

Lewis County PUD

Rate Proceeding

November 27, 2018 – Chehalis

December 4, 2018 – Morton



Agenda

- **What's Driving the Rate Increase?**
- **Proposed Rate Changes**
- **Residential Rate Increase**
- **Residential Rate Comparison**
- **Review Staff Proposal**
- **Programs and Services to Assist Customers**
- **Key Dates**
- **Questions / Answers**

What's Driving the Rate Increase?

- **BPA Wholesale Power and Transmission Rates**
 - Increase effective October 1, 2019
 - Reduced revenue from surplus power sales
 - Needed capital investment
 - Mandatory compliance requirements

- **Depressed Surplus Power Prices**
 - Reduced revenue from surplus sales

- **Energy Independence Act (EIA) aka I-937**
 - Renewable energy requirement – 2012 (3%) – 2016 (9%) – 2020 (15%)

- **Conservation**
 - Reduced retail sales, partially offset by increased surplus power sales

What's Driving the Rate Increase?

- **Capital Projects Investment**
 - Increase in investments to ensure reliable service

- **Increasing Operating Costs – Material, Goods & Labor**
 - Reliable service and compliance requirements

- **Cash Reserves Level**
 - Cash reserves are lower than policy limits

- **Future**
 - Loss of Residential Exchange Credit / TransAlta / Carbon Pricing?

Proposed Rate Changes

- **Proposed Rate Changes Effective January 1, 2019**
 - No change to the per day basic charge
 - Single phase = \$0.95
 - Three phase = \$1.57
 - No change to the demand charge
 - Increase energy (kWh) charge 5.0 percent for all rate classes
 - Residential customer using 1,400 kWh per month would see an increase of \$4.43 per month
 - Impacts customers within a class differently

