TRUCKEE DONNER
Public Utility District

Truckee Donner PUD
Electric Rate Study

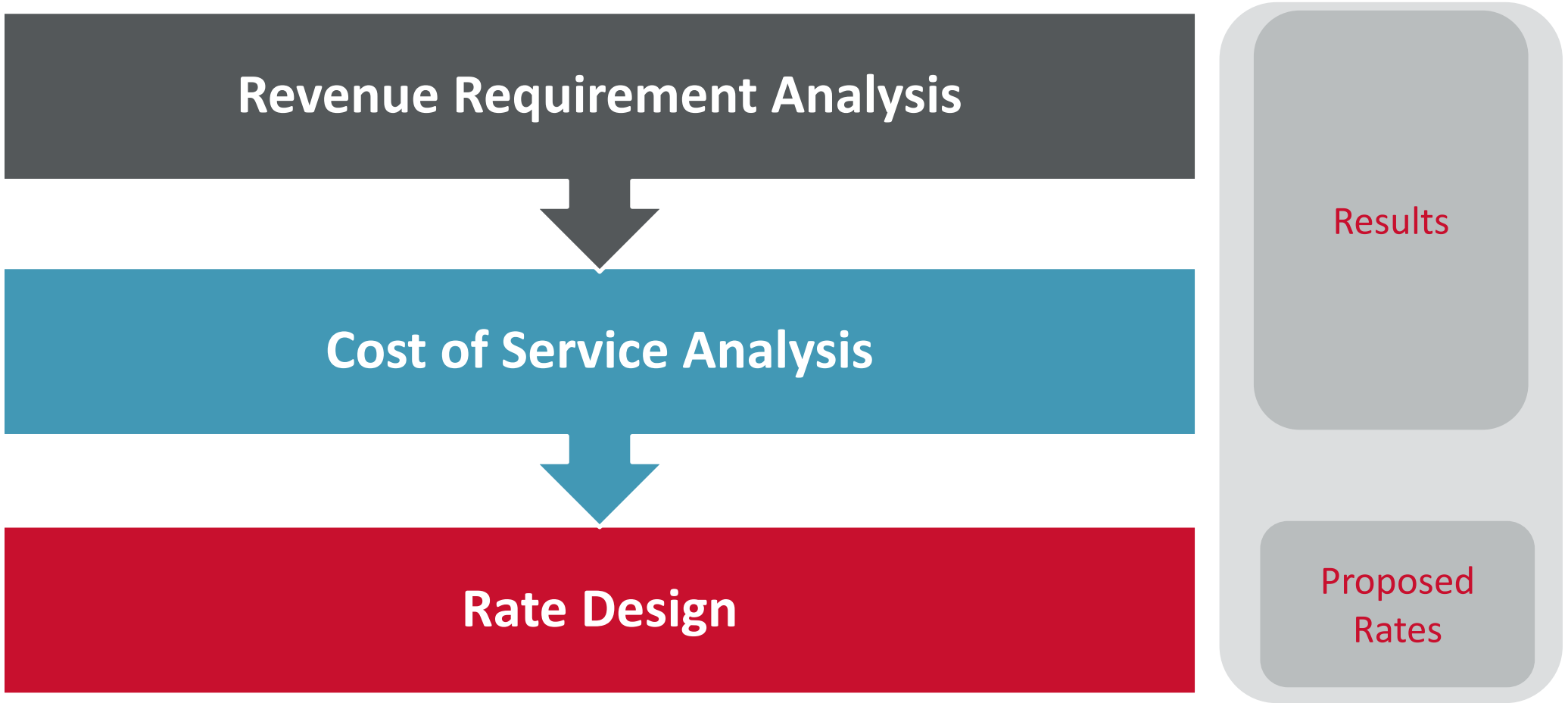
September 17, 2025

Rate Study Summary

Demand Growth updated to 1%

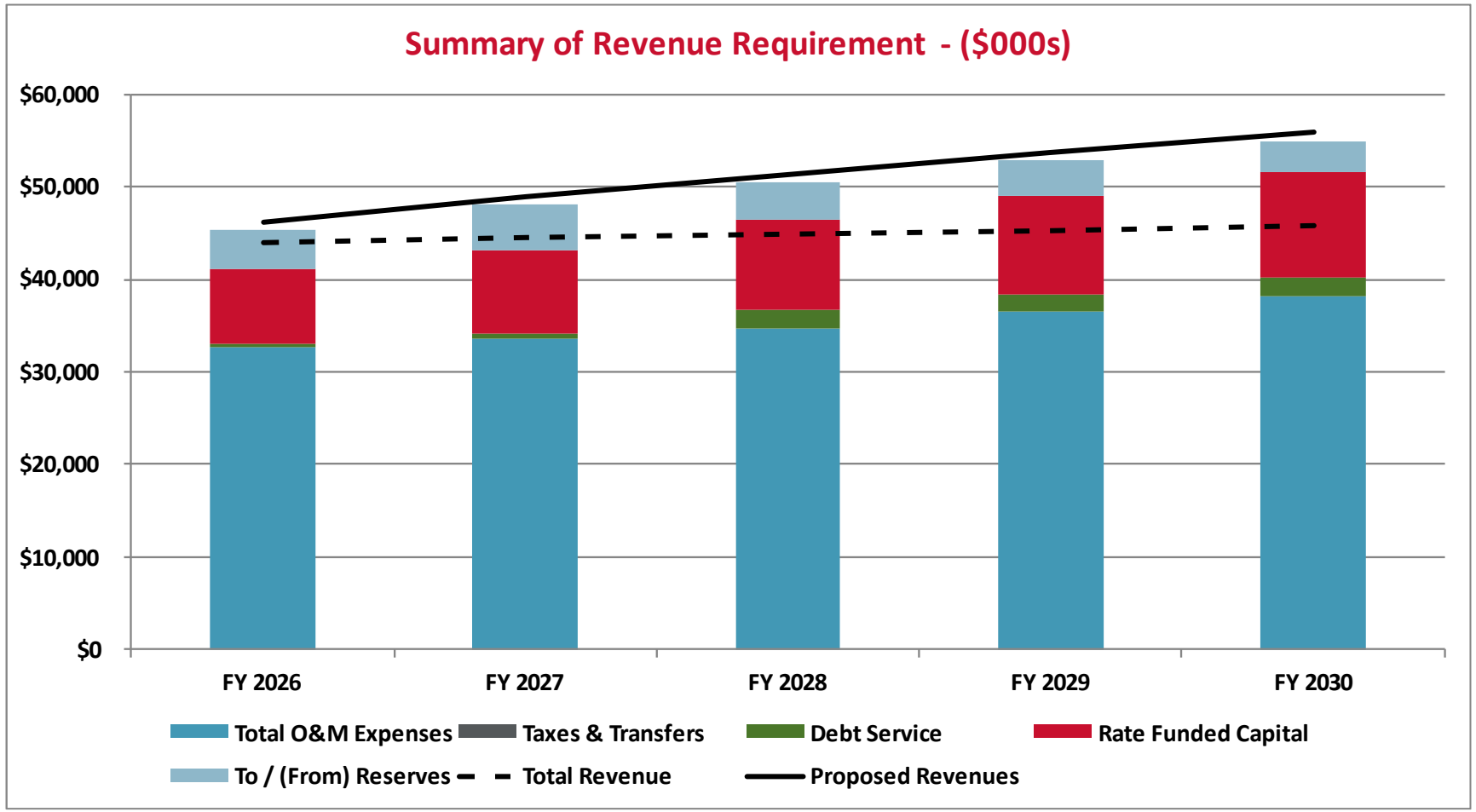
- Revenue adjustments of 5.0% needed over next 2 years
  - Future annual adjustments of ~ 4.0% next two years, followed by inflationary adjustments,
  - Future adjustments will vary depending on transmission cost increases, purchase power adjustments, demand hardening, etc.
- New rates for discussion: commercial EV TOU, Customer Generator

