMMPA Property Taxes ¹	<u>3,480,490</u>
Total Tax & Tax Equivalents	<u><u>17,668,795</u></u>
Electric/Water Retail Sales	<u><u>191,219,104</u></u>
% of Electric/Water Retail Sales	9.2%

¹Value represents RPU's 42% membership share in SMMPA.