

ANZA ELECTRIC COOPERATIVE, Inc.

A Touchstone Energy® Cooperative 

October 2024 Rate Restructure



Our rate history...

...Since 1986

- **1986**- \$0.108 per kWh for all energy
- **2009**- \$0.137-\$0.167 per kWh, 5 tiers (22% increase)
- **2016**- \$0.13-\$0.15 per kWh, first 3 tiers
Bill reduction for 72% of residential members
- **2023**- \$.157691-\$.227691 per kWh (3 tier structure, 17% increase)
- **2024**- \$.172954-\$.242954 per kWh (9% increase)

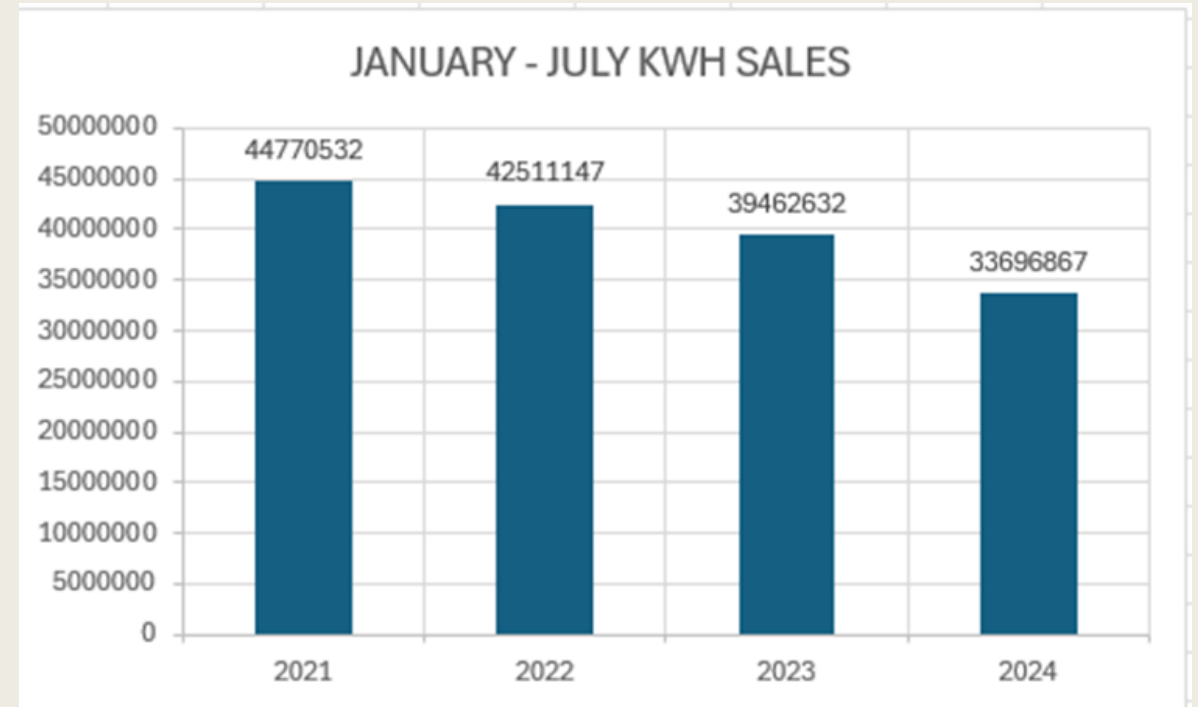
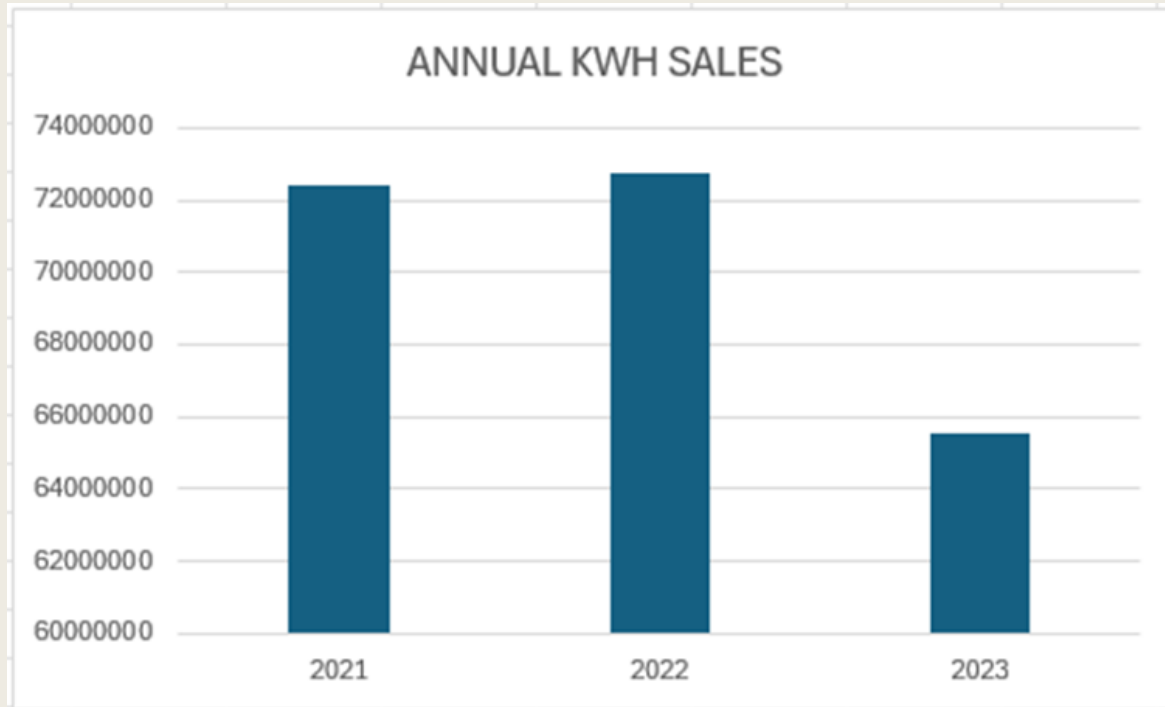
What is the Power Cost Adjustment? (PCA)

