

Little interest in Liberty wanting to raise rates

PROPOSED RATE INCREASE

Customer Class	Current Revenue Rate	Proposed 2016 Revenue Rate	Proposed 2017 Revenue Rate	Proposed 2018 Revenue Rate	Total Revenue (\$) Increase	Total Percentage (%) Increase
Residential	\$39,821,901	\$44,993,811	\$44,993,811	\$44,993,811	\$15,515,730	12.99%
Small Commercial	14,627,536	17,696,342	17,696,342	17,696,342	9,206,418	20.98%
Medium Commercial	8,052,346	8,121,444	8,121,444	8,121,444	207,294	0.86%
Large Commercial	13,734,692	18,868,878	18,868,878	18,868,878	15,402,558	37.38%
Street Lights	122,262	93,828	93,828	93,828	(85,302)	(23.26%)
Outdoor Lights	160,784	168,779	168,779	168,779	23,985	4.97%
Irrigation Service	44,451	192,364	192,364	192,364	443,739	332.76%

Source: *Liberty Utilities*

By Kathryn Reed

A proposed 17 percent rate increase by Liberty Utilities generated little interest from the public in the way of giving feedback to the California Public Utilities Commission.

The commissioners, who are responsible for granting or declining the hike, conducted four hearings last week – two in Kings Beach and two in South Lake Tahoe.

Combined, less than 30 people showed up for the meetings, and even fewer spoke.

Commissioners are expected to make a decision in late spring. Assuming an increase is approved, it will be retroactive to Jan. 1. Instead of one lump sum added to bills it would be spread out over a few months. A residential customer using 601.67 kilowatts per month would see an average monthly bill

increase of \$3.95 (or 4.37 percent), from \$86.56 to \$90.54.

Liberty provides electricity to about 49, 000 customers, with about 80 percent of them in the Lake Tahoe Basin on the California side.

Liberty first applied for the 17.34 increase in May. It is designed generate \$13.57 million.

Ken Wittman with Liberty told the commission the actual increase may be scaled back because the cost of natural gas gone down since last spring.

General rate increase filings are required by the CPUC every three years. In 2012, rates went up nearly 5 percent. At that time the CPUC did not require the local public meetings.

“We welcome it. It’s an important part of the process,” Greg Sorensen, president of Liberty Utilities, told *Lake Tahoe News*.

Reasons for the increase include: vegetation management; drought-related fire prevention mandates; more energy efficiency programs/incentives; and the new solar incentive program.

Liberty also needs funds to pay for its **multimillion-dollar upgrade** to facilities on the North Shore and in the Truckee area. The Truckee to Northstar work was done last summer, with the Northstar to Kings Beach work to start after the snow melts in the spring.

“It helps with our reliability,” Sorensen said.

Normally peak usage is over the Christmas-New Year’s holidays, where the system is on the borderline of requiring customers to scale back use or the company will need to initiate brown outs. While consumption is always monitored, this year – even with so many people in the basin and resorts blowing snow – the usage didn’t reach the danger zone. The new line is

credited with supplying enough power, Sorensen said.

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Notes:

- The rate increase application is on Liberty's **website**.