Development of Cost-Based Rates



Revenue Requirement Analysis

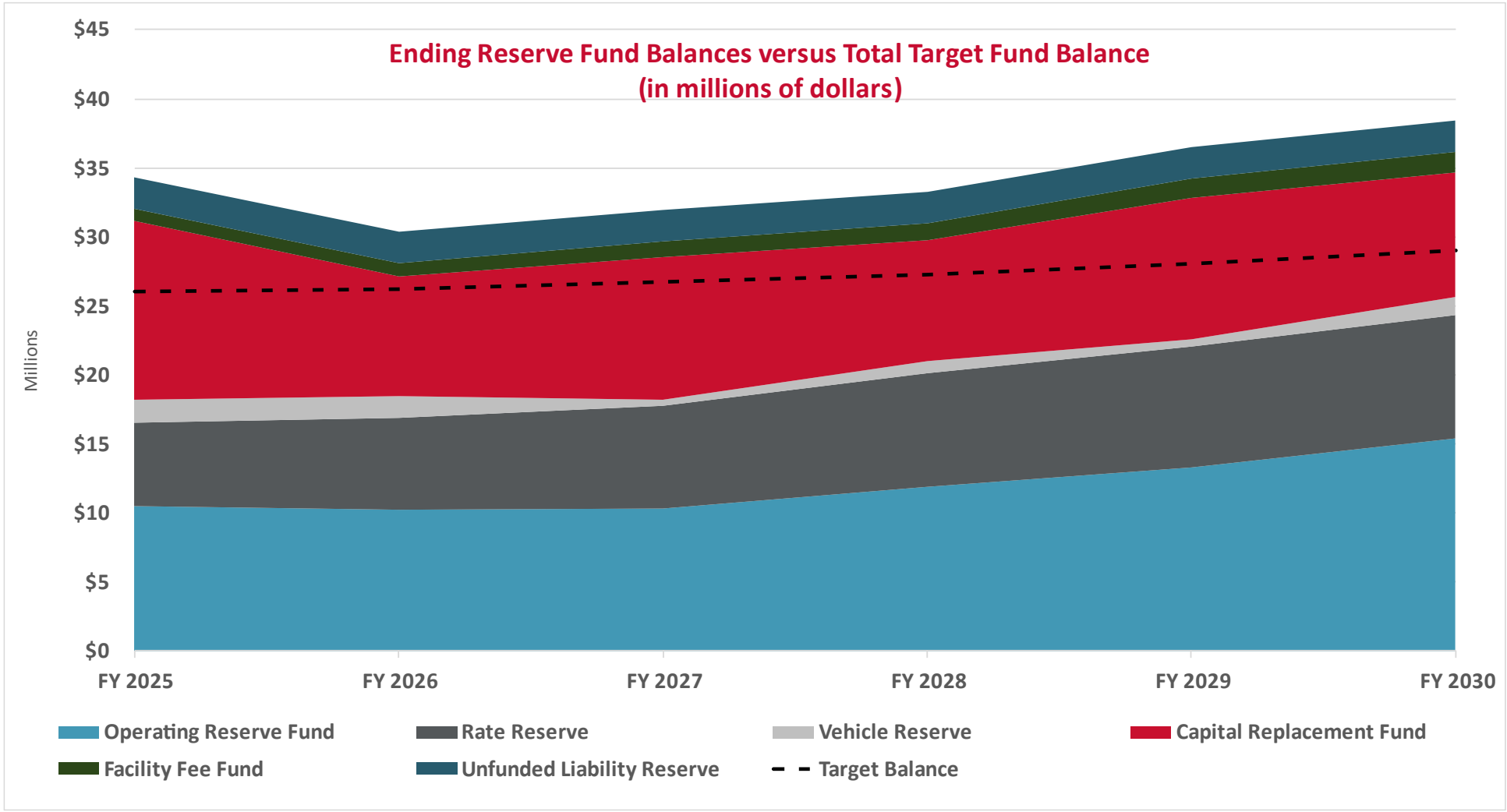
Summary of the Projected Revenue Requirements



