

Electric rates increase in Tahoe

By Kathryn Reed

Northern California residential customers of Sierra Pacific Power will notice their electric meters spinning faster this month thanks to a 7.75 percent rate increase that took effect Dec. 1.

Most bills will go up by \$5.49 a month to \$81.65. This is based on using 650 kilowatt-hours of electricity.

This is the first general rate increase in three years. On Sept. 1, 2008, NorCal customers received a 15.2 percent rate decrease.

The increase is to offset the \$47.5 million Sierra Pacific put toward infrastructure improvements. The increase will bring in an additional \$5.5 million to the power company's coffers.

Sierra Pacific Power Company is a subsidiary of NV Energy Inc., which primarily serves the Lake Tahoe area of California. In April, NV Energy announced it was selling its California electric distribution and generation assets to California Pacific Electric Company, a newly formed company jointly owned by Algonquin Power Income Fund and Emera Inc. Following state and federal regulatory approvals, the companies expect the transaction to close sometime in 2010.

What this means for rates is not known.