

Trinity PUD

Rate Discussion

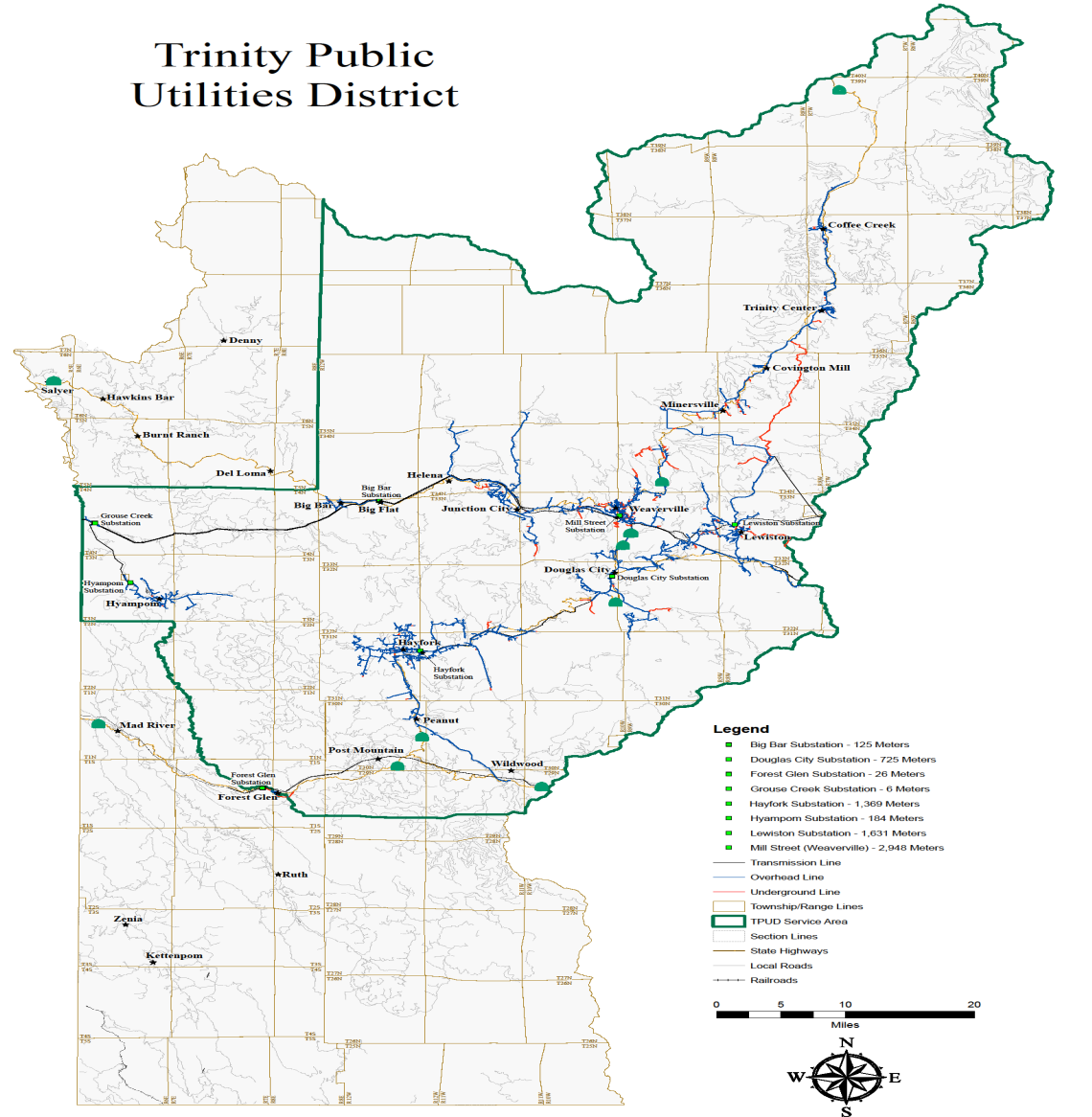
Background

- TPUD began delivering power to Weaverville in 1982 taking advantage of the 1955 Trinity River Division Act that set aside 25% of the power generated from Trinity River water for “the use of the citizens of Trinity County”
- TPUD has a “first preference” right to purchase power from the Western Area Power Administration (WAPA)
- TPUD’s first preference power satisfies California’s renewable power mandate under SB100
- In 1993 TPUD purchased powerline and substation assets from PG&E allowing the PUD to provide power to the areas outside of Weaverville expanding to the current service area.