- Revenue mechanism triggered when Purchased Power costs exceed a pre-determined base:
- **1986**- \$.057279 per kWh
- **2009**- \$.0817 per kWh
- **2023**- \$.097643 per kWh
- **2024**- unchanged



What has changed?

Revenue from energy sales



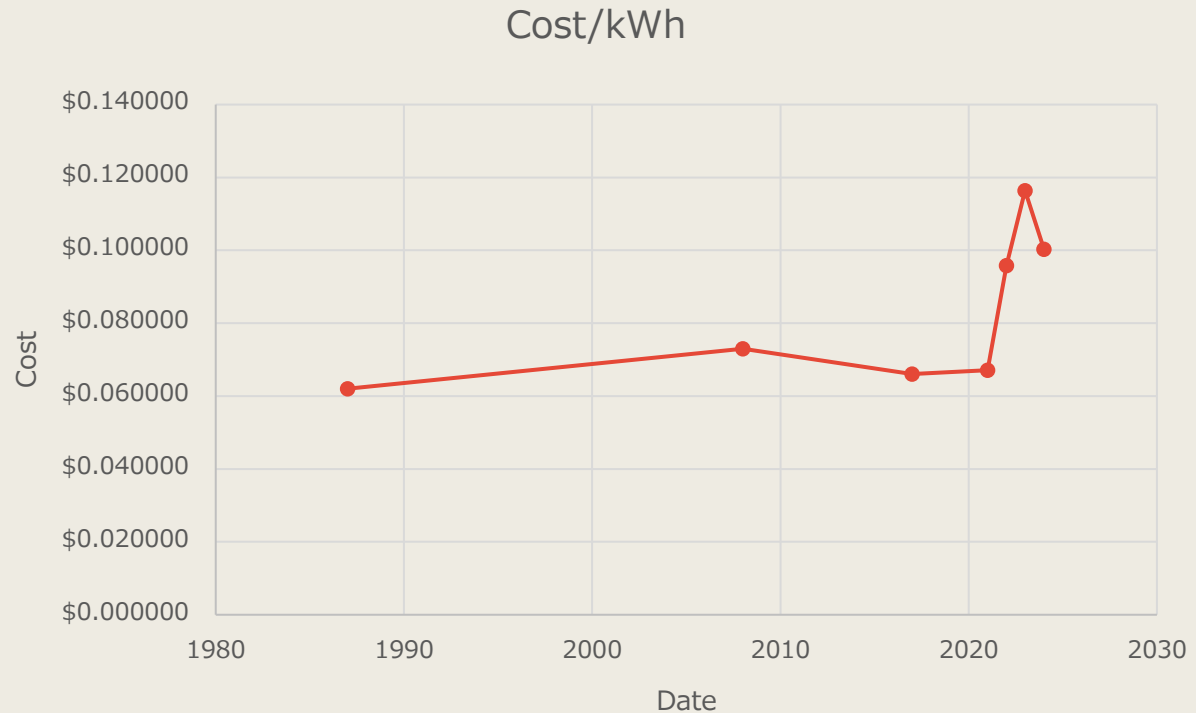
Purchased Power cost per kWh

1987	\$0.062022
2008	\$0.073013
2017	\$0.066056
2021	\$0.067070
2022	\$0.095855
2023	\$0.116405
2024	\$0.100257

2021-2024 YTD:

