

Trinity PUD

Rate Discussion

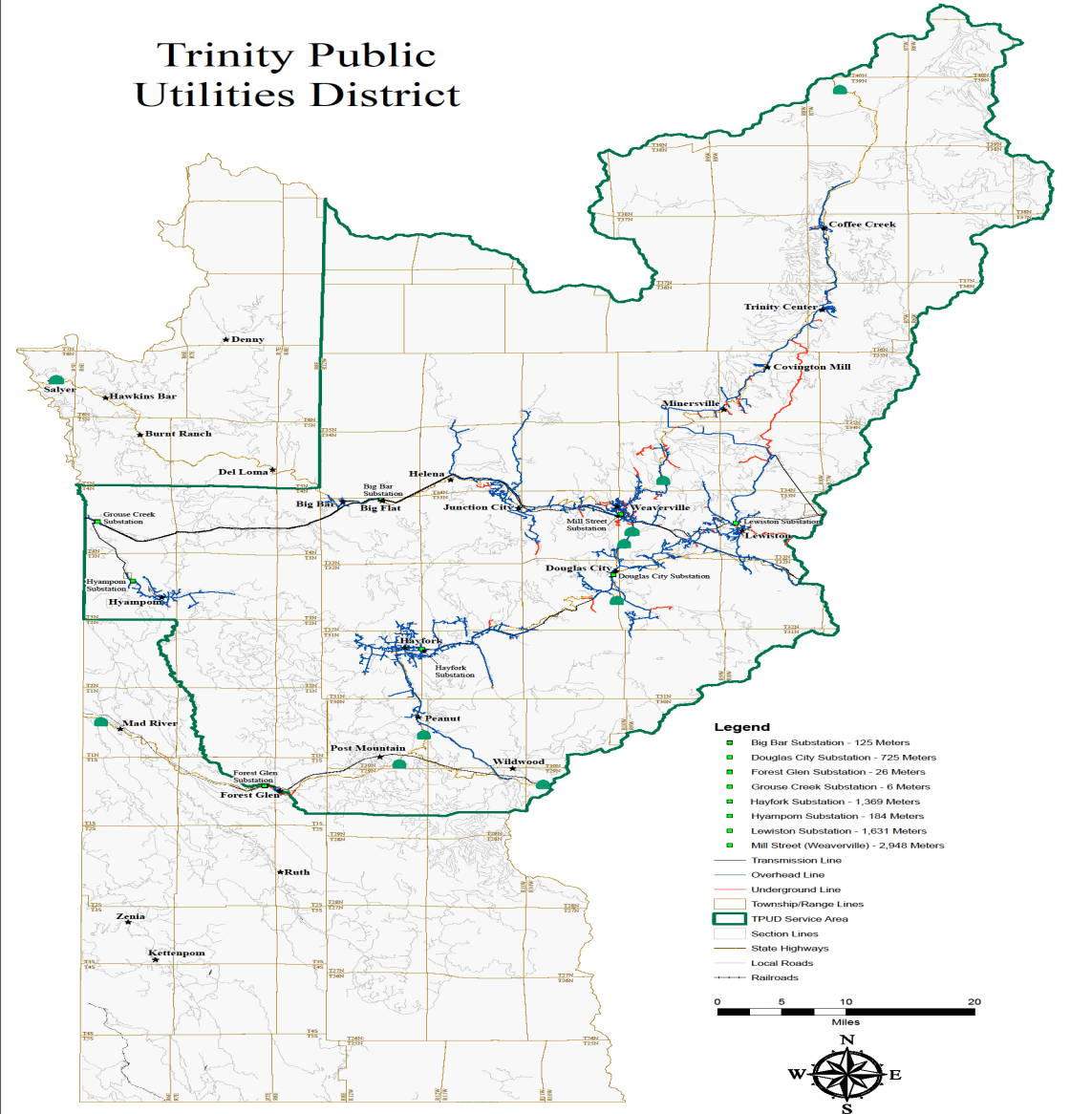
Background

- 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

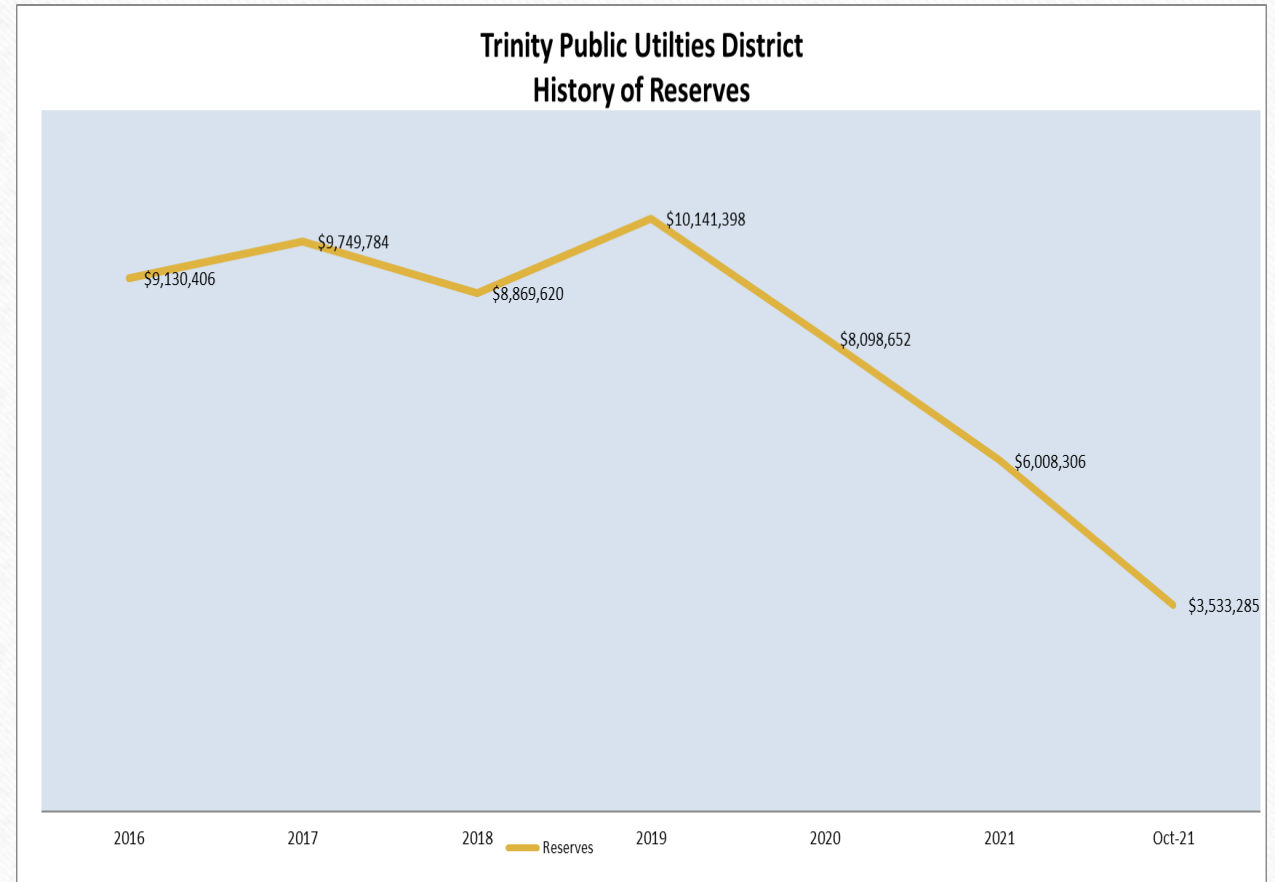
- Today TPUD has 25 employees that provide electric service to 7,350 customers located over a 2,200 square mile service territory
- The PUD has 9 substations and more than 700 miles of power lines
- 94% of the power is delivered over WAPA and TPUD transmission lines with the remaining 6% delivered from 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