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenue Adjustment	5.0%	5.0%	4.0%	4.0%	3.0%

Target reserve levels

- Operating Reserve = Target is 180 Days of O&M excluding purchased power
- Capital Replacement = Average Annual Capital Expenditure
- Rate Reserve = Target is 180 Days Purchased Power
- Unfunded Liability Reserve = Target is $2 million



Overview of a Cost of Service Analysis

What is cost of service?

- **Analysis to equitably allocate and distribute the revenue requirement to the customer classes of service (i.e., rate schedules)**

Why cost of service?

- **Generally accepted as “fair and equitable”**
- **Avoids subsidies**
- **Revenues track costs**
- **Can provide an accurate price signal**

Objectives of Cost of Service

- **Determine if subsidies exist**
- **Develop average unit costs**

Summary of the Cost of Service Analysis

Review of customer classes

- Permanent Residents
- Non-Permanent Residents
- Commercial
  - Small (under 50 Kw demand)
  - Medium (50 – 200 Kw demand)
  - Large (more than 200 kW demand)
- Commercial Electric Vehicle Charging stations

Similar results as recent prior studies

- Residential cost of service is trending higher than system average increase

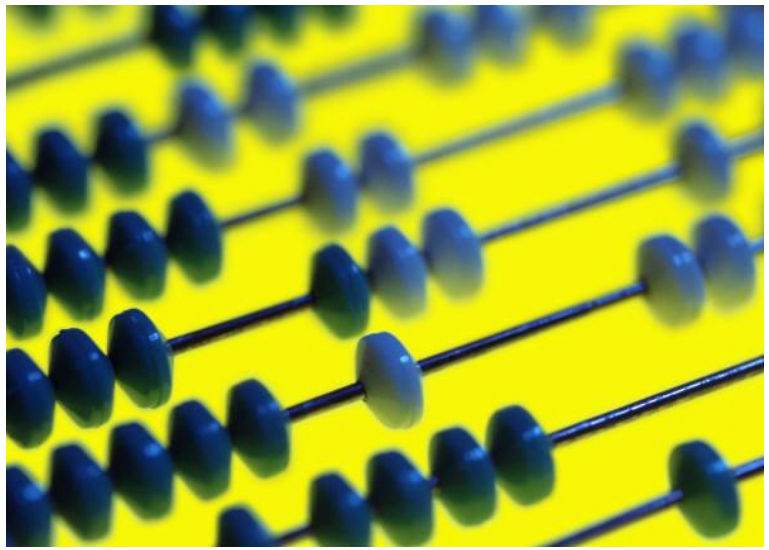
Recommend slightly higher increase to residential rates as compared to commercial rates

Proposed 2026 Rate Adjustments

Overall Rate Revenue adjustment = 5%

- Permanent Residents = 6%
- Non-Permanent Residents = 6%
- Commercial
  - Small (under 50 Kw demand) = 4%
  - Medium (50 – 200 Kw demand) = 4%
  - Large (more than 200 kW demand) = 4%
- Commercial Electric Vehicle Charging stations = 12%

