Prepare rate studies and cost allocation assessment for the four (4) UCNSB utilities.

**Task A – (General)**
1. Data Collection
2. Kick off Meetings
4. Report and Recommendations
5. Schedule (not to exceed 4 months including data collection)
6. Executive Summary

**Task B, C, and D – (Water, Waste, and Reclaimed systems)**
1. Water Resources Rate Study Revenue Requirements
   a. Internal Cost Allocation Study
      i. Review the existing allocation/assignment methodologies used to allocate centralized costs for
         1. Engineering
         2. Administration,
         3. IT
         4. HR
         5. Finance / Customer Service
      ii. Assessment of existing methodologies
   b. Recommendations to any changes in methodologies. Development of a five year projection of revenues and costs
   d. Collection and analyses of summary data
   e. Review of the adequacy of existing rates
   f. Assess projected supply, treatment, pumping requirements, byproduct disposal.
   g. Review of forecasts of customers and sales
   h. Review of historical records
   i. 5 year projections of revenues from current rates compared to amended rates (if any)
   j. Review of utility expenses, debt service, capital expenditures
2. Cost of Service Study
   a. Functionalization and classification of the test year costs.
   b. Allocation of each utility system test year revenue requirements by utility among the UCNSB’s various customer classes
   c. Analysis of unbundled test year costs
   d. Classifications of test year costs into
      a. Capacity costs
      b. Customer costs
      c. Variable costs
   e. Redesign of existing rates and charges
   f. Assessment of base charge/customer charge
   g. Assessment of tiered rates
   h. Assessment of peak and off-peak rate categories
   i. Comparison of existing and proposed rates.
   j. Comparison of rates charged by select public and private Utilities.
RSQ 01-19 DRAFT SCOPE OF SERVICE FOR RATE STUDY

k. Draft report and presentation
l. Two public meetings
m. (For Task D, Reclaimed, Assessment of major users rates)

Task E – (Electric)

1. Electric Rate Study Revenue Requirements
   a. Internal Cost Allocation Study
      i. Review the existing allocation / assignment methodologies used to allocate centralized costs for
         1. Engineering
         2. Administration,
         3. IT
         4. HR
         5. Finance / Customer Service
      ii. Assessment of existing methodologies
   b. Recommendations to any changes in methodologies. Development of a five year projection of revenues and costs
   d. Collection and analyses of summary data
   e. Review of the adequacy of existing rates
   f. Assess projected demand, energy and customer forecast. Compare energy sold, generated and purchased.
   g. Review of forecasts of customers and sales
   h. Review of historical records
      i. 5 year projections of revenues from current rates compared to amended rates (if any)
   j. Review of utility expenses, debt service, capital expenditures

2. Cost of Service Study
   a. Functionalization and classification of the test year costs
      a. Power supply
      b. Transmission
      c. Distribution
      d. Customers.
   b. Allocation of each utility system test year revenue requirements by utility among the UCNSB’s various customer classes
   c. Analysis of unbundled test year costs
   d. Classifications of test year costs into
      a. Capacity costs
      b. Customer costs
      c. Variable costs
   e. Redesign of existing rates and charges
   f. Assessment of base charge / customer charge
   g. Assessment of tiered rates
   h. Assessment of peak and off-peak rate categories (time of use rates)
      i. Assessment of net metering rates
   j. Assessment of differential Rates for service from overhead vs underground systems
   k. Comparison of existing and proposed rates.
   n. Comparison of rates charged by select public and private Utilities.
   o. Draft report and presentation
   p. Two public meetings
Task F - Application Fee Analysis
Development Review
    Plan Review
    Revisions
    Change orders
    Policy Review