Additional Background

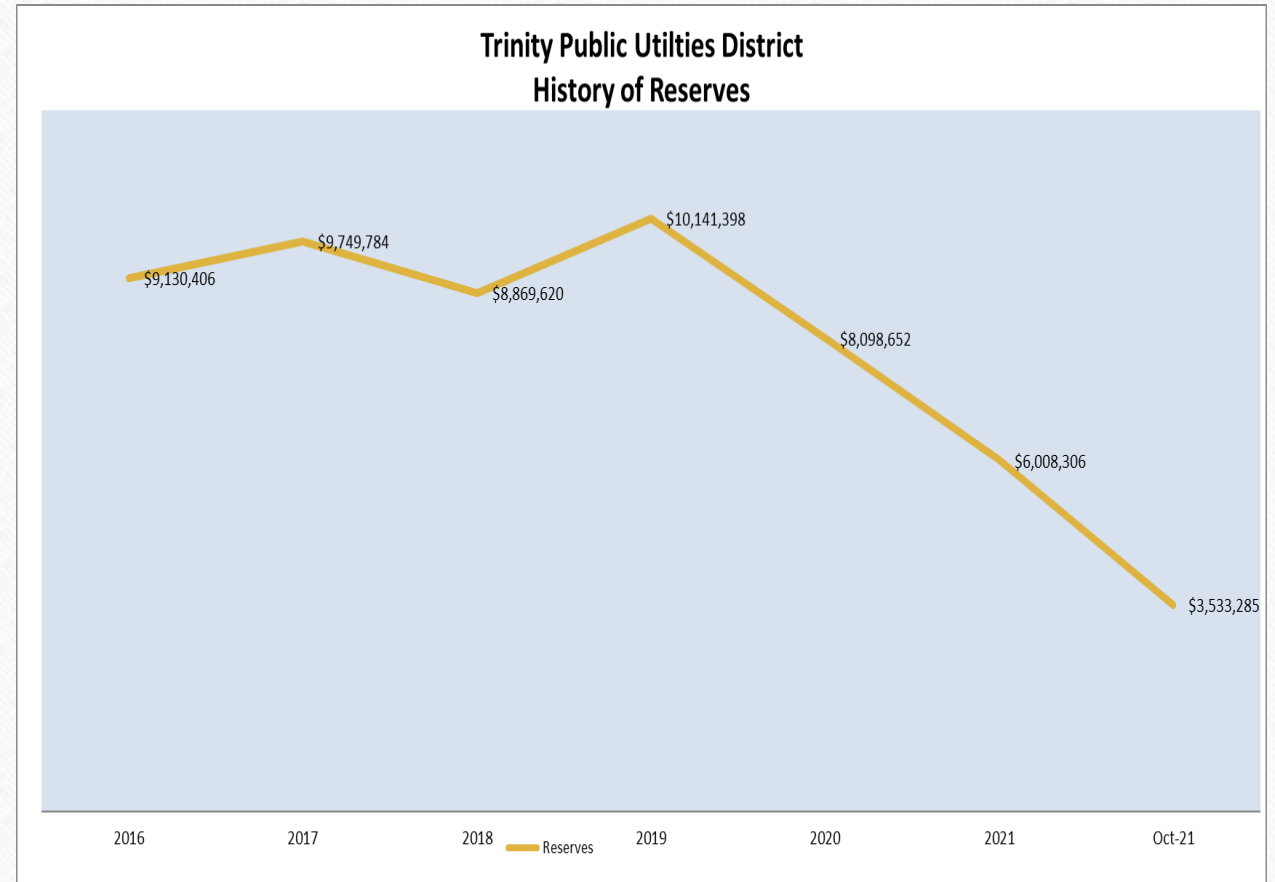
- Today TPUD has 25 employees that provide electric service to 7,350 customers located over a 2,200 square mile service territory
- The PUD has 9 substations and more than 700 miles of power lines
- 94% of the power is delivered over WAPA and TPUD transmission lines with the remaining 6% delivered from PG&E transmission lines
- All of the power is renewable, emission free hydropower from the Central Valley Project
- TPUD has not had a rate increase since 2005

Trinity Public Utilities District



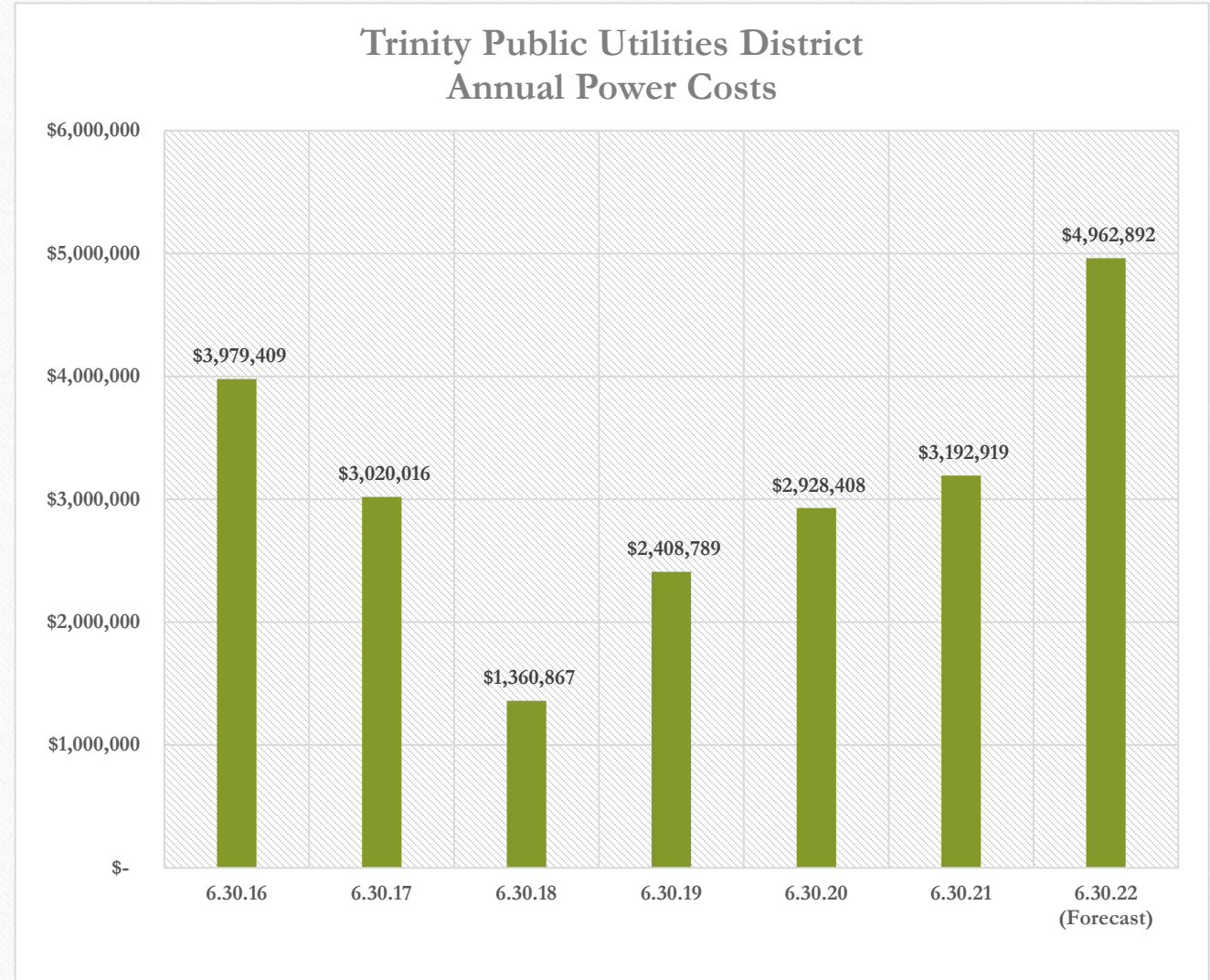
Decline in Reserves

- Reserves began to decline in 2019 as capital expenditures increased
- Power costs have also increased during this time period
- Increased cost for vegetation management (SB 247 mandated a 40% increase in tree trimmer wages)
- ROW Expansion Project
- Capital Investments to Serve New Load
- Helena Fire settlement resulted in a loss of wildfire liability insurance
- Without a rate increase TPUD would run out of money in 2024
- TPUD needs to raise approximately \$2.5 million annually in additional revenue