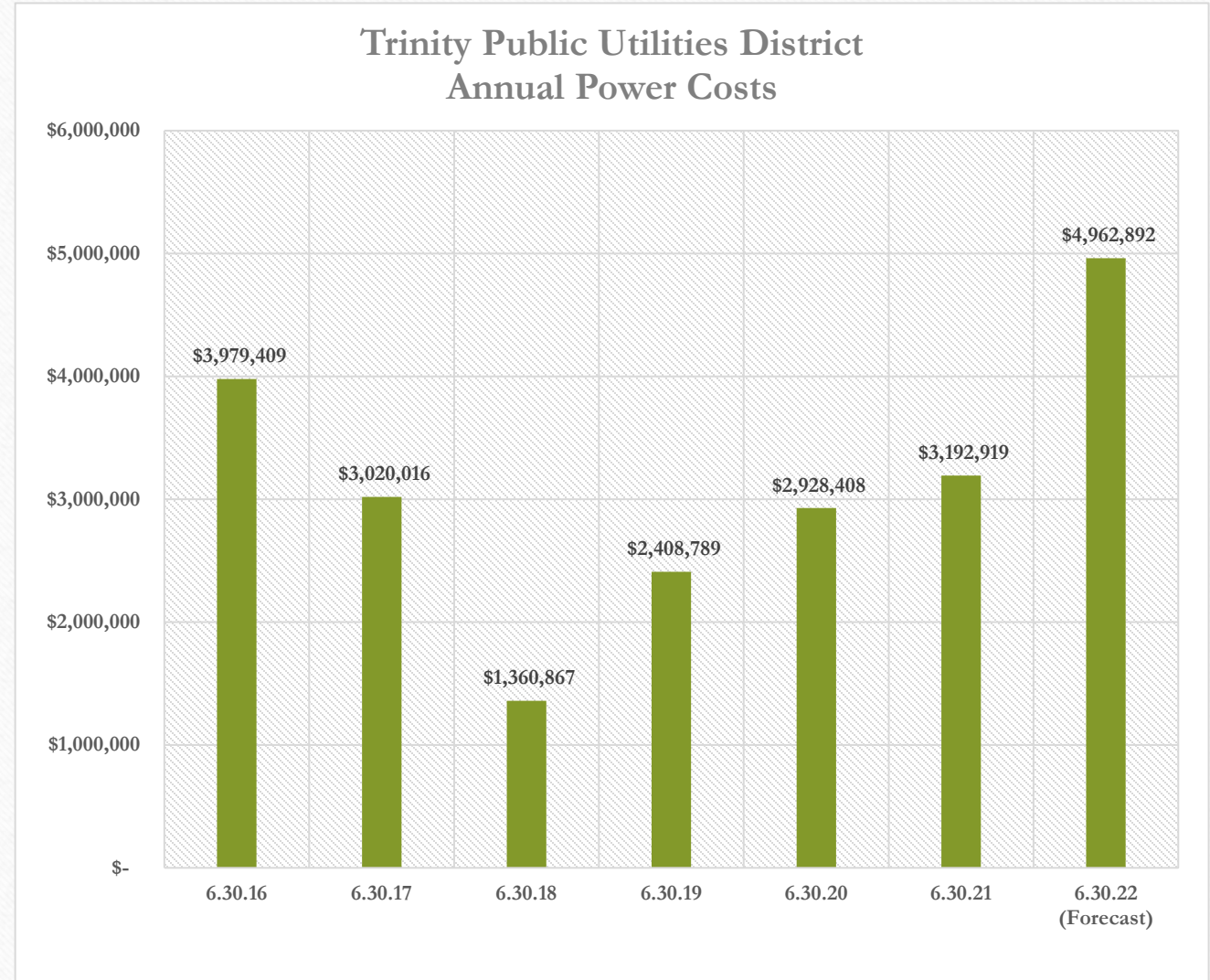
Decline in Reserves

- 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



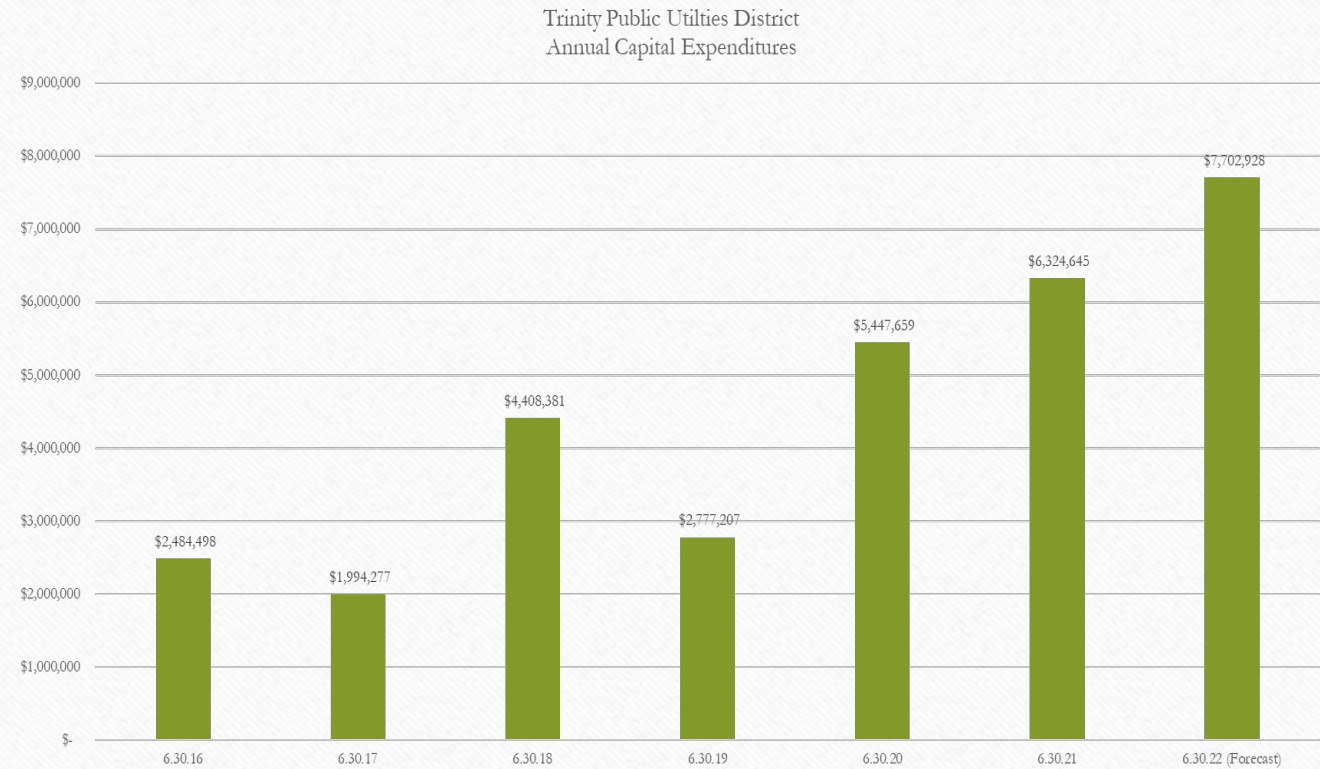
Increase in Power Cost

- 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



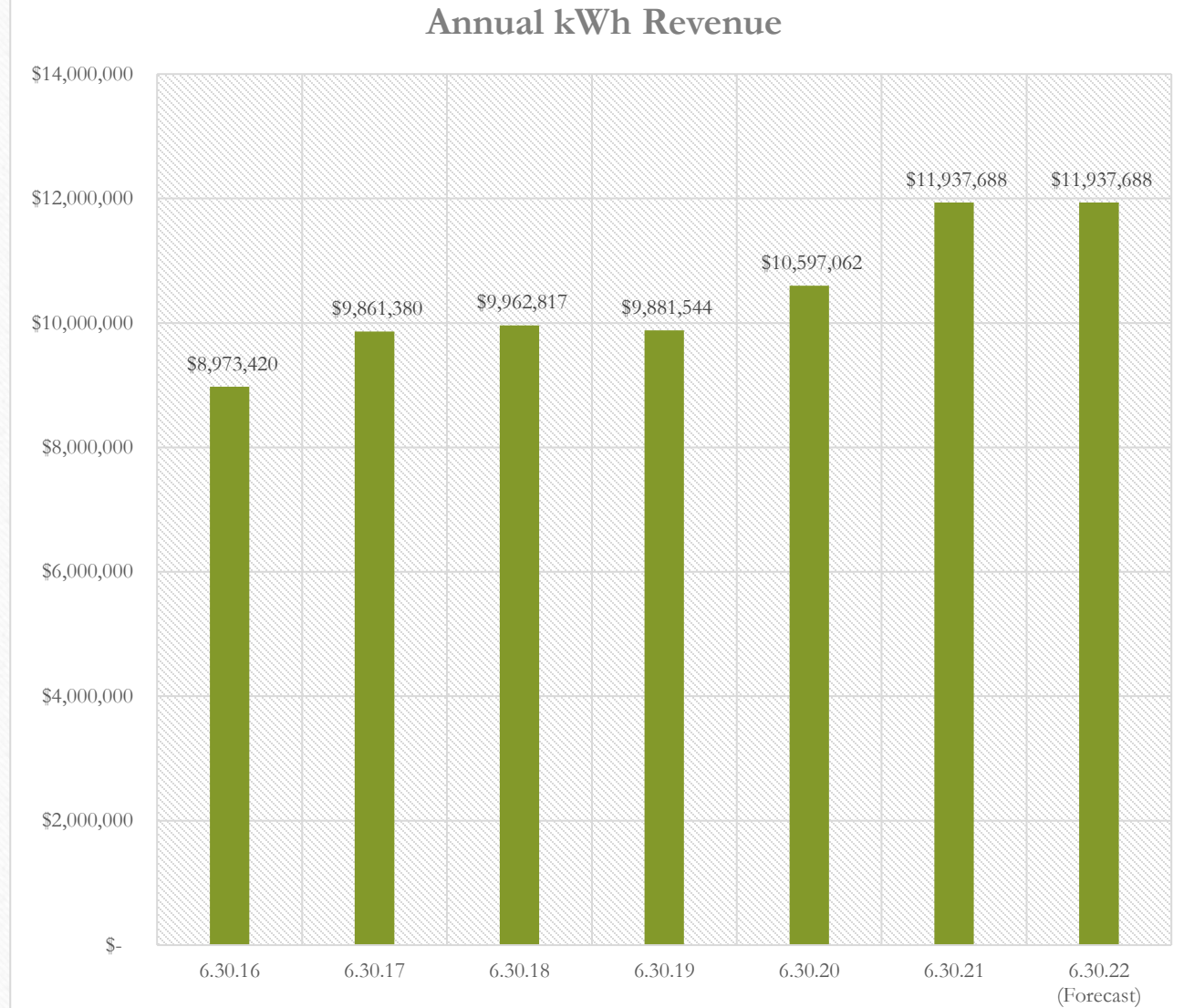
Capital Expenditures

- 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

