

# 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 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.



## How Do Our Utility Rates Compare

Palo Alto businesses pay about 50% less for electricity than PG&E customers when comparing the average monthly bill. Business customers in Palo Alto also pay between 30% to 50% less for electricity than those in neighboring communities served by Silicon Valley Clean Energy (SVCE), Peninsula Clean Energy (PCE), and San Jose Clean Energy (SJCE). While most of our utility rates are low compared to neighboring communities, CPAU continually strives to control costs.

### Electric Rate Comparison (\$/kWh)

Average Total Electric Rates (\$/kWh)*	Palo Alto	PG&E	Combined SVCE + PG&E	Combined SJCE + PG&E	Combined PCE + PG&E
<b>E2—Small Business</b>	<b>\$0.21</b>	<b>\$0.44</b>	<b>\$0.43</b>	<b>\$0.44</b>	<b>\$0.42</b>
<b>E4—Medium/Large Business</b>	<b>\$0.22</b>	<b>\$0.37</b>	<b>\$0.36</b>	<b>\$0.34</b>	<b>\$0.35</b>
<b>E7—Industrial</b>	<b>\$0.17</b>	<b>\$0.34</b>	<b>\$0.33</b>	<b>\$0.27</b>	<b>\$0.30</b>

Palo Alto Rates Effective July 1, 2024

PG&E and Community Choice Aggregation (CCA) Rates Effective April 1, 2024

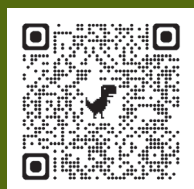
\* Average rates are approximate based on average usage, demand, most similar rate schedule for each utility

## We Are Here to Help

The City of Palo Alto Utilities (CPAU) offers businesses, schools, and multifamily properties free consultations and on-site assessments to help keep utility bill costs low. Our consultants can identify custom energy and water efficiency recommendations for your facility as well as opportunities for building electrification and electric vehicle (EV) charging. From there, CPAU can help you with turnkey project implementation services for rebates, find qualified contractors, and explore additional financing options.

Visit our [cityofpaloalto.org/waystosave](https://cityofpaloalto.org/waystosave) webpage, call **(650) 329-2241**, or contact your Key Account Representative to learn about resources designed to help you maximize efficiency at your property.

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



CITY OF  
**PALO ALTO**  
UTILITIES



# UTILITY RATE CHANGES EFFECTIVE JULY 1, 2024



## ELECTRIC

### Electric Rate Changes on Commercial Bills

Rate Schedule	Usage (kWh/mo.)	Peak Demand (kW-mo.)	Bill Under Rates Effective 7/1/23 (\$/mo.)	Bill Under Rates Effective 7/1/24 (\$/mo)	Change	
					\$/mo	%
<b>E-2 (Small Non-Residential)</b>	1,000	N/A	\$225.93	\$213.72	(\$12.21)	-5%
<b>E-4 (Medium Non-Residential)</b>	160,000	274	\$31,580	\$30,693	(\$887)	-3%
	500,000	856	\$98,680	\$95,667	(\$3,014)	-3%
<b>E-7 (Large Non-Residential)</b>	2,000,000	3,424	\$348,247	\$340,864	(\$7,383)	-2%



CITY OF  
**PALO ALTO**  
UTILITIES

**(650) 329-2161** • [cityofpaloalto.org/ratesoverview](https://cityofpaloalto.org/ratesoverview)



## GAS

### Gas Rate Changes on Commercial Bills<sup>1</sup>

Rate Schedule	Usage (Therms/year)	Bill Under Rates Effective 7/1/23 (\$/mo.)	Bill Under Rates Effective 7/1/24 (\$/mo.)	Change	
				\$/mo.	%
<b>G-2 Residential Master-Metered and Commercial</b>	250	\$166.02	\$197.04	\$31.02	19%
	1,000	\$275.27	\$317.97	\$42.69	16%
	3,200	\$593.60	\$670.52	\$76.93	13%
	35,000	\$5,206.43	\$5,778.38	\$571.95	11%
<b>G-3 Large Commercial</b>	250,000	\$36,460.01	\$40,438.28	\$3,978.27	11%

1. Assuming commodity rates held constant; actual gas commodity rates vary monthly



## WATER

### Water Rate Changes on Commercial Bills

Rate Schedule (CCF/mo.)	Bill Under Rates Effective 7/1/23 (\$/mo.)	Bill Under Rates Effective 7/1/24 (\$/mo.)	Change	
			\$/mo.	%
<b>Commercial (W-4) (5/8" meters)</b>				
<b>(Annual median) 12</b>	\$127.26	\$139.21	\$11.95	9%
<b>(Annual average) 64</b>	\$597.34	\$652.97	\$55.63	9%
<b>Irrigation (W-7) (1 1/2" meters)</b>				
<b>(Winter median) 9</b>	\$168.74	\$185.03	\$16.29	10%
<b>(Summer median) 37</b>	\$477.86	\$523.27	\$45.41	10%
<b>(Winter average) 56</b>	\$687.62	\$752.79	\$65.17	9%
<b>(Summer average) 199</b>	\$2,266.34	\$2,480.23	\$213.89	9%



## WASTEWATER

### Sewer Rate Changes on Commercial Bills

Rate Schedule	Bill Under Rates Effective 7/1/23 (\$/mo.)	Bill Under Rates Effective 7/1/24 (\$/mo.)	Change	
			\$/mo.	%
<b>S-2 (Commercial)</b>	\$127.12	\$146.16	\$19.04	15%
<b>S-6 (Restaurant)</b>	\$514.90	\$592.04	\$77.14	15%



CITY OF  
**PALO ALTO**  
UTILITIES

**(650) 329-2161 • [cityofpaloalto.org/ratesoverview](https://cityofpaloalto.org/ratesoverview)**