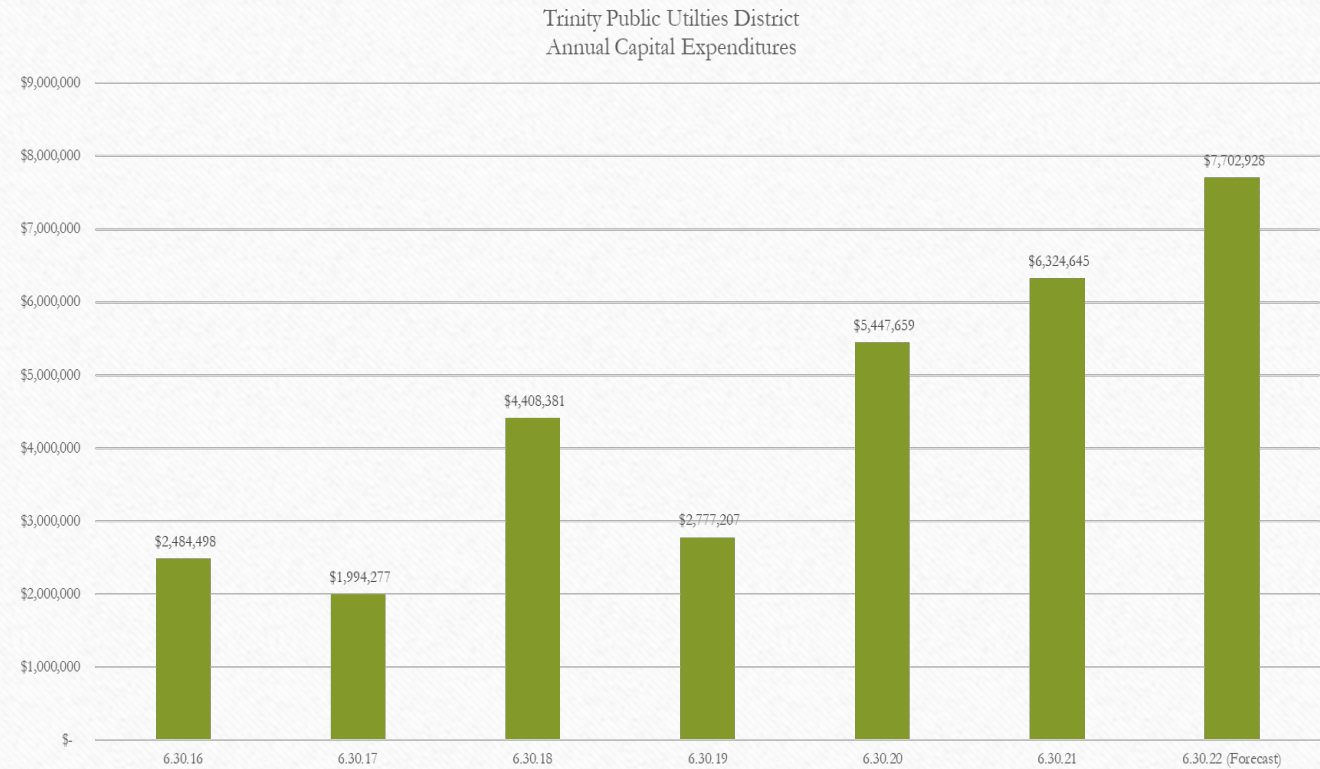
Increase in Power Cost

- Pervasive drought dramatically increases power cost
- Increased water releases to the Trinity River (versus diversions to the Sacramento River) both increase power cost and reduce power available
- Inflation has accelerated increasing the cost to operate the hydro power plants and maintain the high voltage transmission system



