

2.4 CUSTOMER BILL IMPACTS

RFC evaluated customer bill impacts under the proposed three-tiered ESLS user charges compared to costs today under the current SAA funded ESLS program. As there are 42 separate SAA assessments that do not fully reflect the annual O&M expenses and capital expenditure requirements and are assessed differently than the proposed ESLS per ERU, it was necessary to adjust the “basis” of the current SAA based assessments. Appendix D includes a detailed, SAA by SAA comparison for each of the two financial planning scenarios. In order to more fairly compare the two financing scenarios, the following adjustments were necessary:

- Most recent SAA extension requirements were increased by 25% to reflect the portion of O&M and capital replacements historically funded by the General Fund.
- ERUs by SAA extension reflect the ERUs as they are assessed under the proposed ESLS tiered user charges and this is often different from how similar values are calculated in individual SAA extensions.

Table 2-4 and Table 2-5 compare the average and range of annual impacts within each of the three tiered groupings for the With Debt and No Debt Funding Scenarios. As the proposed SAA extension restructuring combines over 39 individual Street Light SAA extensions into one of three tiered groups, some will experience increases and others will experience decreases.

Table 2-4: Customer Bill Impacts With Debt Funding Scenario

ESLS Tier	SAA Extensions	ERUs (1)	Average SAA per ERU	ESLS	Average Difference per ERU	Range of Differences per ERU (2)
Tier 1	1	2,498	\$1.28	\$5.67	\$4.39	\$4.39 to \$4.39
Tier 2	15	927	13.24	15.94	2.70	(\$23.00) to \$11.39
Tier 3	23	853	32.72	43.82	11.10	(\$32.53) to \$27.96

(1) Tier 3 excludes 298 ERUs outside existing SAA extension boundaries.
 (2) Range of impacts include those decreasing to maximum increase per ERU.

Table 2-5: Customer Bill Impacts No Debt Funding Scenario

ESLS Tier	SAA Extensions	ERUs (1)	Average SAA per ERU	ESLS	Average Difference per ERU	Range of Differences per ERU (2)
Tier 1	1	2,498	\$1.28	\$ 5.67	\$4.39	\$4.39 to \$4.39
Tier 2	15	927	13.24	27.87	14.63	(\$11.07) to \$23.32
Tier 3	23	853	32.72	59.38	26.66	(\$16.97) to \$43.52

(1) Tier 3 excludes 298 ERUs outside existing SAA extension boundaries.
 (2) Range of impacts include those decreasing to maximum increase per ERU.