

# Keeping you informed

## **Pacific Power files for California rate change**

On August 2, 2010, Pacific Power filed a proposed Application with the California Public Utilities Commission (CPUC) requesting a rate increase of approximately \$9.3 million or 10.7 percent under its Energy Cost Adjustment Clause (ECAC). The main drivers of the increase are expected increases in retail loads and the expiration of several long-term below-market power purchase contracts and gas supply contracts. These contracts have benefited our customers for many years but, as they expire the Company needs to replace them at current market prices. The increase is partially offset by the addition of new transmission and wind resources. Pacific Power is requesting this increase as part of the ECAC that was approved by the CPUC in December 2006. The ECAC allows Pacific Power the opportunity to recover actual net variable power costs. By August 1 of each year, Pacific Power compares net variable power costs to what is being collected from customers. Net variable power costs include the sum of fuel expenses, wholesale purchase power expenses and wheeling expenses, less wholesale sales revenue. If actual net variable power costs are more than projected, Pacific Power may file for a rate increase. However, if actual net variable power costs are less than projected, Pacific Power may file for a rate decrease. If the CPUC approves this request, this increase would become effective January 1, 2011, and would have the following estimated average impacts on each customer segment:

<b>Customer class</b>	<b>Proposed percentage increase</b>	<b>Proposed dollar increase</b>
Residential	10.1 percent	\$4.45 million
Commercial and Industrial	11.7 percent	\$3.74 million
Irrigation	10.8 percent	\$1.08 million
Streetlighting	6.3 percent	\$0.04 million
<b>Overall</b>	<b>10.7 percent</b>	<b>\$9.31 million</b>

The average residential customer using 900 kilowatt-hours per month would see a bill increase of approximately \$10.11 per month.

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A copy of this Application and related information may be reviewed on Pacific Power's website at **[pacificpower.net/regulation](http://pacificpower.net/regulation)**, at the CPUC or at the following Pacific Power offices:

**Pacific Power**  
300 S. Main  
Yreka, CA 96097

**Pacific Power**  
1054 Northcrest Drive  
Crescent City, CA 95531

You may also contact Pacific Power by phone toll-free at **1-888-221-7070**.

#### **EVIDENTIARY HEARINGS**

The CPUC may schedule formal Evidentiary Hearings (EH) whereby the formal parties of record provide testimony and are subject to cross examination before the CPUC's Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record can participate. The CPUC has a court reporter who will take the comment of those formal parties of record participating in the EH. Pacific Power will provide testimony at the hearings. The Division of Ratepayer Advocates (DRA) consists of engineers, accountants, economists, and attorneys who independently evaluate the proposals of utilities for rate changes and present their analyses and recommendations to the CPUC at the EH. Once hearings are completed, the ALJ will consider all of the evidence presented and release the draft decision. The CPUC may approve the proposed requests of Pacific Power, approve the draft decision by the ALJ or may approve an alternate decision filed by a Commissioner. The final decision may differ from Pacific Power's original proposed request.

#### **PROTESTING THE APPLICATION**

Formal Protests to this Application must be filed with the CPUC. As a Pacific Power customer, if you would like to file an informal comment or protest this filing, you may send your comments or protest to the CPUC's Public Advisor's Office (PAO). The PAO was established to assist members of the public who wish to protest or participate as a formal party of record in CPUC proceedings. For assistance in filing a protest with the CPUC or to participate in this proceeding, please contact the Public Advisor's Office, 505 Van Ness Avenue, San Francisco, CA 94102 or via e-mail at [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

#### **PUBLIC COMMENT**

If you wish to comment on or informally protest this Application as a customer of Pacific Power, you may do so by contacting the PAO via phone or e-mail at the address noted below. Written public comment by Pacific Power customers is very much desired by the CPUC and may be sent to the PAO at the address shown above. These comments will become part of the formal correspondence file for this proceeding and will be circulated to the assigned ALJ, the Commissioners and the appropriate CPUC staff.

To contact the Public Advisor, please call or write:

**The Public Advisor**  
**California Public**

**415-703-2074**

**Utilities Commission**  
**505 Van Ness Avenue**  
**San Francisco, CA 94102**

**1-866-849-8390**  
**TTY 415-703-5282**  
**TTY toll free 1-866-836-7825**

Or via e-mail to: **[public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)**

To help manage your energy costs, Pacific Power offers qualifying customers monthly bill discounts, free weatherization services and advice on saving energy. Please visit **[pacificpower.net/wattsmart](http://pacificpower.net/wattsmart)** to learn more.