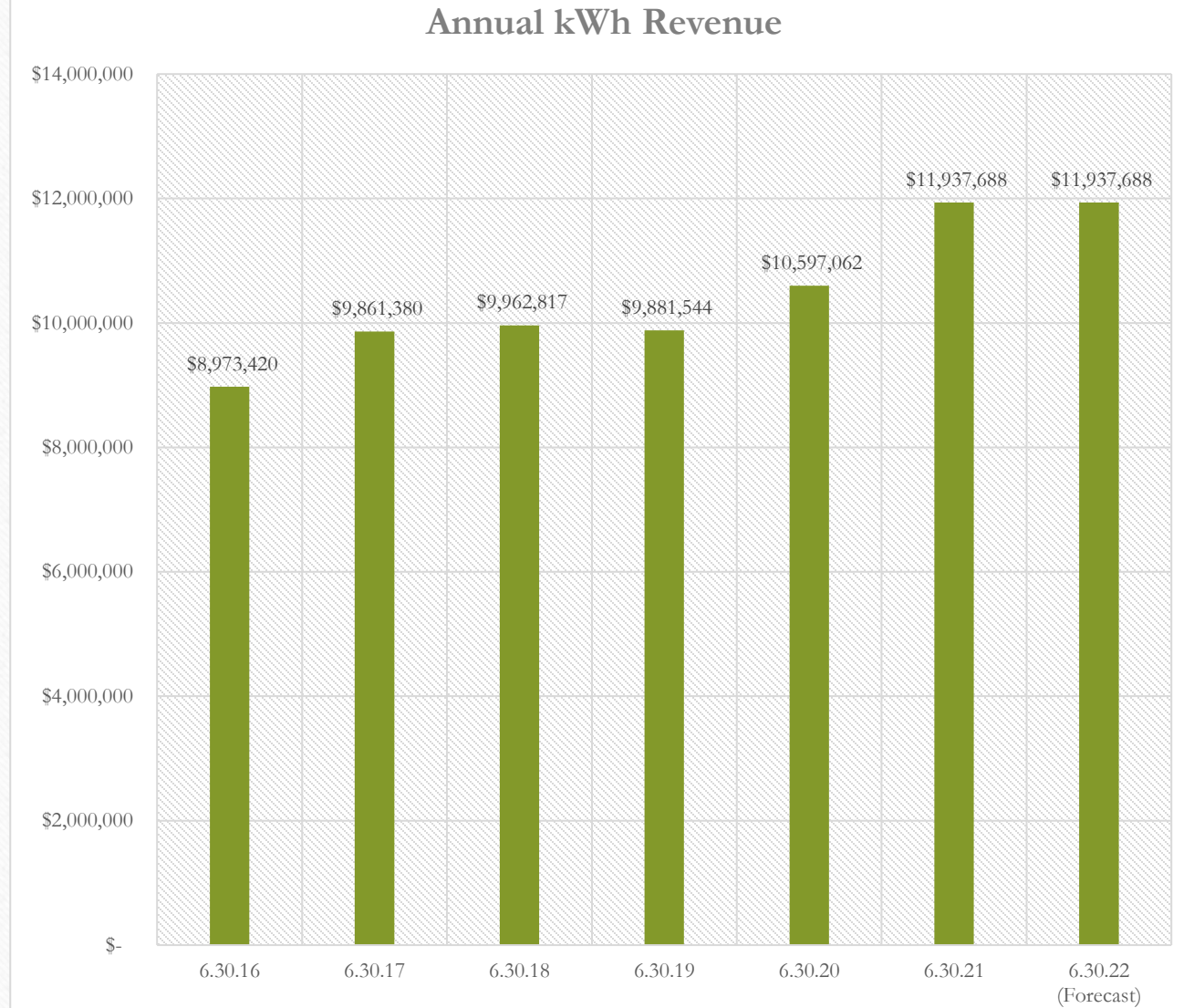
Capital Expenditures

- Significant capital expenditures to serve new load – approx. \$6 million spent with another \$7 million identified
- Significant increase in pole replacements as a result of California Wildfire Legislation (AB 1054 in July 2019)
- ROW Expansion – approx. \$3 million spent

