Notice of Pacific Power's Request to Increase Your Electric Rates Application (A.22-05-006)

WHY AM I RECEIVING THIS NOTICE?

On May 5, 2022, Pacific Power filed an application with the California Public Utilities Commission (CPUC) requesting an overall increase to electric rates for its 2023 general rate case.

If this application is approved, it would result in a rate increase of \$27.9 million or 25.7 percent effective January 1, 2023. This will impact your monthly bill.

WHY IS PACIFIC POWER REQUESTING THIS RATE INCREASE?

The Company is required to file a general rate case with the CPUC for review of, among other items, the Company's revenue requirement, which is the amount of money a utility collects through rates for specific purposes. This rate increase is driven by current economic trends and the following efforts:

- Investments in and maintenance of our system infrastructure such as distribution plants, poles, wires and other equipment needed to deliver electricity to customers.
- Enhanced vegetation management including annual inspections, pole clearing and increased trimming clearances in high fire threat areas.
- Implementation of the resilience improvement plans approved by regulators to maintain safety and reliability in the face of increasingly extreme weather events. These investments include, but are not limited to, installation of covered overhead wires to reduce ignition risk, an expanded network of weather stations, the hiring of meterology and emergency management staff to increase situational awareness of local conditions and system protective devices to localize and minimize power shut-offs that may be necessary to avert potential wildfire ignition risk.

The general rate case does not include net power costs or greenhouse gas allowance costs and revenues, which are addressed in Pacific Power's energy cost adjustment clause application filed annually on or around August 1st.

This application will be reviewed by the CPUC to determine if the costs are reasonable and eligible for recovery from customers before any rate increase is approved.

HOW COULD THIS AFFECT MY MONTHLY ELECTRIC RATES?

If Pacific Power's rate request is approved by the CPUC, the average residential monthly bill using 850 kWh per month would increase by approximately \$33.37 or 25.8% per month in January 2023. A summary of the estimated rate impact is provided below.

Pacific Power's Proposed Rate Increase				
Customer Classification	Current Average Rates (cents per kWh)	Proposed Average Rates (cents per kWh)	Proposed Dollar Increase (millions)	Proposed Percent Increase
Residential	15.1	19.0	\$14.8	25.8 percent
Commercial and Industrial	13.2	16.6	\$9.8	25.7 percent
Irrigation	13.5	17.0	\$3.2	25.7 percent
Lighting	23.2	28.3	\$0.1	21.9 percent
Overall	14.2	17.9	\$27.9	25.7 percent

Pacific Power's most vulnerable customers can access a variety of bill support programs through local community action agencies. In addition, the company supports the California Alternate Rates for Energy (CARE) program. In 2021, close to one third of Pacific Power's 36,000 residential customers received discounts toward their bill payments through the CARE program, which amounted to \$3.6 million in bill discounts. In this filing, Pacific Power is proposing to increase the amount of the discount offered to CARE-eligible households from 20 percent to 25 percent. If approved, this additional discount would reduce the impact of rate adjustments to the most vulnerable customers. Pacific Power is also proposing a Time of Use rate option that will enable many customers to better manage their energy bills by shifting usage to times of day when electricity is less expensive. While the ability of an individual customer to save money on Time of Use varies, the potential savings opportunity will be significant.

Pacific Power also offers a variety of ways to budget for energy expenses. Equal pay billing options, along with energy use monitoring or tracking, are offered online and through the company's app. Pacific Power customers can also tap into information and rebates to help improve their energy efficiency and lower their bills. Customers can call **1-888-221-7070** to discuss options.

HOW DOES THE REST OF THIS PROCESS WORK?

This application will be assigned to a CPUC administrative law judge who will consider proposals and evidence presented during the formal hearing process. The administrative law judge will issue a proposed decision that may adopt Pacific Power's application, modify it or deny it. Any CPUC commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC commissioners at a public CPUC voting meeting.

Parties to the proceeding are currently reviewing Pacific Power's application, including the Public Advocates Office, which is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information about the Public Advocates Office, please call **1-415-703-1584**, email **PublicAdvocatesOffice@cpuc.ca.gov**, or visit **PublicAdvocates.cpuc.ca.gov**.

WHERE CAN I GET MORE INFORMATION? Contact Pacific Power

Phone: 1-888-221-7070

Mail: Pacific Power	Pacific Power
300 S. Main Street	1054 Northcrest Drive
Yreka, CA 96097	Crescent City, CA 95531

A copy of the application and any related documents may also be reviewed at **pacificpower.net/regulation**.

Contact CPUC

Please visit **apps.cpuc.ca.gov/c/A2205006** to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding.

Your participation by providing your thoughts on Pacific Power's request can help the CPUC make an informed decision.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: 1-866-849-8390 (toll-free) Email: Public.Advisor@cpuc.ca.gov Mail: CPUC Public Advisor's Office 505 Van Ness Avenue, 4th Floor San Francisco, CA 94102

Please reference **Application A.22-05-006** in any communications you have with the CPUC regarding this matter.