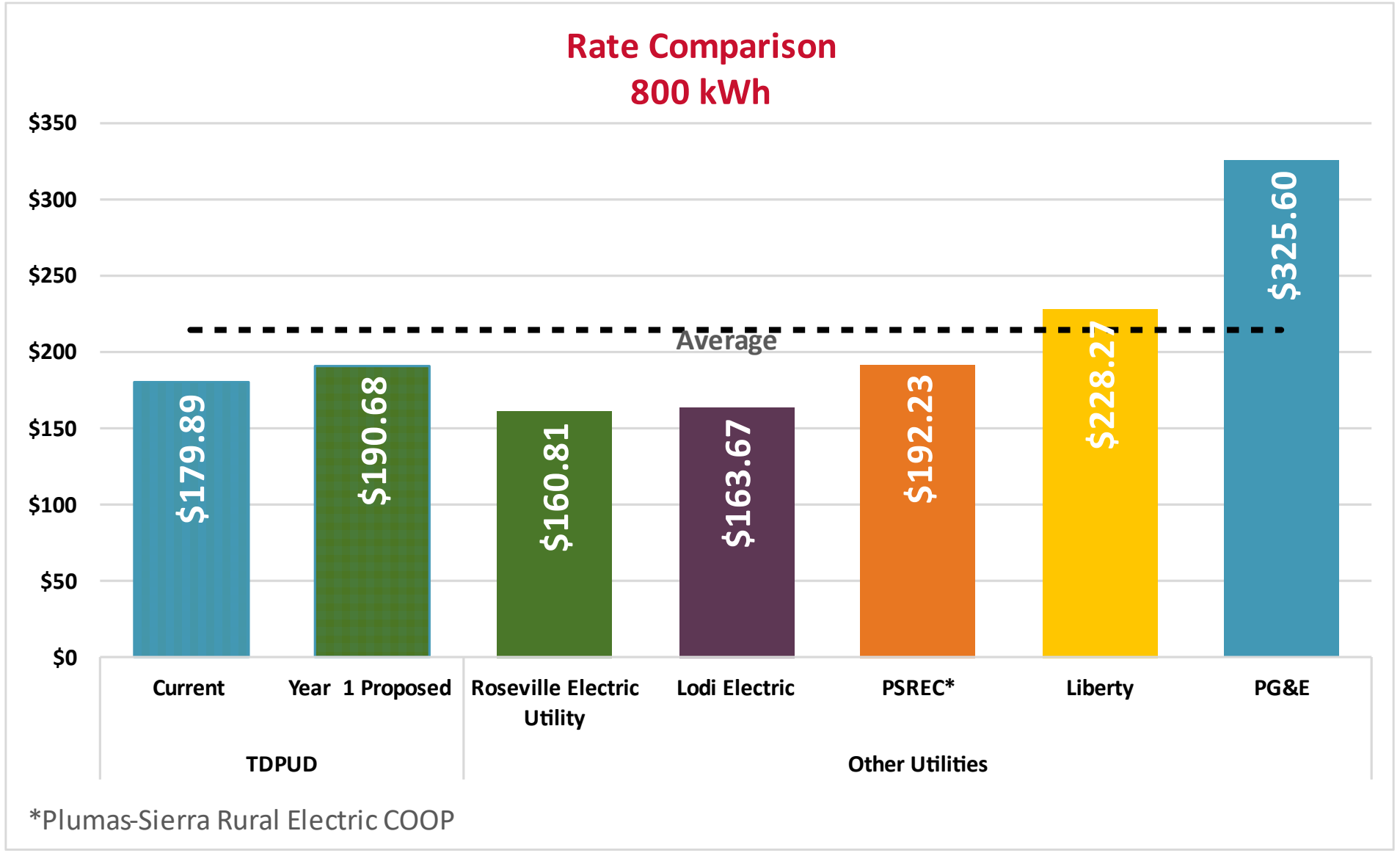
Rate Design



Present and Proposed Residential Rates

	Present Rates	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Proposed Rate Adj.	Jan 1, 2025	6.0%	5.0%	4.0%	4.0%	3.0%
Permanent Residents						
Customer Charge $/Mo.	$30.77	$32.62	$34.25	$35.62	$37.04	$38.15
Energy Charge $/kWh	$0.186	$0.198	$0.207	$0.216	$0.224	$0.231
Non-Permanent Residents						
Customer Charge $/Mo.	$30.77	$32.62	$34.25	$35.62	$37.04	$38.15
Energy Charge $/kWh	$0.212	$0.225	$0.236	$0.245	$0.255	$0.263

