

Rate Smoothing Question

Presentation to the Customer Review Panel

May 3, 2017

Seattle
 Public
Utilities

Water Rate Smoothing Opportunity

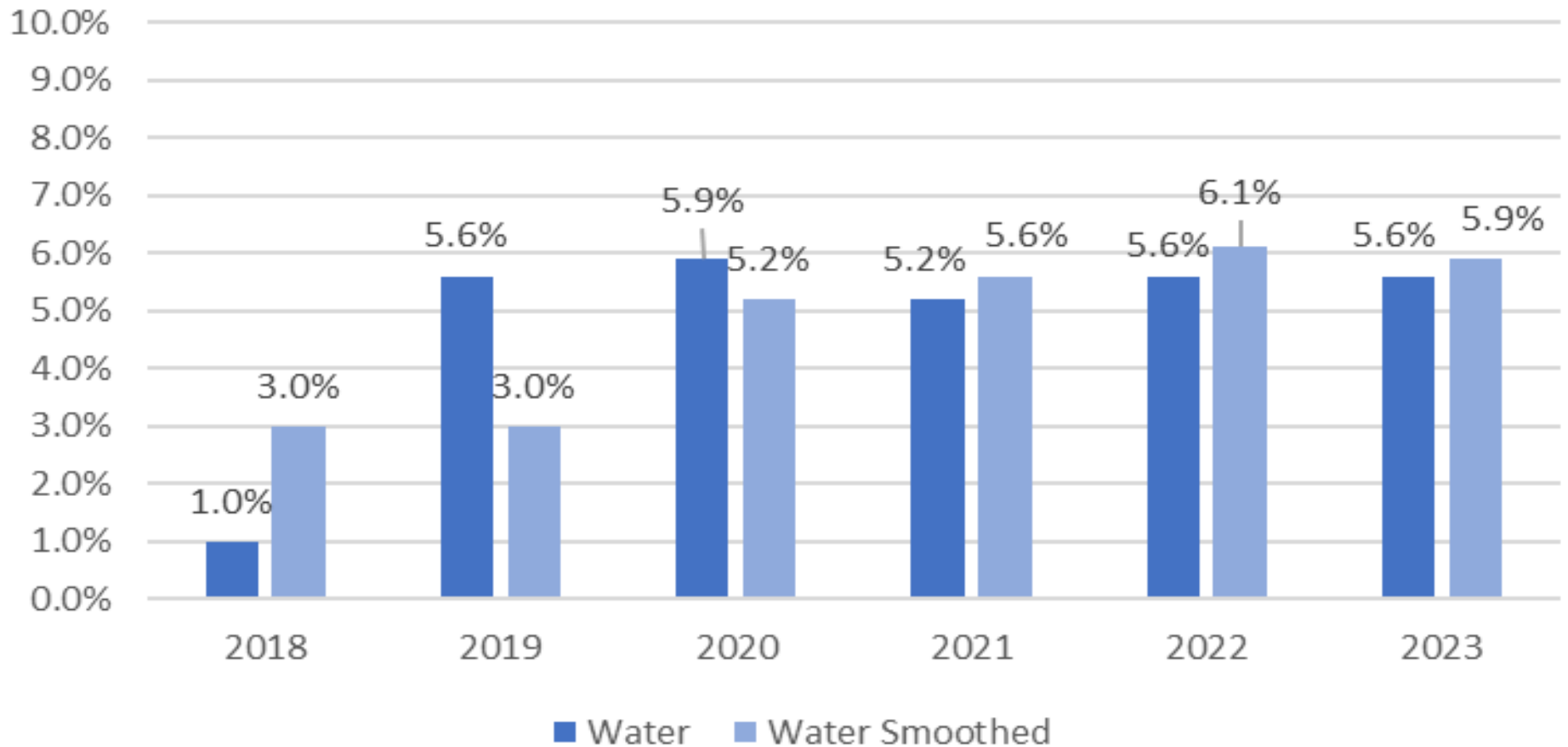
Should SPU consider smoothing the Water Rates in order to bring down the large increases in 2019 for all lines of business? See example below.

Rate Paths	2018	2019	2020	2021	2022	2023	Total
Water rates without smoothing	1.00%	5.20%	5.90%	5.20%	5.60%	5.60%	4.80%
Water rates with smoothing	3.00%	3.00%	5.20%	5.60%	6.10%	5.90%	4.80%

Please note rates are subject to change based on decisions made in finalizing the 2018-2023 SBP.

Water Rate Smoothing Impacts

2018-2023 Water Rates
With and Without Smoothing



Water Rate Smoothing Impacts – All LOBs