Increase of \$0.049355/kWh

49.48%

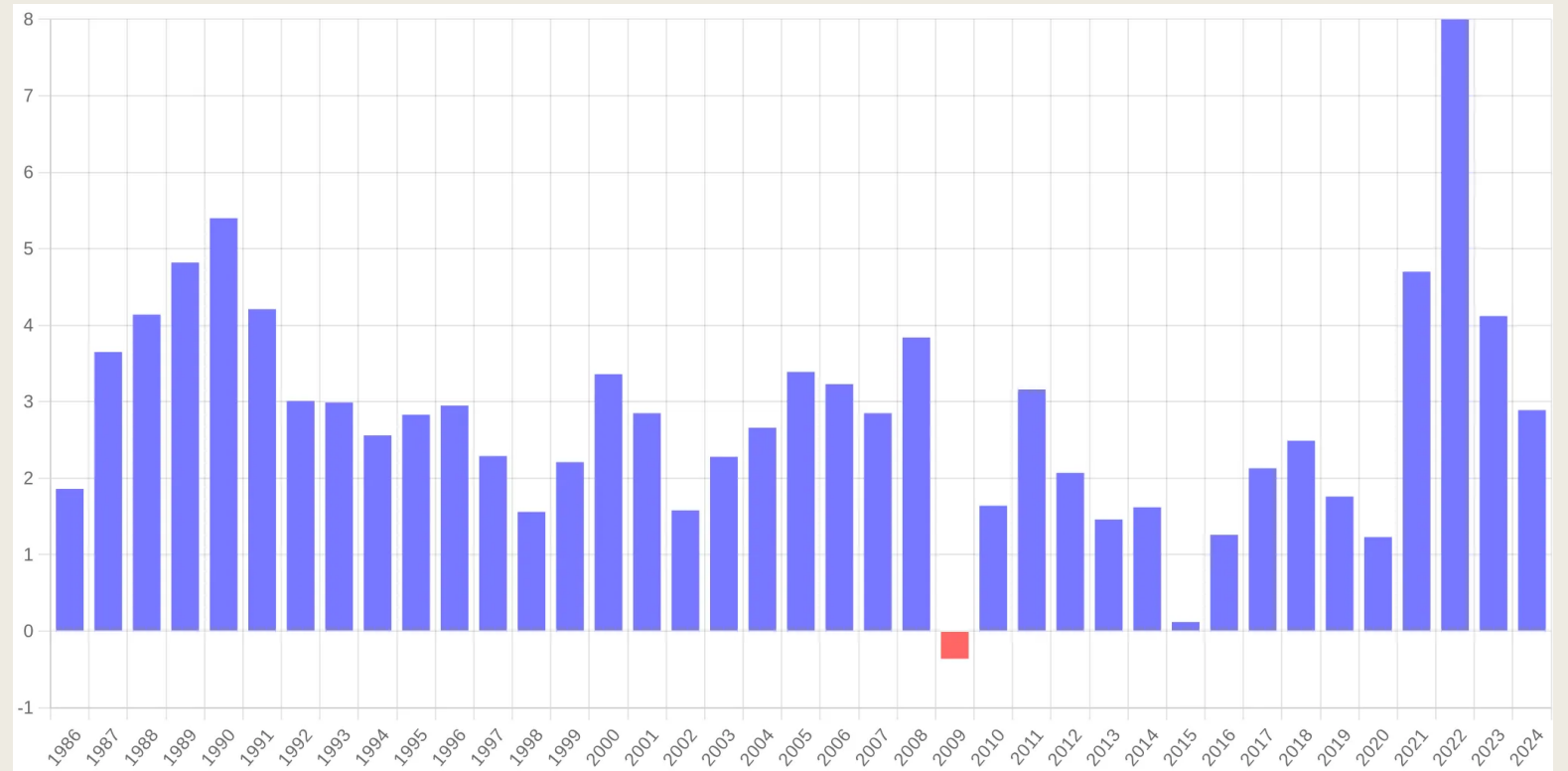


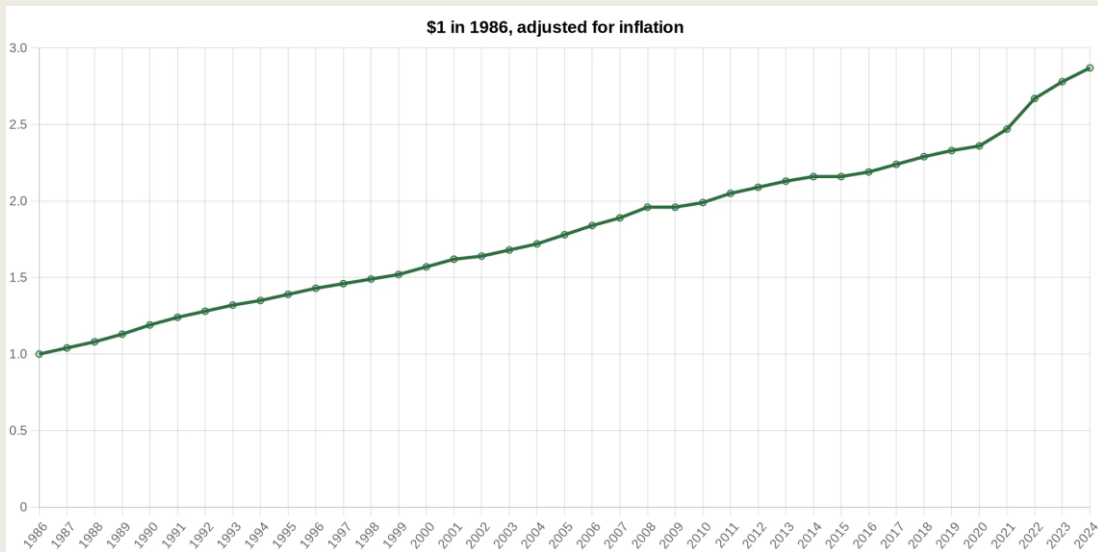