Other Agencies Residential Rate Comparison



*Plumas-Sierra Rural Electric COOP

Present and Proposed Residential TOU Rates

	Present Rates	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Proposed Rate Adj.	*Jan 1, 2025*	*6.0%*	*5.0%*	*4.0%*	*4.0%*	*3.0%*
Permanent Residents						
Customer Charge $/Mo.	$30.77	$32.62	$34.25	$35.62	$37.04	$38.15
Time of Use - Energy Charge $/kWh						
4:01pm - 9:00pm Peak	$0.261	$0.276	$0.290	$0.302	$0.314	$0.323
11:01am - 4:00pm Mid-Peak	0.132	0.140	0.147	0.153	0.159	0.164
9:01pm-11:00am Off-Peak	0.132	0.140	0.147	0.153	0.159	0.164
Non-Permanent Residents						
Customer Charge $/Mo.	$30.77	$32.62	$34.25	$35.62	$37.04	$38.15
Time of Use - Energy Charge $/kWh						
4:01pm - 9:00pm Peak	$0.332	$0.352	$0.369	$0.384	$0.399	$0.408
11:01am - 4:00pm Mid-Peak	0.168	0.178	0.187	0.195	0.202	0.206
9:01pm-11:00am Off-Peak	0.168	0.178	0.187	0.195	0.202	0.206

Present and Proposed Commercial Rates

Proposed Rate Adj.	Present Rates Jan 1, 2025	FY 2026 4.0%	FY 2027 5.0%	FY 2028 4.0%	FY 2029 4.0%	FY 2030 3.0%
Small Commercial						
Customer Charge $/Mo.	$41.47	$43.13	$45.29	$47.10	$48.98	$50.45
Energy Charge $/kWh	$0.236	$0.246	$0.258	$0.268	$0.279	$0.287
Medium Commercial						
Customer Charge $/Mo.	342.25	$355.94	$373.74	$388.69	$404.23	$416.36
Energy Charge $/kWh	$0.1577	$0.1640	$0.1722	$0.1791	$0.1863	$0.1918
Demand Charge $/kW	$18.73	$19.48	$20.45	$21.27	$22.12	$22.79
Large Commercial						
Customer Charge $/Mo.	$1,501.25	$1,561.30	$1,639.37	$1,704.94	$1,773.14	$1,826.33
Energy Charge $/kWh	$0.168	$0.175	$0.184	$0.191	$0.199	$0.205
Demand Charge $/kW	$18.07	$18.79	$19.73	$20.52	$21.34	$21.98

Alternative Rate Designs

- Developed alternative proposed rate designs for Board consideration and discussion
  - Commercial TOU EV Rate
  - Customer Generator program

EV Proposed Example Rate

Below is updated from Staff Report Attachment 1 (page 241 of board packet)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Proposed Rate Adj.	*12.0%*	*12.0%*	*4.0%*	*4.0%*	*3.0%*
Commercial EV Charging					
Customer Charge $/Mo.					
Small Com. 15	$43.13	$48.30	$50.24	$52.25	$53.81
Medium Com. 20	355.94	398.65	414.60	431.18	444.12
Large Com. 25	1,561.30	1,748.66	1,818.60	1,891.35	1,948.09
Demand Charge $/kW	$21.73	$24.33	$25.31	$26.32	$27.11
Time of Use - Energy Charge $/kWh					
4:01pm - 9:00pm Peak	$0.265	$0.297	$0.308	$0.321	$0.330
11:01am - 4:00pm Mid-Peak	0.148	0.166	0.173	0.180	0.185
9:01pm-11:00am Off-Peak	0.148	0.166	0.173	0.180	0.185