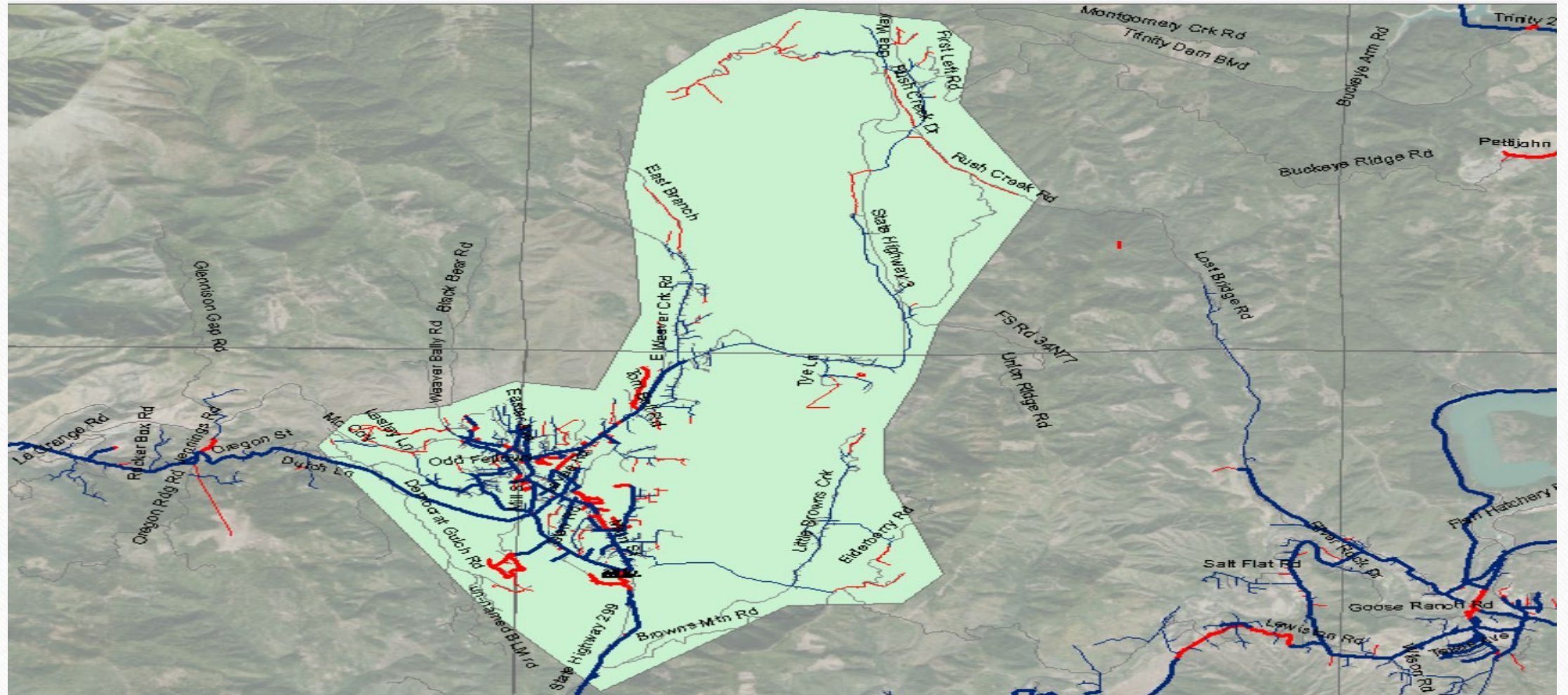


Revenue from Power Sales has Increased

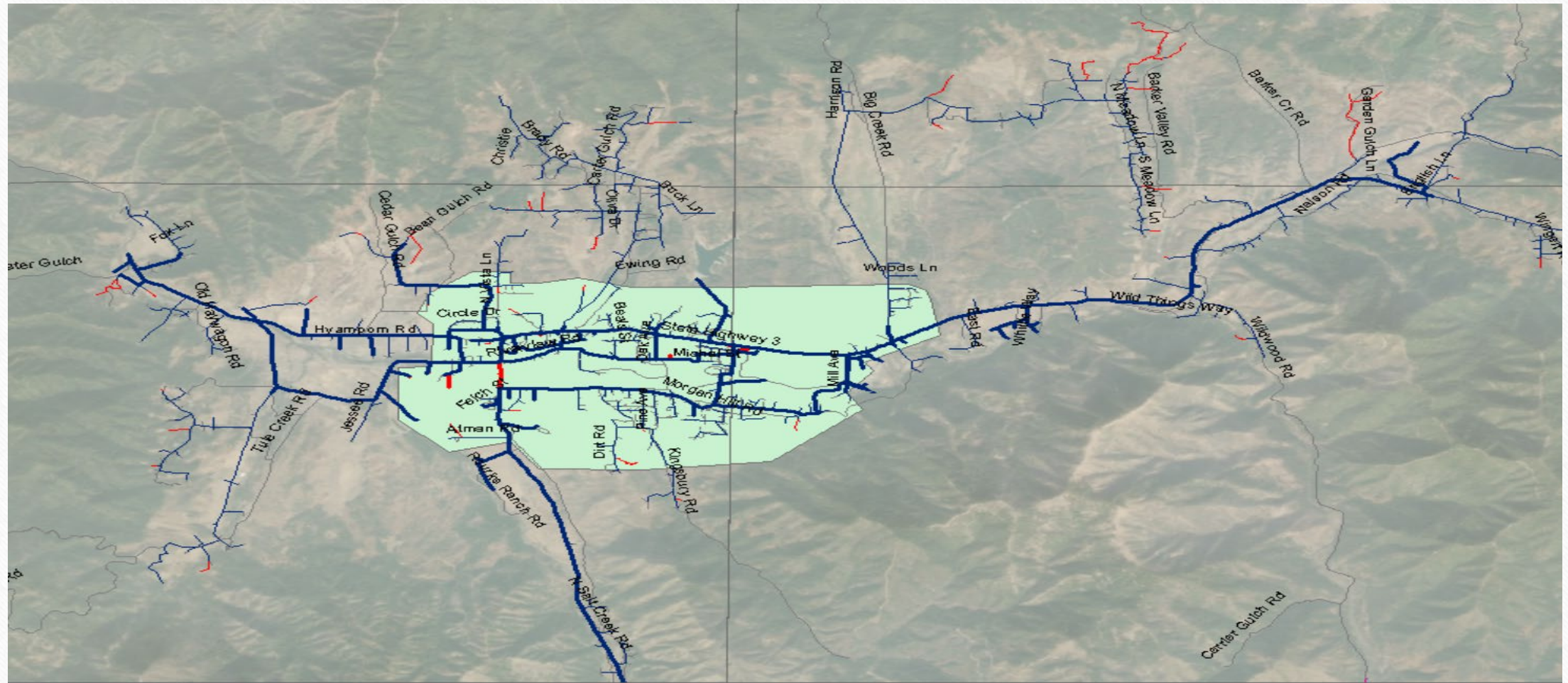
- TPUD has added significant new load since 2019
- All of the new load is in the High Impact and commercial categories
- Residential load has declined slightly
- Additional system investments are required in order to add new load
- TPUD needs to raise an additional \$2.5 million in annual revenue



