

# UTILITY RATE CHANGES EFFECTIVE JULY 1, 2024.



## The Palo Alto City Council Approved New Rates for Utility Services Effective July 1, 2024

Rate changes include an increase in rates for electricity, natural gas, stormwater management, wastewater, and water services.

As your utility provider, we understand the impact that any rate increase can have on your household budget. We recognize that rising costs can be challenging. However, we want to assure you that these adjustments are necessary to ensure the continued reliability and quality of the services we provide. As a locally owned municipal utility, CPAU's rates are designed to recover the costs of purchasing and delivering these utility services to customers.

### Why Are Utility Rates Changing

The decision to increase rates is never taken lightly. It is the result of careful consideration of the need for infrastructure upgrades, system maintenance, regulatory compliance, and maintaining adequate financial reserves. These investments are crucial to maintaining the integrity of our utility systems and ensuring that you receive the dependable service you rely on every day.

While these factors are impacting utilities throughout California, Palo Alto consistently provides utility services at more affordable rates compared to surrounding communities.

### Utility Rate Changes Effective July 1, 2024

The rate changes for all utilities beginning July 1, 2024 are estimated to increase the median residential bill by around 9% compared with the rates in effect July 1, 2023.

Utility	% Rate Change	Bill Change Amount <sup>1</sup>
Electric	9%	\$7.00
Gas	12.5% <sup>2</sup>	\$8.80
Water	9.5%	\$9.80
Wastewater	15%	\$7.30
Stormwater management	2.6% <sup>3</sup>	\$0.40
Refuse	No Change	No Change

<sup>1</sup> Rounded to the nearest ten cents.

<sup>2</sup> Based on general fund transfer of 14.5% of gross revenue in Fiscal Year 2025, assuming commodity rates held constant; actual gas commodity rates vary monthly.

<sup>3</sup> Stormwater management fees increase by CPI index per approved 2017 ballot measure.

## How Do Our Utility Rates Compare

Palo Alto residents pay about 50-60% less for electricity than PG&E customers when comparing the median residential bill. Residential customers in Palo Alto also pay about half the cost for electricity than those in neighboring communities served by Silicon Valley Clean Energy (SVCE), Peninsula Clean Energy (PCE), and San Jose Clean Energy (SJCE).

### Electric Rate Comparison (\$/kWh) For Fiscal Year July 1, 2023-June 30, 2024

Average Residential Total Electric Rate— \$/kWh	Palo Alto	PG&E	Combined SVCE + PG&E	Combined SJCE + PG&E	Combined PCE + PG&E
	\$0.21	\$0.47 (56%)	\$0.47 (55%)	\$0.46 (55%)	\$0.45 (54%)

PG&E (Pacific Gas & Electric) rates as of April 1, 2024. SVCE (Silicon Valley Clean Energy) rates as of January 1, 2024. SJCE (San Jose Clean Energy) rates as of February 15, 2024. PCE (Peninsula Clean Energy) rates as of March 1, 2024.

### Median Residential Utility Bill Comparison, Fiscal Year 2024 (\$/month)

	Palo Alto	Menlo Park	Redwood City	Mountain View	Hayward	Santa Clara
Electric	\$80.05	\$156.35	\$156.35	\$156.35	\$156.35	\$65.30
Gas	\$65.64	\$68.38	\$68.38	\$68.38	\$68.38	\$68.38
Water	\$103.68	\$104.49	\$99.76	\$89.85	\$83.91	\$71.73
Wastewater	\$48.64	\$107.75	\$89.28	\$53.10	\$40.61	\$48.28
<b>TOTAL</b>	<b>\$298.02</b>	<b>\$436.97</b>	<b>\$413.77</b>	<b>\$367.68</b>	<b>\$349.26</b>	<b>\$253.69</b>

While most of our utility rates are low compared to neighboring communities, CPAU continually strives to control costs.

### We Are Here to Help

CPAU staff are here to answer any questions you may have and assist with resources to help manage your utility usage and expenses. Visit [cityofpaloalto.org/utilitiesassistance](https://cityofpaloalto.org/utilitiesassistance) or call Utilities Customer Service at **(650) 329-2161** for information on financial assistance programs.

Our [cityofpaloalto.org/waystosave](https://cityofpaloalto.org/waystosave) webpage lists no-cost and low-cost ways to save on energy and water usage to keep utility bill costs low.



For more information on utility rates, visit: [cityofpaloalto.org/ratesoverview](https://cityofpaloalto.org/ratesoverview)



Individuals with disabilities who require accommodations to access City facilities, services or programs, or who would like information on the City's compliance with the Americans with Disabilities Act (ADA) of 1990, may contact the City's ADA Coordinator at (650) 329-2368 (voice) or email [ada@cityofpaloalto.org](mailto:ada@cityofpaloalto.org)  
07/24 ♻️ Printed on 100% post-consumer recycled paper, bleached without chlorine.