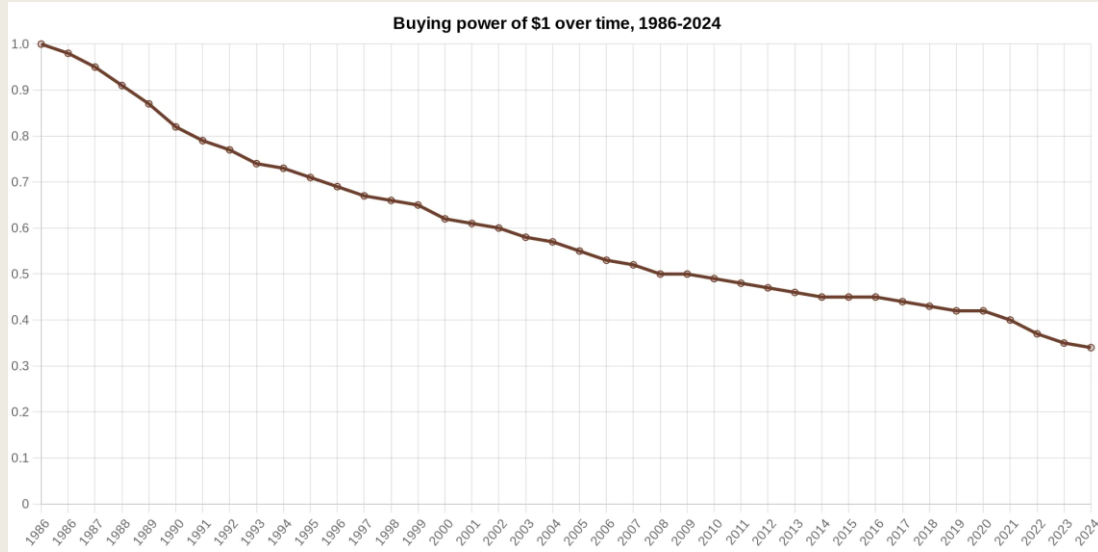
Wildfire starts in our area (per year)