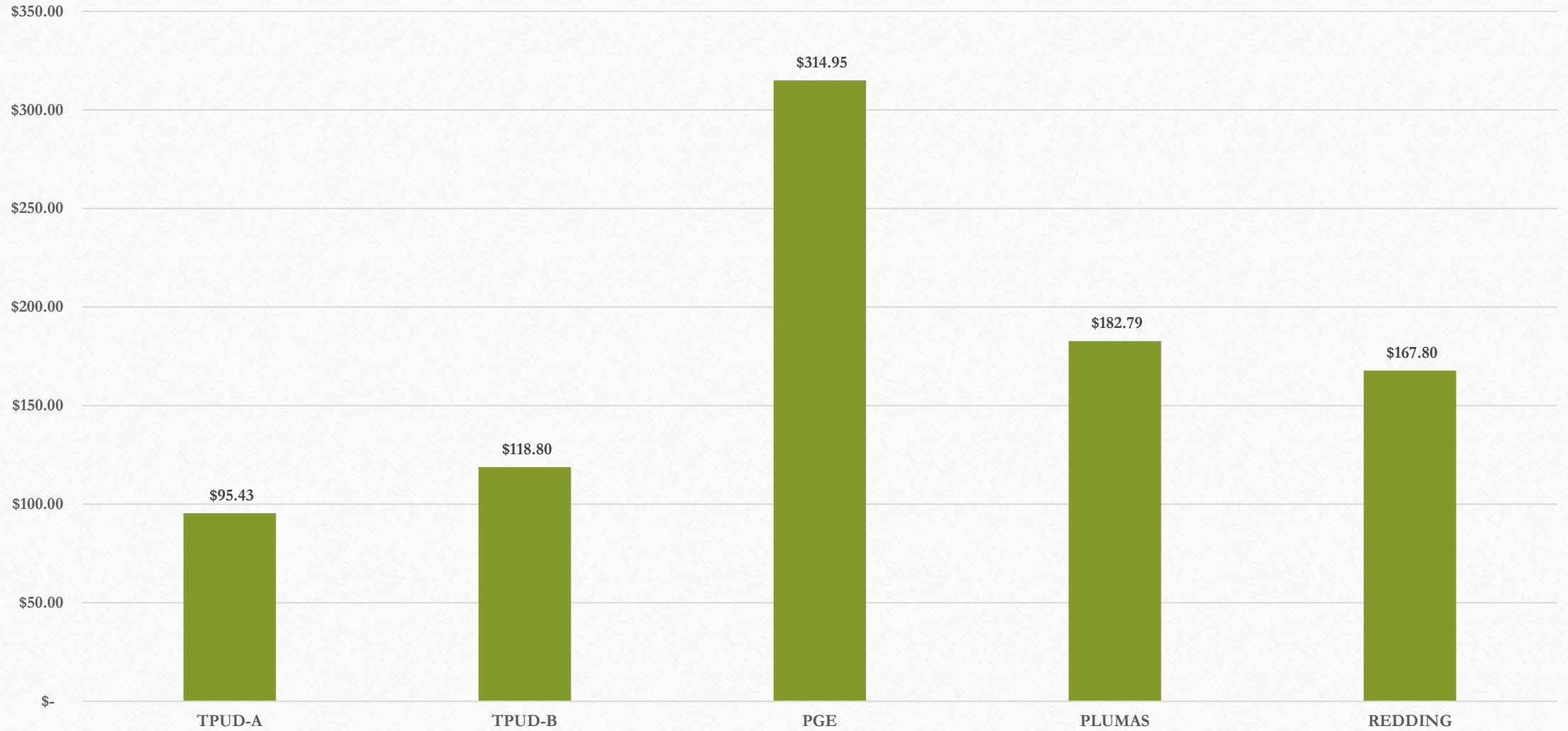
Weaverville Geographic Zone A



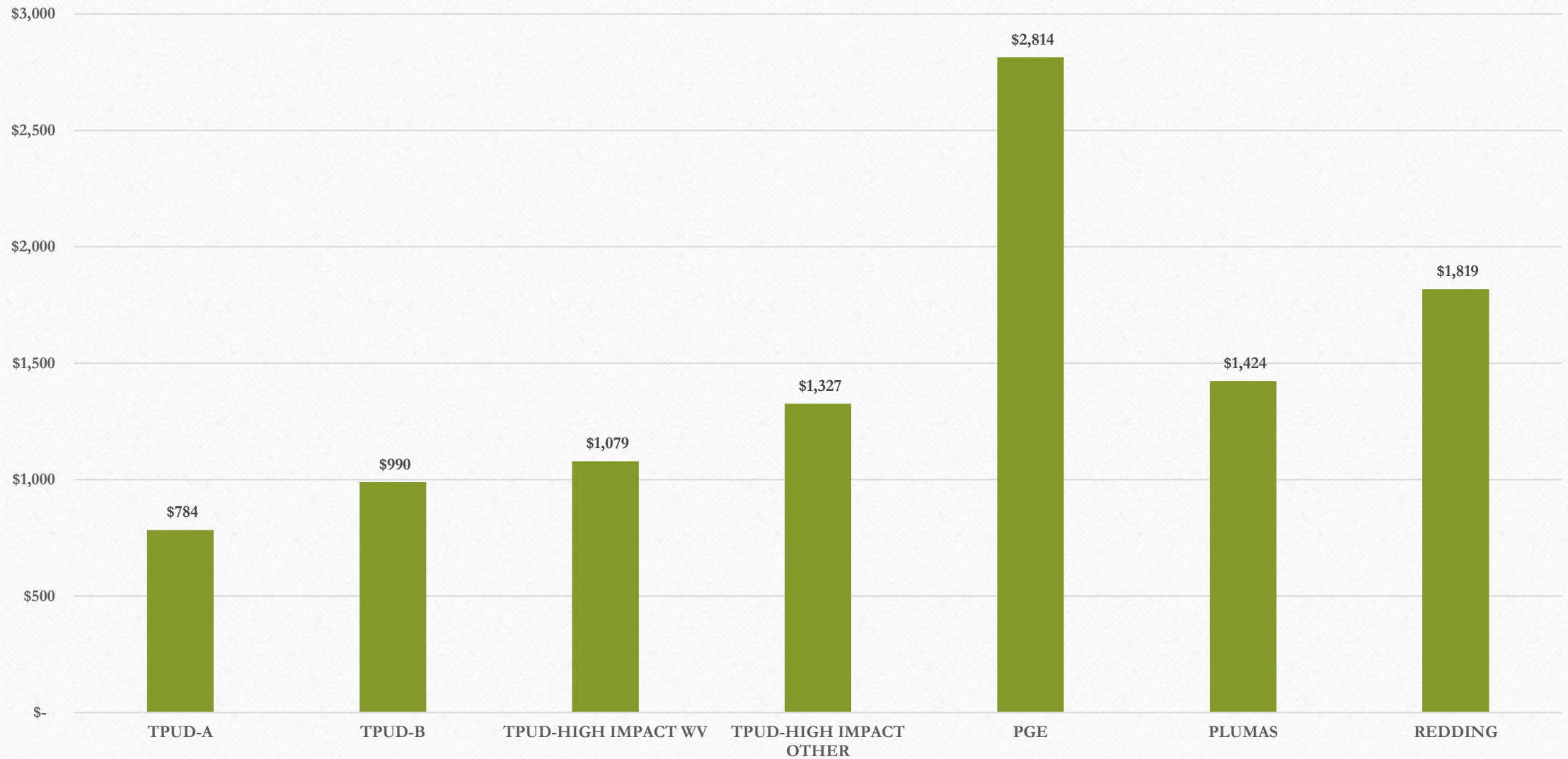
Hayfork Geographic Zone A



Residential Bill Comparison 1,000 kWh



Commercial Bill Comparison 10,000 kWh



Current Rates**METHOD 1 - RATES**

							0.0285	
	INPUT: KWH USED	FLAT CHARGE	PUBLIC BENEFITS CHARGE ON FLAT CHARGE	BASE RATE	DROUGHT RELIEF SURCHARGE	CALIFORNIA ENERGY TAX RATE	PUBLIC BENEFITS CHARGE	FINAL BILL
Residential - Weaverville	1000	\$ 24.00	\$ 0.68	\$0.05545	\$0.01300	0.00030	\$0.0020	\$95.43
Residential - Other	1000	\$ 24.00	\$ 0.68	\$0.07822	\$0.01300	0.00030	\$0.0026	\$118.80
Commercial - Weaverville	3500	\$ 36.00	\$ 1.03	\$0.07258	\$0.01300	0.00030	\$0.0025	\$346.36
Commercial - Other	3500	\$ 36.00	\$ 1.03	\$0.09261	\$0.01300	0.00030	\$0.0031	\$418.57
High Impact Load - WV	10000	\$ 45.00	\$ 1.28	\$0.08710	\$0.01300	0.00030	\$0.0029	\$1,079.28
High Impact Load - Other	10000	\$ 45.00	\$ 1.28	\$0.11113	\$0.01300	0.00030	\$0.0036	\$1,326.58