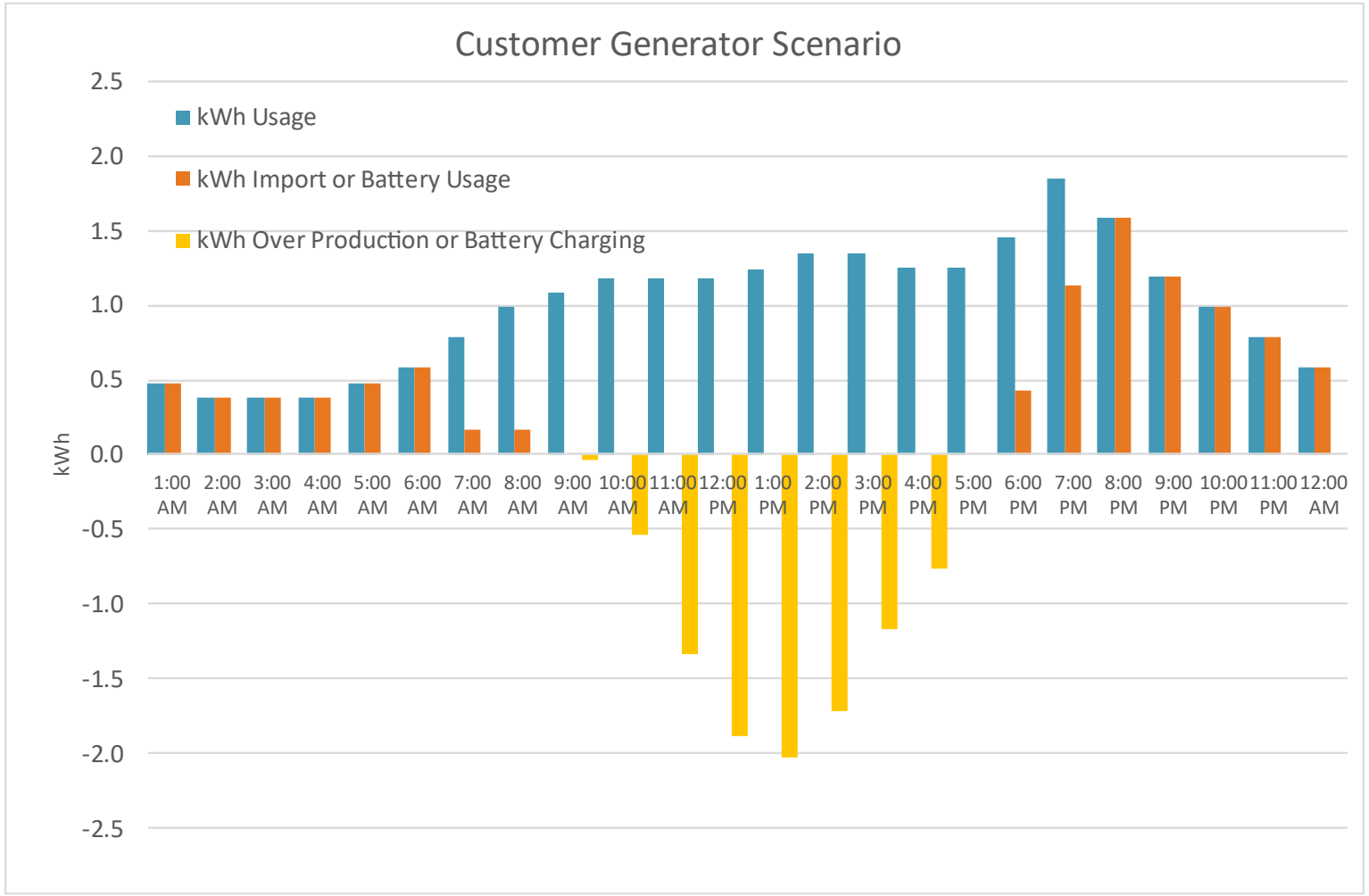
Customer Generator Typical Profile

A typical Customer

- 5 kW Solar Generation
- 10 kWh Battery
- Customer Uses 730 kWh per for an average Month