Annual inflation since 1986

- **186.99% cumulative**
- Annual average 2.81%
- \$1 in 1986 is now \$2.87





Your Dollar Value

Equipment Price Increases

Transformers

Price PRIOR to 2020- \$ 915.00

Current price- \$2,279.00

149% increase

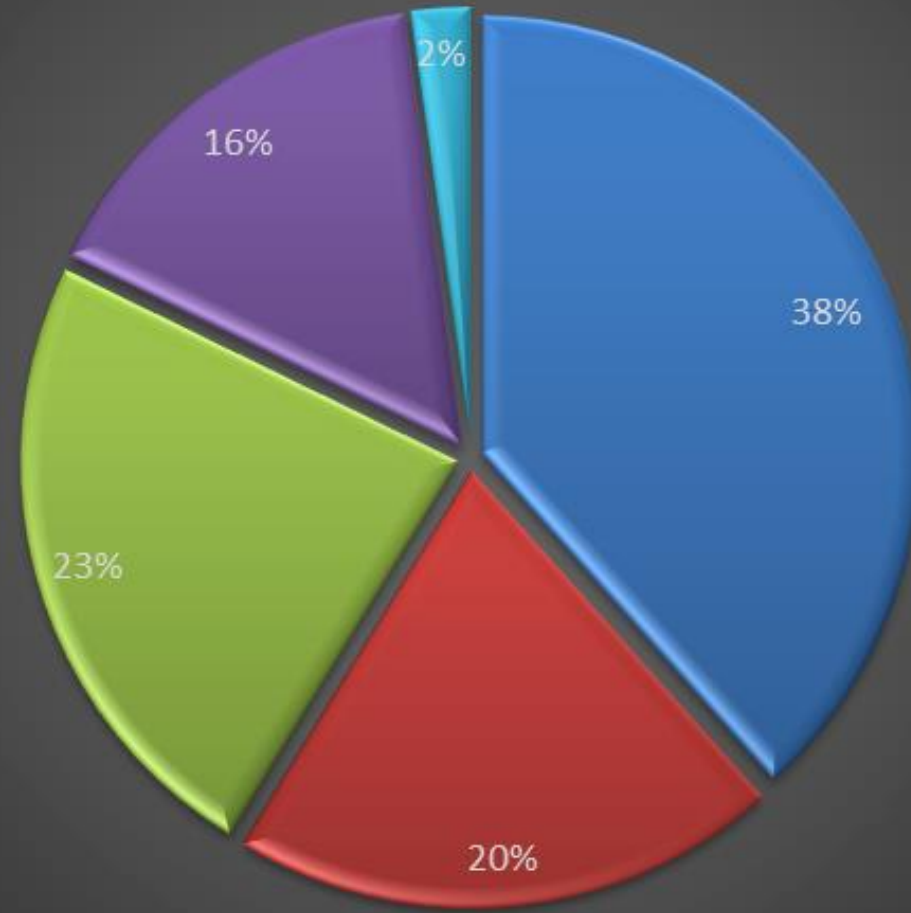


Other increases...