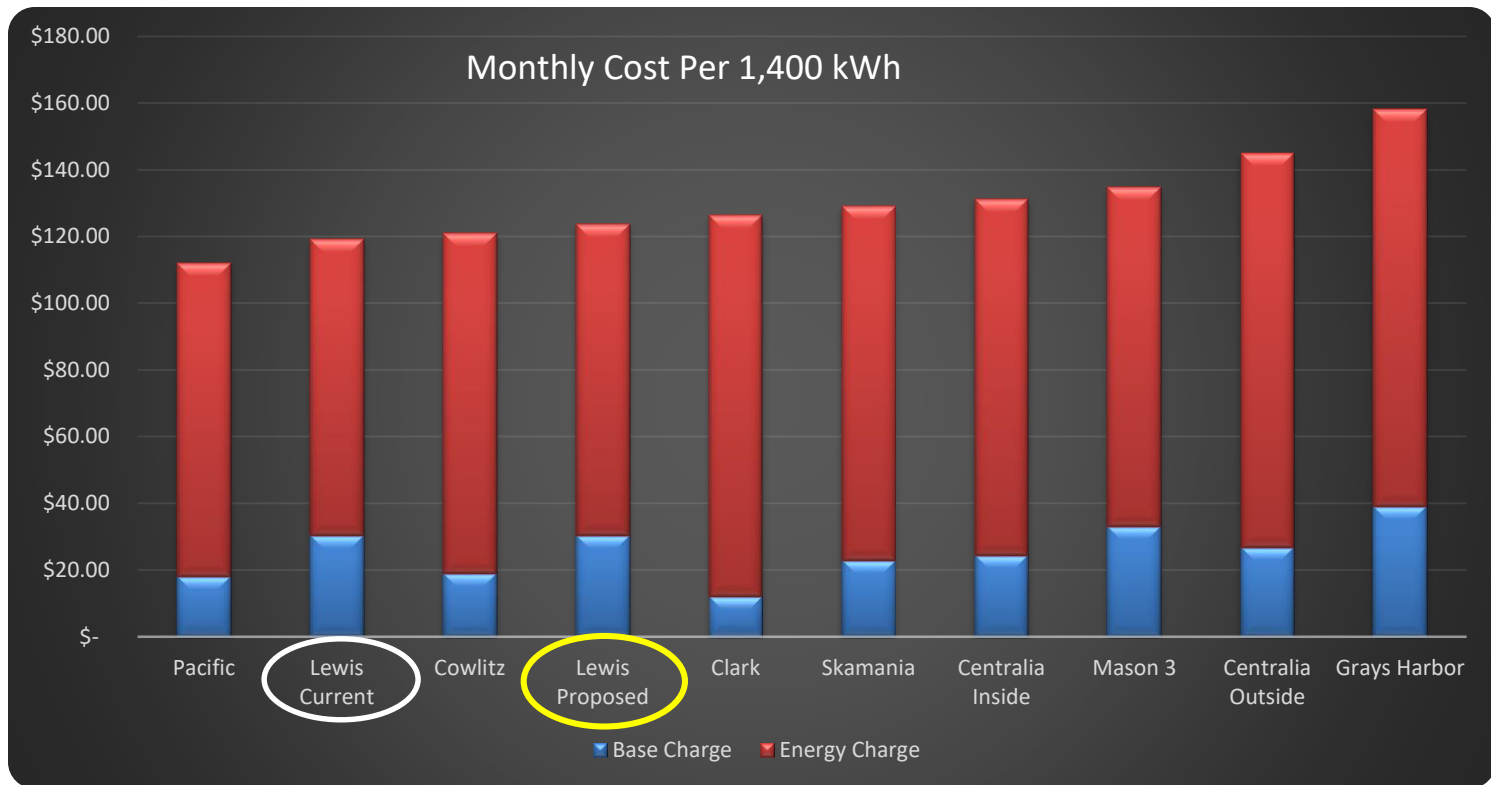
Proposed Rates

Residential Rate Increase

	Present Rates		Proposed Rate Option		
Energy Rate (\$/kWh)	0.05994		0.06293		
Base (\$/customer/day)	0.95		0.95		
kWh	Monthly Bill	Monthly Bill	\$ Difference	Percent Difference	
100	\$ 36.57	\$ 36.89	\$ 0.32	0.9%	
200	42.92	43.56	0.64	1.5%	
300	49.28	50.23	0.95	1.9%	
400	55.63	56.90	1.27	2.3%	
500	61.99	63.57	1.58	2.6%	
600	68.34	70.24	1.90	2.8%	
700	74.69	76.91	2.22	3.0%	
800	81.05	83.59	2.54	3.1%	
900	87.40	90.26	2.86	3.3%	
1,000	93.76	96.93	3.17	3.4%	
1,100	100.11	103.60	3.49	3.5%	
1,200	106.47	110.27	3.80	3.6%	
1,300	112.82	116.94	4.12	3.7%	
1,400	119.18	123.61	4.43	3.7%	
1,500	125.53	130.29	4.76	3.8%	
1,600	131.88	136.96	5.08	3.8%	
1,700	138.24	143.63	5.39	3.9%	
1,800	144.59	150.30	5.71	3.9%	
1,900	150.95	156.97	6.02	4.0%	
2,000	157.30	163.64	6.34	4.0%	
2,500	189.07	197.00	7.93	4.2%	
3,000	220.85	230.36	9.51	4.3%	
3,500	252.62	263.71	11.09	4.4%	
4,000	284.39	297.07	12.68	4.5%	
4,500	316.16	330.43	14.27	4.5%	
5,000	347.94	363.78	15.84	4.6%	
5,500	379.71	397.14	17.43	4.6%	

Based on 30 day month, includes Public Utility Tax 3.8734% and Privilege Tax 2.14%, does not include city taxes

Residential Rate Comparison*



*Please note - the numbers included in this graph include energy and base rate charges. Lewis current and proposed rates also include state taxes, but not city taxes. Taxes and other fees have not been added or removed from the other utilities published rates. Please refer directly to any utility mentioned in this graph for the most accurate and up to date information. The figures are for informational purposes only and are not intended to provide an exact billing estimate.

Review Staff Proposal

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Programs and Services to Assist Customers

- **FREE Energy Audits**
- **Rebates and Incentives**
- **Low Income Weatherization**
- **Commercial/Industrial Efficiency Programs**
- **Energy Efficiency Loans**
- **Residential Budget Payment Plans**
- **Project Share**
- **Community Organizations**

Key Dates

- **November 6, 2018** Commission acceptance of Rate Proceeding date and approval for publication of Rate Proceeding Notice
- **November 8 and 15, 2018** Publish Rate Proceeding Notice
- **November 16, 2018** Information available on website and offices
- **November 27, 2018** PUD Rate Proceeding, Chehalis
- **December 4, 2018** PUD Rate Proceeding, Morton
- **December 7, 2018** Final date to receive written comments from the public prior to resolution prepared for Commission adoption
- **December 11, 2018** First reading of new rate schedule resolution
- **December 18, 2018** Second reading and approval of new rate schedule resolution, action effective January 1, 2019

Questions / Answers



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