Assumptions

- For the “Goldilocks” time of Year, battery off sets kWh during non-generation period.
- Winter period will likely require customer to import energy from Grid
- Summer period will likely result in energy credit



Customer Generator Example Rate

	Present Rates	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Proposed Rate Adj.	Jan 1, 2025	5.0%	4.0%	4.0%	3.0%
Customer Generator 1						
Customer Charge $/Mo.		$32.62	$34.25	$35.62	$37.04	$38.15
Import - Time of Use - Energy Charge $/kWh						
4:01pm - 9:00pm Peak		$0.276	$0.290	$0.302	$0.314	$0.323
11:01am - 4:00pm Mid-Peak		$0.140	$0.147	$0.153	$0.159	$0.164
9:01pm-11:00am Off-Peak		$0.140	$0.147	$0.153	$0.159	$0.164
Export - Time of Use - Energy Charge $/kWh						
4:01pm - 9:00pm Peak		$0.147	$0.154	$0.160	$0.166	$0.171
11:01am - 4:00pm Mid-Peak		$0.085	$0.089	$0.093	$0.096	$0.099
9:01pm-11:00am Off-Peak		$0.085	$0.089	$0.093	$0.096	$0.099
Customer Generator 2						
Customer Charge $/Mo.		$51.17	$53.72	$55.87	$58.11	$59.85
Import - Time of Use - Energy Charge $/kWh						
4:01pm - 9:00pm Peak		$0.221	$0.232	$0.241	$0.251	$0.258
11:01am - 4:00pm Mid-Peak		$0.147	$0.154	$0.160	$0.166	$0.171
9:01pm-11:00am Off-Peak		$0.147	$0.154	$0.160	$0.166	$0.171
Export - Time of Use - Energy Charge $/kWh						
4:01pm - 9:00pm Peak		$0.293	$0.308	$0.320	$0.333	$0.343
11:01am - 4:00pm Mid-Peak		$0.085	$0.089	$0.093	$0.096	$0.099
9:01pm-11:00am Off-Peak		$0.085	$0.089	$0.093	$0.096	$0.099

Customer Generator Example Rate

- Rates are based on cost of service analysis, specifically energy costs
  - Similar to the rates previously presented to Board
  - Cust. Gen 1 = based on existing TOU rates
  - Cust. Gen 2 = Increases fixed rate and reduces energy charges and increases export peak energy rate

Customer Generator Example Bill Impact

- For the “Goldilocks” time of the Year
  - Scenario 1
    - Time of use bill with no Solar or Battery = $170/Mo.
    - Solar, no Battery = $66/Mo. (reduction of $104)
    - Solar with Battery = $32.62/Mo. (reduction of $137)
  - Scenario 2
    - Time of use bill with no Solar or Battery = $170/Mo.
    - Solar, no Battery = $74/Mo. (reduction of $95)
    - Solar with Battery = $51.17/Mo. (reduction of $119)

5 kW generation, with 10 kWh Battery, Estimated Cost $30k, with a 30% federal credit = $21k or $165/month (7%, 20 yrs)

Next Steps

- Gain feedback and input from the Board
  - Overall system revenue adjustment
  - Proposed status quo rates
  - Proposed rate alternatives and opportunities
- Finalize technical analyses
- Finalize written report
- Present final recommendations to the Board
  - Board accepts the rate study
  - Sets public hearing date (Nov. 5, 2025)
  - Hold public hearing and adopt proposed rates at Board discretion

Thank You and Discussion

Electric Vehicle (EV) Preliminary Rate Development

- Public EV Charging account for:
  - 2.3% of total kWh (1.5% 2022 data)
  - 7.8% of total demand (kW) (5.0% 2022 data)
- There are a range of EV Charger facilities in the area
  - Estimate there are more in the future
  - New facilities may place higher demands on system
- Developed a TOU rate for commercial EV Charger facilities for consideration