- Conductor- **132%**
- Poles- **47%**
- Hardware- **16-25%**



2025 Anza Electric use of revenues (projected)



■ Power Cost ■ Labor & Benefits ■ Fixed Costs ■ NonLabor O&M ■ Margin



**Where does AEC
buy energy?**

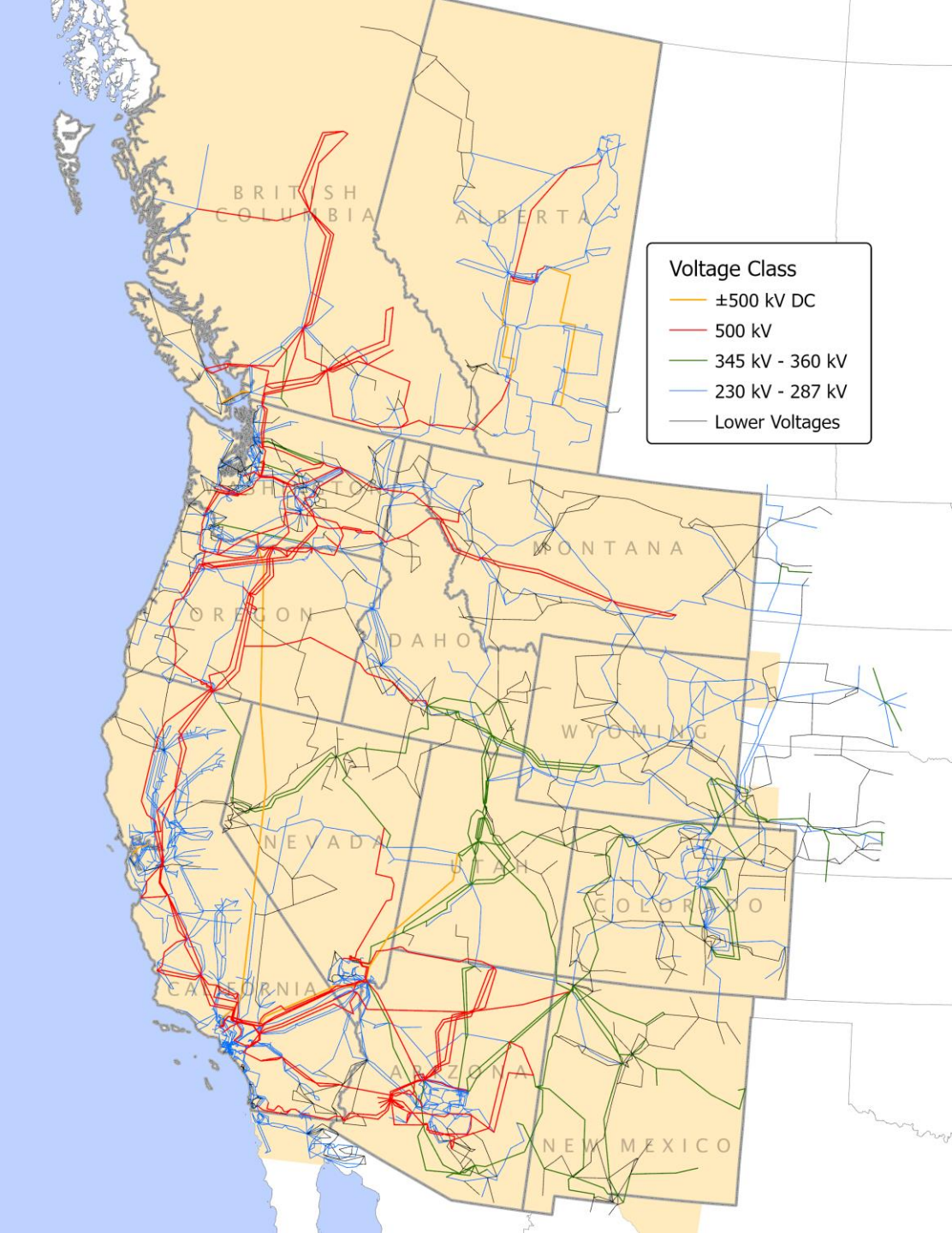
**All
requirements
Member**

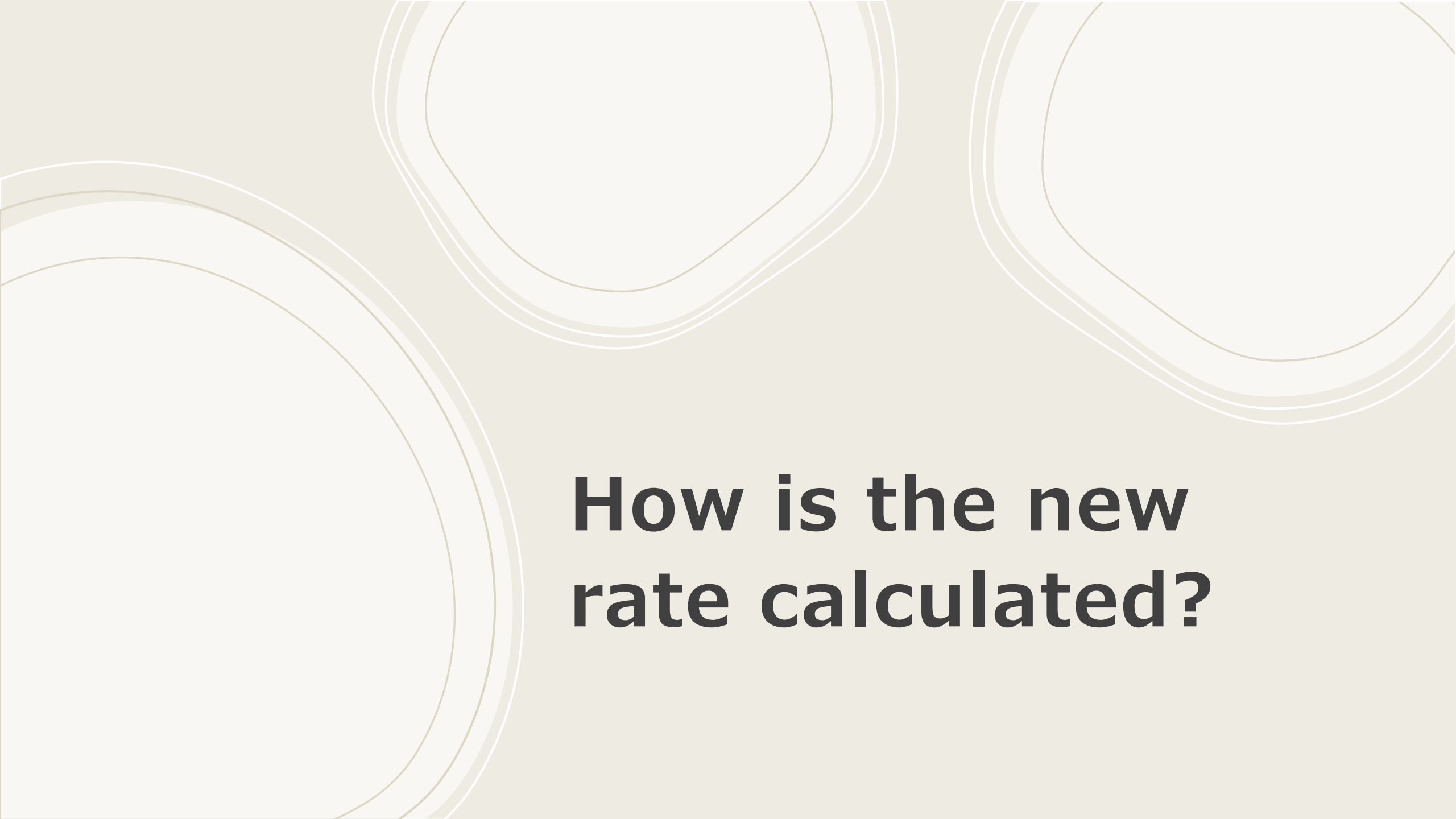
Arizona's
G&T
Cooperatives

Touchstone Energy® Cooperatives



Western Interconnection





**How is the new
rate calculated?**

Cost Of Service Study

Test year 2023

Cost per rate calculated

Revenue recovery per rate calculated

New rate structure approved by AEC
Board

ANZA ELECTRIC COOPERATIVE, Inc.

A Touchstone Energy® Cooperative 

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FAX: (951) 763-5297

Account Number		Name						Location	Service Address			Bill Date
55555001		DOMESTIC RATE 1 ACCOUNT .045 increase						5-999-LM	99999 STATE HWY 371			8/22/2024
SERVICE		NBR	METER READING		METER	MULTI	ENERGY/	DEMAND	DEMAND	DEMAND	RATE	TOTAL AMT
FROM	TO	DAYS	PREVIOUS	PRESENT	NBR	PLIER	KWH	READING	ACTUAL	BILLED	1	DUE
7/22/2024	8/21/2024	30	5499	6385	55555	1	886		0.000	0.000		

Average Residential energy use of 886 kWh

CURRENT 2024 PRICING

TIERS	KWH LEVELS	ENERGY CHARGE	USAGE	COST
1	0 - 700	0.172954	700	\$121.07
2	701 - 2000	0.192954	186	\$ 35.89
3	2001 - UP	0.242954	0	\$ -
				\$ -
				\$ -
SERVICE AVAILABILITY CHARGE				\$ 29.00
CA ENERGY TAX		0.0003	886	\$ 0.27
POWER COST ADJUSTMENT (AVERAGE)		0	0	\$ -