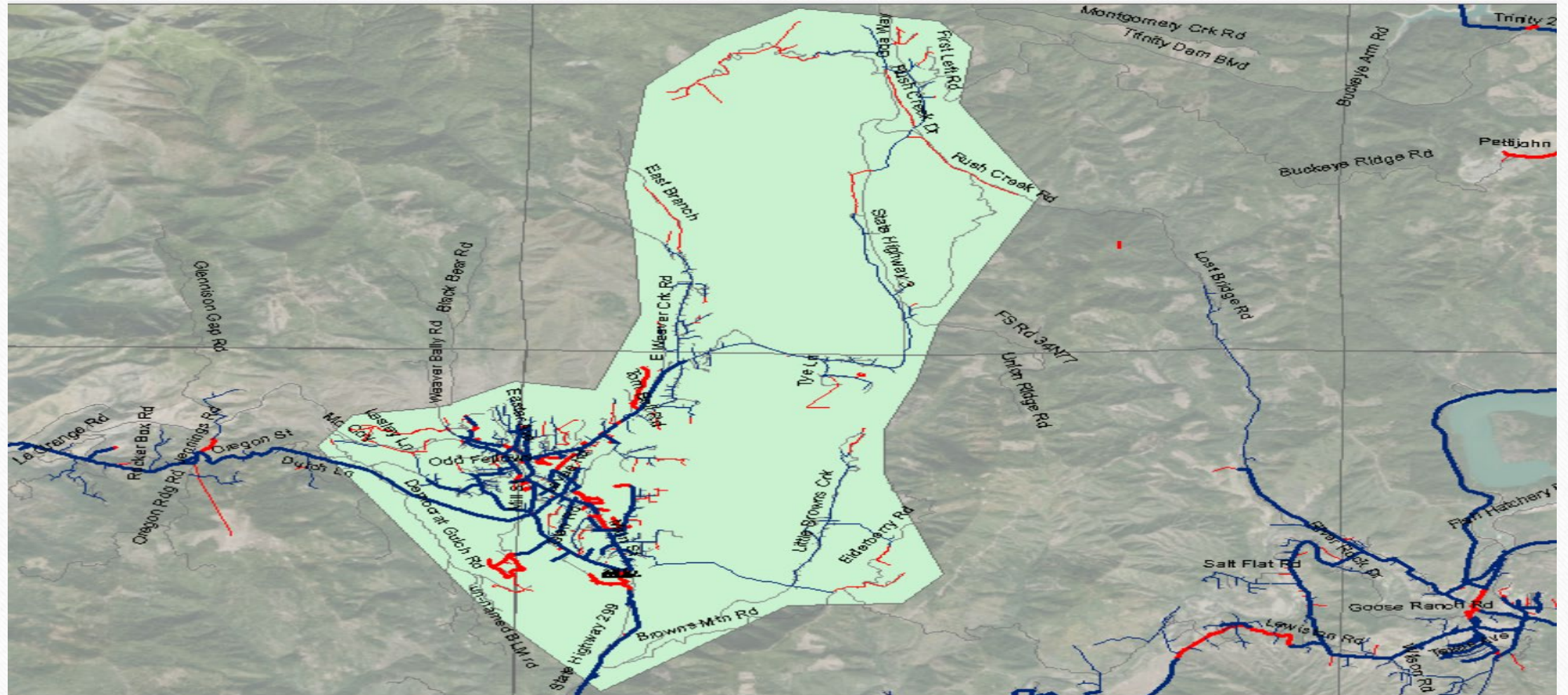


Revenue from Power Sales has Increased

- 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

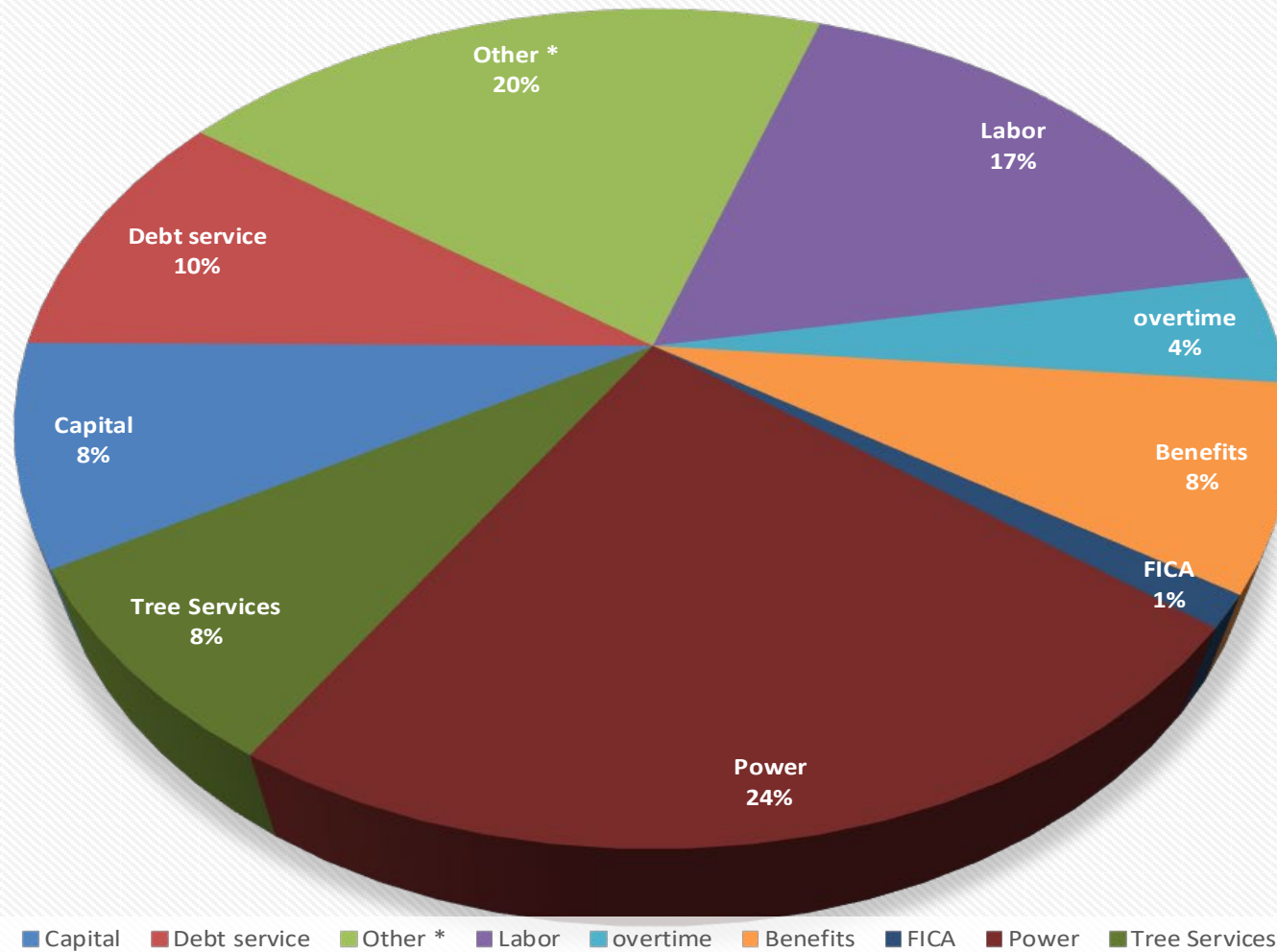


Weaverville Geographic Zone A

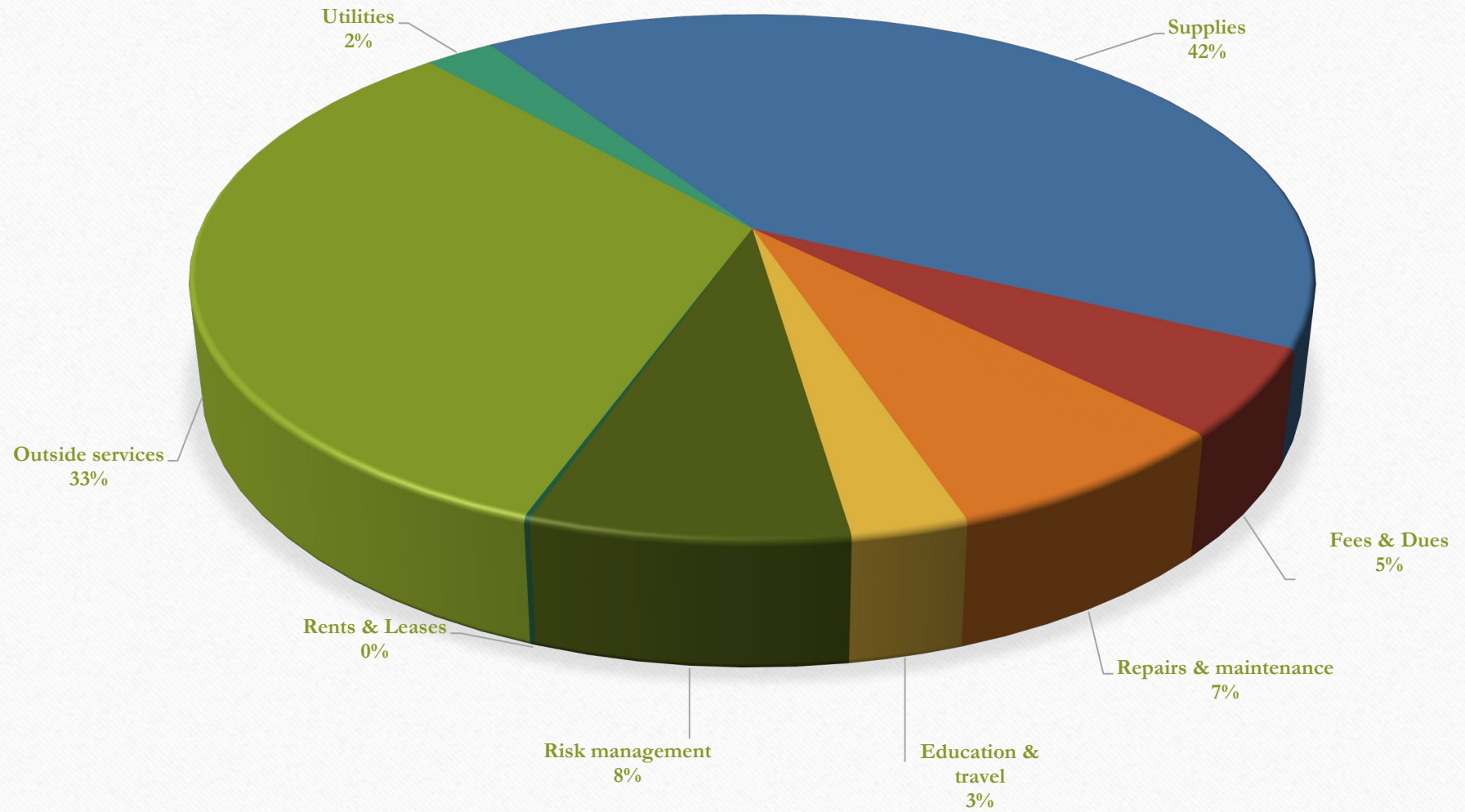


Costs by Activities

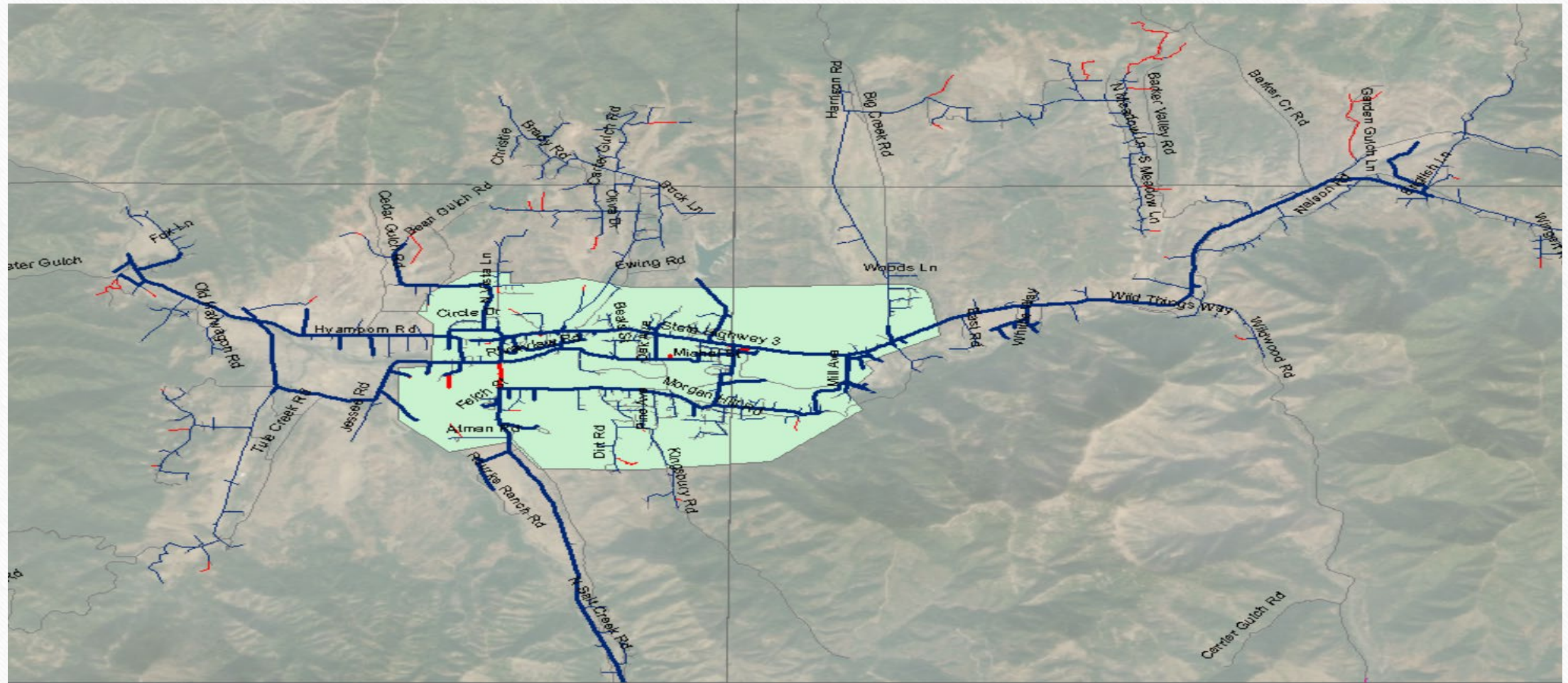
FY 21/22 Budget



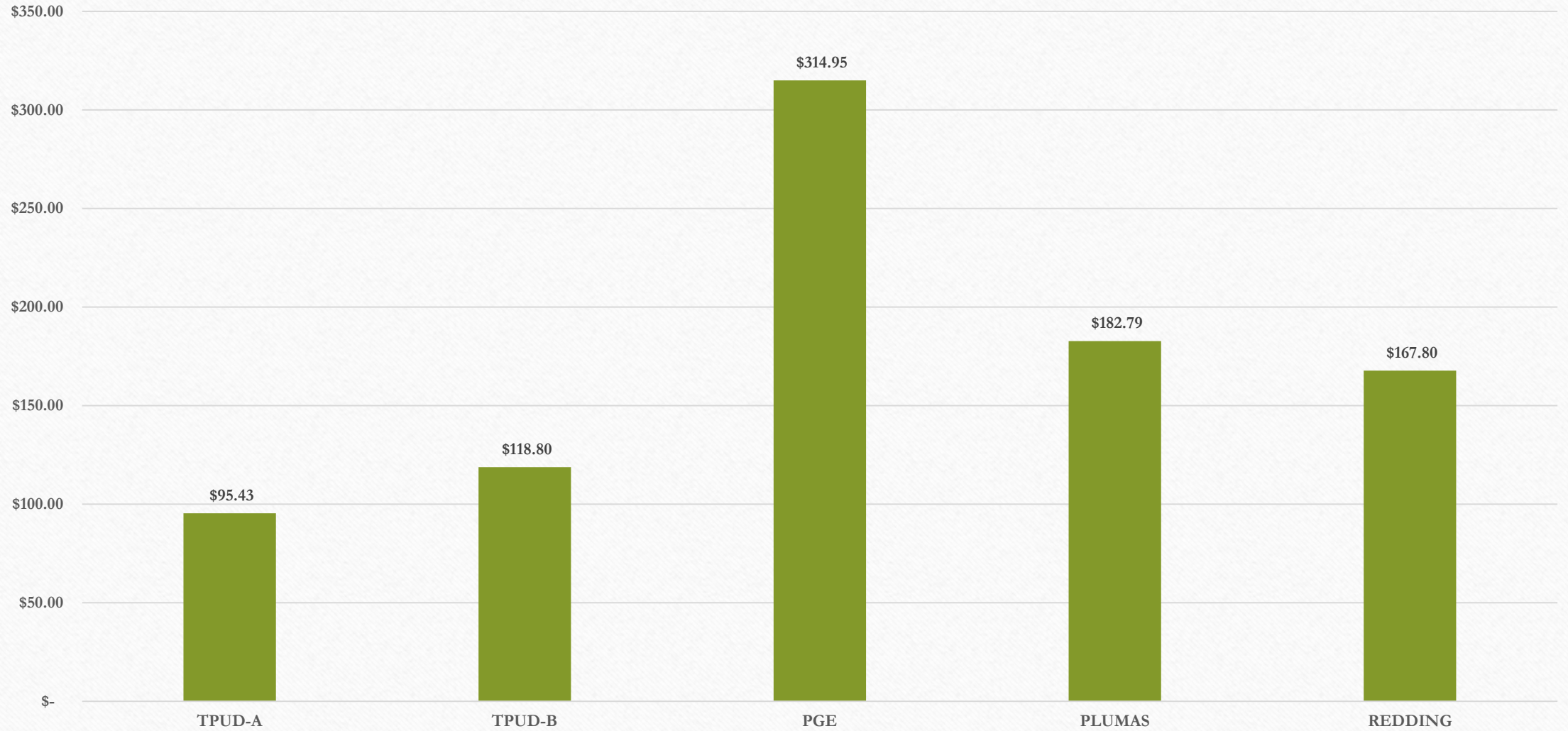