Restructured Rates

METHOD 1 - RATES

							0.0285			
	INPUT: KWH USED	FLAT CHARGE	PUBLIC BENEFITS CHARGE ON FLAT CHARGE	BASE RATE	DROUGHT RELIEF SURCHARGE	CALIFORNIA ENERGY TAX RATE	PUBLIC BENEFITS CHARGE	FINAL BILL	\$\$ Increase	%% Increase
Residential - Weaverville	1000	\$ 38.00	\$ 1.08	\$0.06422	\$0.01300	0.00030	\$0.0023	\$118.90	\$23.47	25%
Residential - Other	1000	\$ 38.00	\$ 1.08	\$0.06422	\$0.01300	0.00030	\$0.0023	\$118.90	\$0.10	0%
Commercial - Weaverville	3500	\$ 57.00	\$ 1.62	\$0.08259	\$0.01300	0.00030	\$0.0028	\$404.04	\$57.68	17%
Commercial - Other	3500	\$ 57.00	\$ 1.62	\$0.08259	\$0.01300	0.00030	\$0.0028	\$404.04	-\$14.53	-3%
High Impact Load - WV	10000	\$ 120.00	\$ 3.42	\$0.14600	\$0.01300	0.00030	\$0.0046	\$1,762.42	\$683.14	63%
High Impact Load - Other	10000	\$ 120.00	\$ 3.42	\$0.14600	\$0.01300	0.00030	\$0.0046	\$1,762.42	\$435.84	33%

Proposed Change in Rates

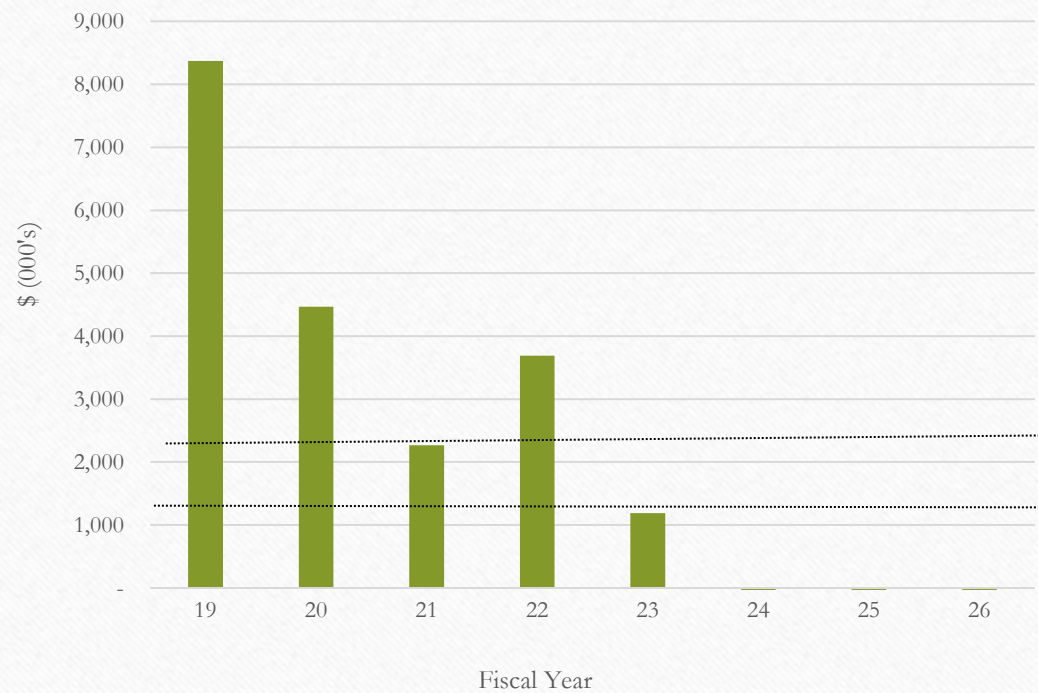
Current Rates									Restructured Rates									
METHOD 1 - RATES									METHOD 1 - RATES									
	INPUT:	FLAT	PUBLIC					0.0285										
	KWH USED	CHARGE	BENEFITS CHARGE ON FLAT	BASE RATE	DROUGHT RELIEF SURCHARGE	CALIFORNIA ENERGY TAX RATE	PUBLIC BENEFITS CHARGE	FINAL BILL										
Residential - Weaverville	1000	\$ 24.00	\$ 0.68	\$0.05545	\$0.01300	0.00030	\$0.0020	\$95.43	Residential - Weaverville	1000	\$ 38.00	\$ 1.08	\$0.06422	\$0.01300	0.00030	\$0.0023	\$118.90	\$23.47 25%
Residential - Other	1000	\$ 24.00	\$ 0.68	\$0.07822	\$0.01300	0.00030	\$0.0026	\$118.80	Residential - Other	1000	\$ 38.00	\$ 1.08	\$0.06422	\$0.01300	0.00030	\$0.0023	\$118.90	\$0.10 0%
Commercial - Weaverville	3500	\$ 36.00	\$ 1.03	\$0.07258	\$0.01300	0.00030	\$0.0025	\$346.36	Commercial - Weaverville	3500	\$ 57.00	\$ 1.62	\$0.08259	\$0.01300	0.00030	\$0.0028	\$404.04	\$57.68 17%
Commercial - Other	3500	\$ 36.00	\$ 1.03	\$0.09261	\$0.01300	0.00030	\$0.0031	\$418.57	Commercial - Other	3500	\$ 57.00	\$ 1.62	\$0.08259	\$0.01300	0.00030	\$0.0028	\$404.04	-\$14.53 -3%
High Impact Load - WV	10000	\$ 45.00	\$ 1.28	\$0.08710	\$0.01300	0.00030	\$0.0029	\$1,079.28	High Impact Load - WV	10000	\$ 120.00	\$ 3.42	\$0.14600	\$0.01300	0.00030	\$0.0046	\$1,762.42	\$683.14 63%
High Impact Load - Other	10000	\$ 45.00	\$ 1.28	\$0.11113	\$0.01300	0.00030	\$0.0036	\$1,326.58	High Impact Load - Other	10000	\$ 120.00	\$ 3.42	\$0.14600	\$0.01300	0.00030	\$0.0046	\$1,762.42	\$435.84 33%

