

From: Hughes, John (Reg Rel)
Sent: 5/6/2013 1:30:22 PM
To: SGM@cpuc.ca.gov (SGM@cpuc.ca.gov)
Cc:
Bcc:
Subject: FW: FYI: SacBee article: SMUD May Raise Electric Rates (Go from tiered to Flat 2014- 2017 then Time of Use 2018)

Scott

In case you have not seen this.

SMUD may raise electric rates for Sacramento customers

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Published Monday, May. 06, 2013

The Sacramento Municipal Utility District is poised to raise residential and commercial electricity rates by 2.5 percent in both 2014 and 2015.

John Di Stasio, SMUD's general manager and CEO, also has recommended changing the utility's tiered rate structure to one flat rate from 2014 through 2017, with a goal of moving all residential customers to time-of-use rates by 2018.

His recommendations must still be approved by the SMUD board.

During a meeting today with the editorial board of The Sacramento Bee, Di Stasio and other SMUD officials outlined the recommendations Di Stasio formally presented to SMUD's board last Thursday.

The board will have a series of public meetings to consider the recommendations and obtain customer feedback. Ultimately, the board will vote on the proposals.

SMUD said the average monthly residential bill - based on 750 kilowatts of usage - would increase \$2 to \$4 a month as a result of the dual 2.5 percent increases. The utility said the current average monthly bill is \$91.92.

Di Stasio cited three reasons behind the proposed rate hikes: increasing costs of renewable energy as SMUD strives to reach a state mandate of 33 percent by 2020, a rise in the number of low-income customers receiving Energy Assistance Program Rate discounts and increased costs of debt service on infrastructure.

Di Stasio said the proposed multi-step process of going to one flat rate, followed by a proposed introduction of time-of-use rates, was largely fostered by the proliferation of smart meters and other technology that enables SMUD to get more detailed energy use information to households.

He said SMUD plans to step up its efforts to get electricity use information into the hands of residential customers, who can then make informed decisions about how they use energy, particularly in heavy-use peak hours (4 to 7 p.m.) of hot summer months.

Read more Tuesday in The Sacramento Bee and at Sacbee.com.

Call The Bee's Mark Glover, (916) 321-1184.