OTHER ACTIVITIES*



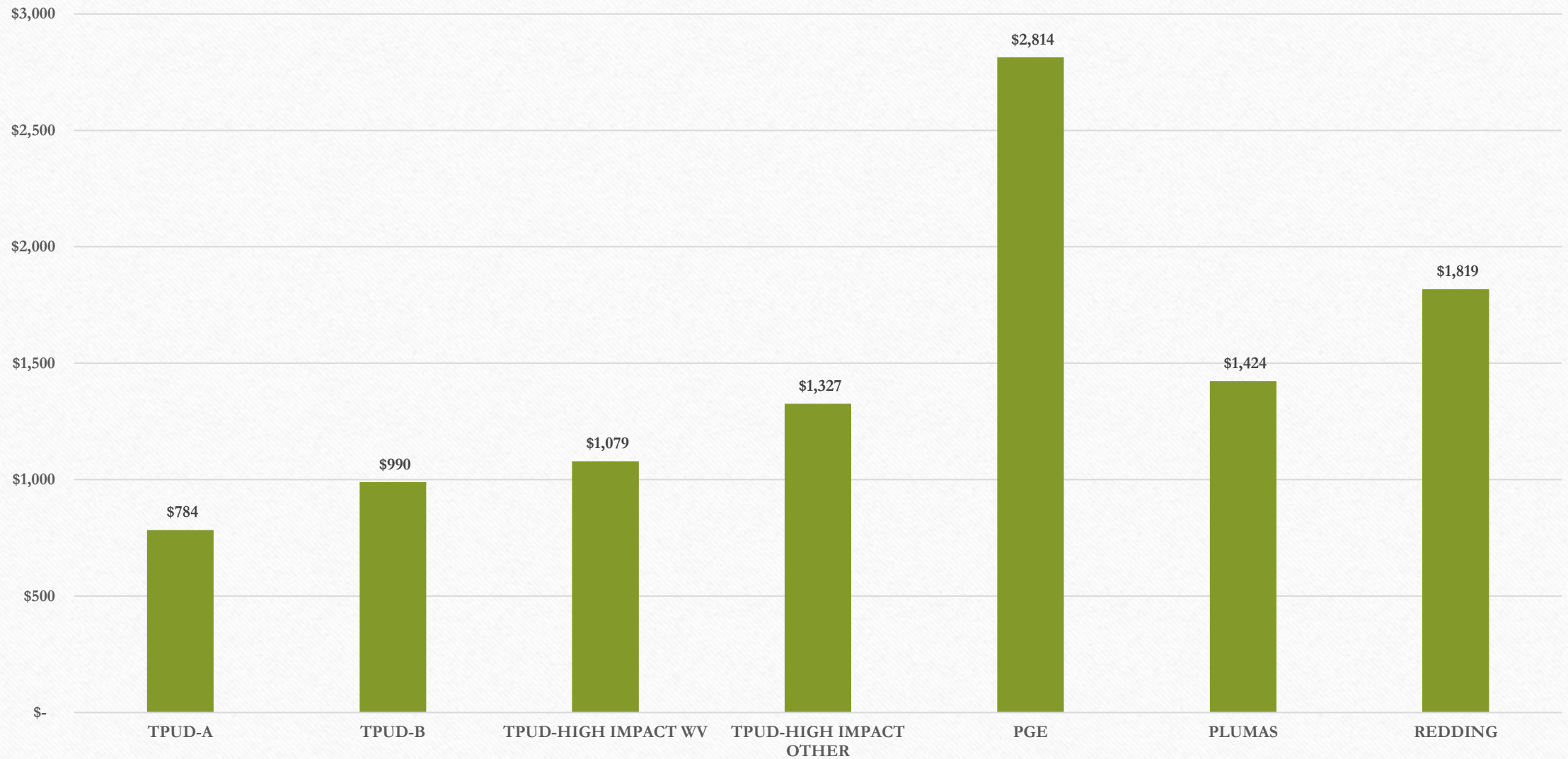
Hayfork Geographic Zone A



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%

Restructured Rates Increased DRS

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	\$0.01700	0.00030	\$0.0024	\$123.00	\$27.57	29%
Residential - Other	1000	\$ 38.00	\$ 1.08	\$0.06422	\$0.01700	0.00030	\$0.0024	\$123.00	\$4.20	4%