Residential Bill Changes

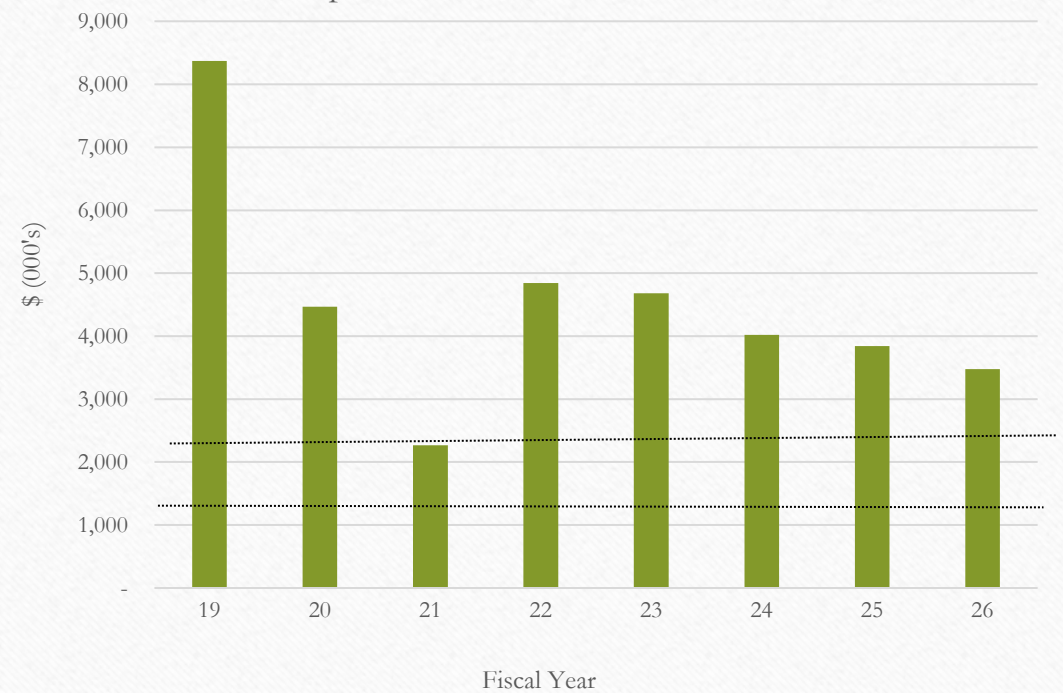
		Zone A		Zone B	
		CURRENT BILL YEAR 4		CURRENT BILL YEAR 4	
kWh USAGE		Weaverville	Weaverville	Other	Other
500	kWh	\$ 53.36	\$ 72.29	\$ 65.09	\$ 72.29
1000	kWh	\$ 82.03	\$ 105.50	\$ 105.50	\$ 105.50
1500	kWh	\$ 110.71	\$ 138.71	\$ 145.91	\$ 138.71

Contingency Reserves Comparison

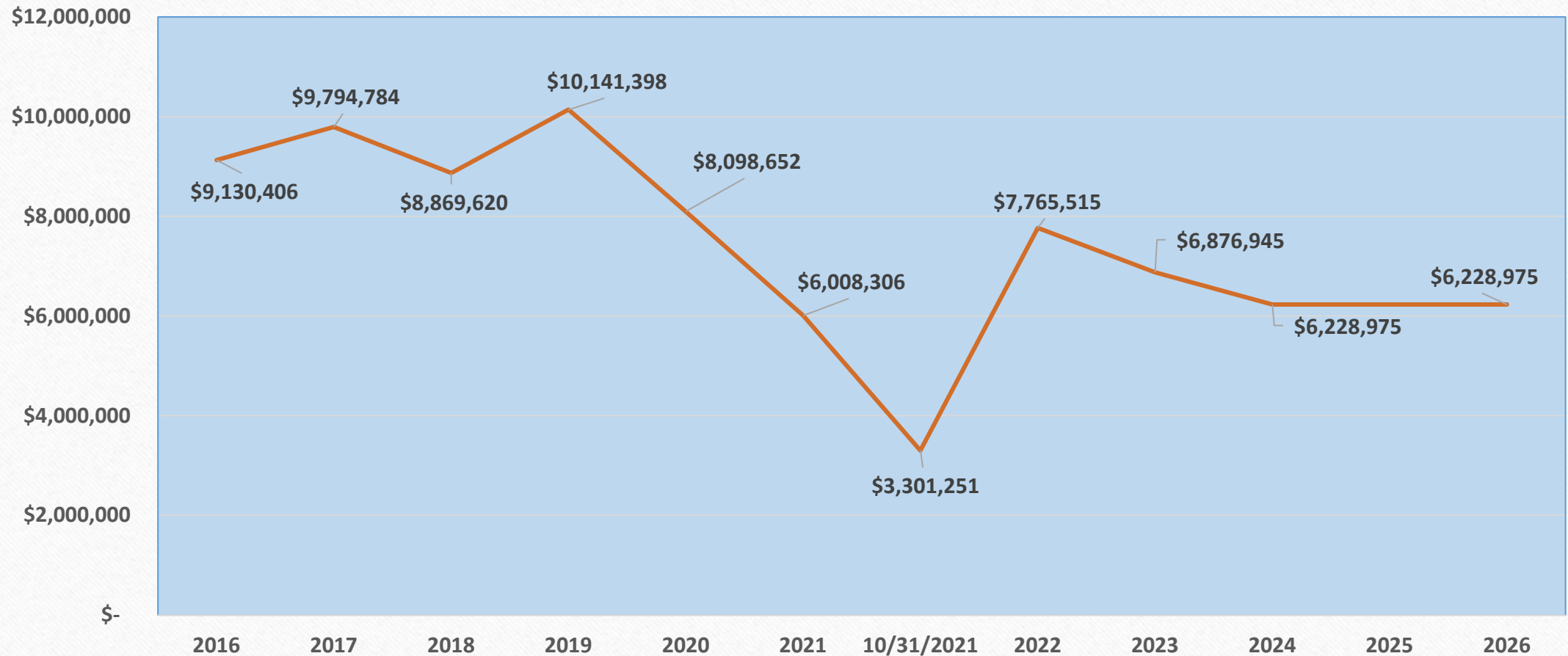
Contingency Reserves with no Rate Increase



Proposed Rate Scenario Effect on Reserves



Historical and Forecasted Reserves with Proposed Rate Changes



Reserves

Questions?

Questions?

- Comments can be shared at info@trinitypud.com
- Comments or questions can be shared at 623-4564