Commercial - Weaverville	3500	\$ 57.00	\$ 1.62	\$0.08259	\$0.01700	0.00030	\$0.0029	\$418.39	\$72.03	21%
Commercial - Other	3500	\$ 57.00	\$ 1.62	\$0.08259	\$0.01700	0.00030	\$0.0029	\$418.39	-\$0.18	0%
High Impact Load - WV	10000	\$ 120.00	\$ 3.42	\$0.14600	\$0.01700	0.00030	\$0.0047	\$1,803.42	\$724.14	67%
High Impact Load - Other	10000	\$ 120.00	\$ 3.42	\$0.14600	\$0.01700	0.00030	\$0.0047	\$1,803.42	\$476.84	36%

Proposed Change in Rates

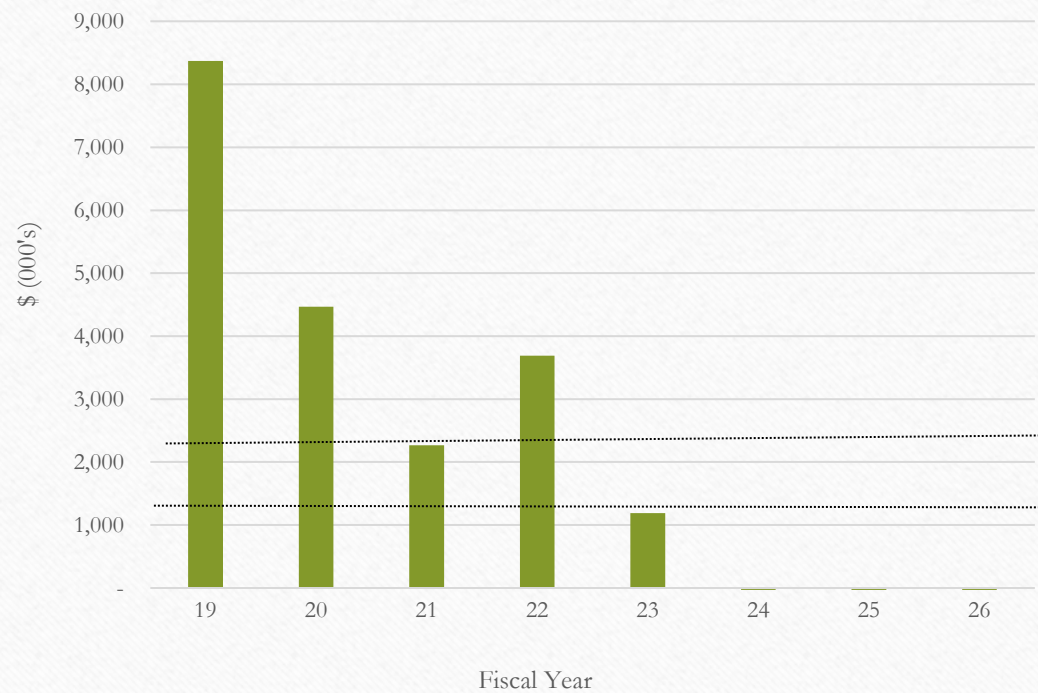
Current Rates									Restructured Rates										
METHOD 1 - RATES									METHOD 1 - RATES										
	INPUT:	FLAT	PUBLIC					0.0285			PUBLIC								
	KWH USED	CHARGE	BENEFITS		DROUGHT	CALIFORNIA	PUBLIC				CHARGE		DROUGHT	CALIFORNIA	PUBLIC				
			CHARGE	BASE RATE	RELIEF	ENERGY TAX	BENEFITS				ON FLAT	BASE RATE	RELIEF	ENERGY TAX	BENEFITS	FINAL BILL	\$	%	
					SURCHARGE	RATE	CHARGE										Increase	Increase	
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%
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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

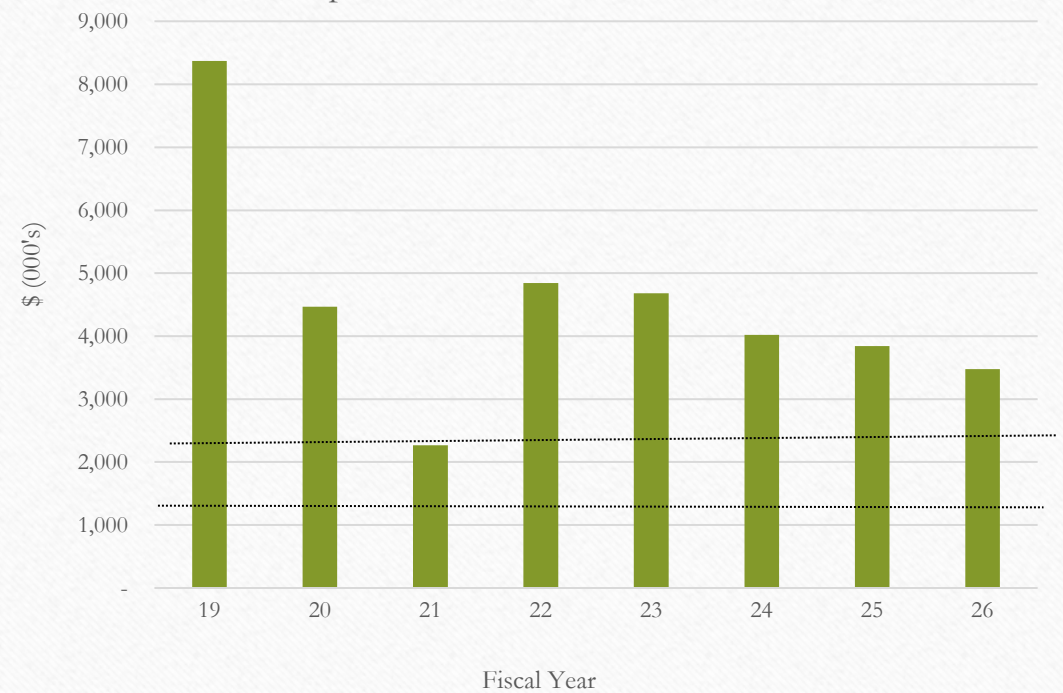
		Zone A		Zone B	
		CURRENT BILL YEAR 4		CURRENT BILL YEAR 4	
kWh USAGE		Weaverville	Weaverville	Other	Other
500	kWh	\$ 53.36	\$ 72.29	\$ 65.09	\$ 72.29
1000	kWh	\$ 82.03	\$ 105.50	\$ 105.50	\$ 105.50
1500	kWh	\$ 110.71	\$ 138.71	\$ 145.91	\$ 138.71

Contingency Reserves Comparison

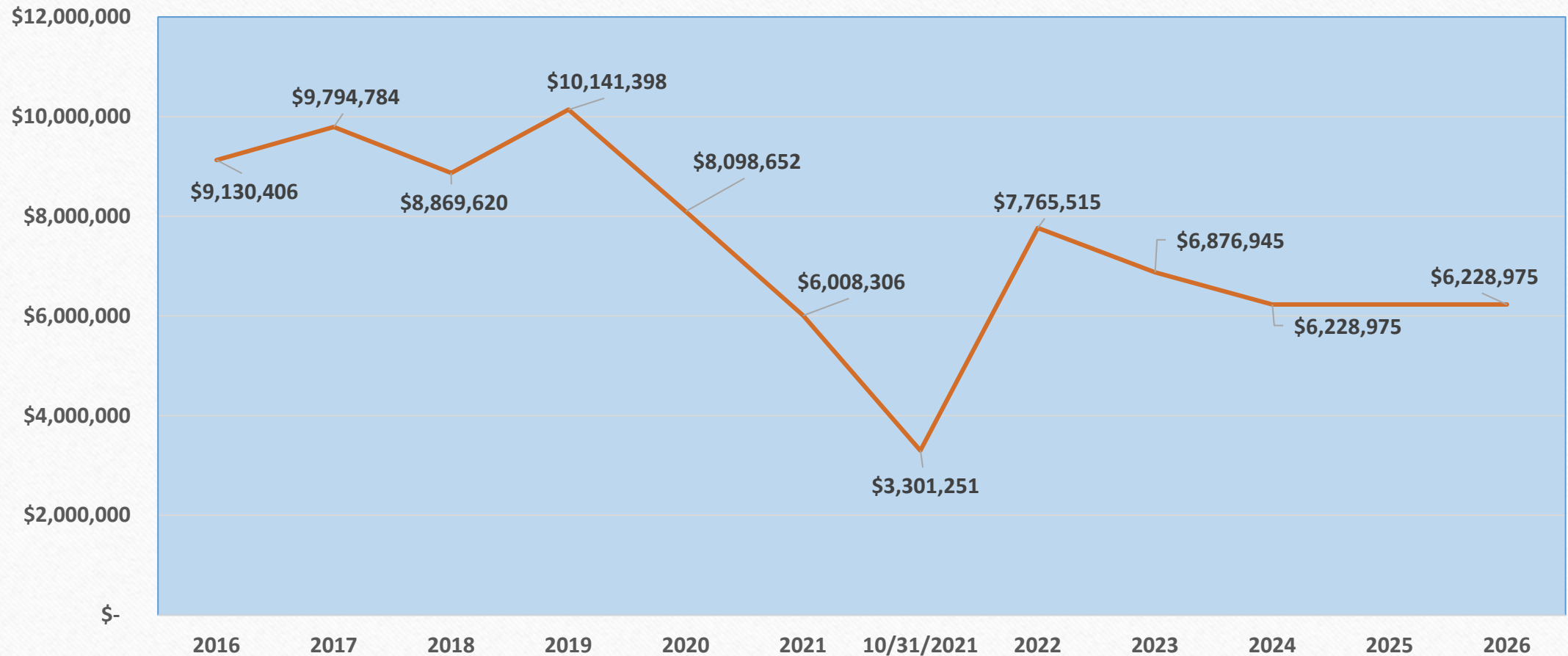
Contingency Reserves with no Rate Increase



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