\$186.22

Current Rate

NEW 2024 PRICING, plus .045 energy charge

TIERS	KWH LEVELS	ENERGY CHARGE	USAGE	COST
1	0 - 700	0.217954	700	\$152.57
2	701 - 2000	0.237954	186	\$ 44.26
3	2001 - UP	0.287954	0	\$ -
				\$ -
				\$ -
SERVICE AVAILABILITY CHARGE				\$ 29.00
CA ENERGY TAX		0.0003	886	\$ 0.27

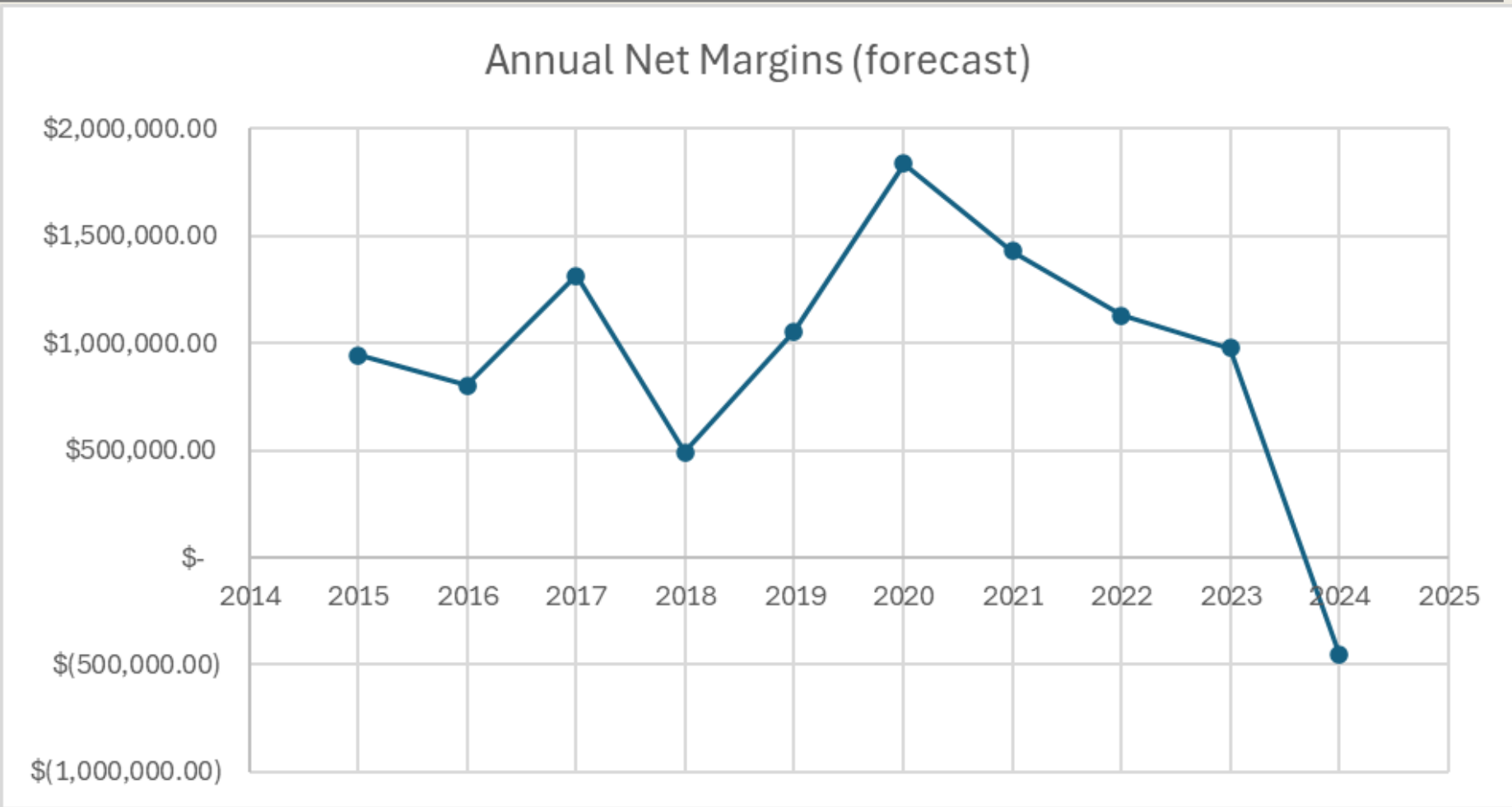
\$226.09

New Rate

DIFFERENCE \$ 39.87 21.41%

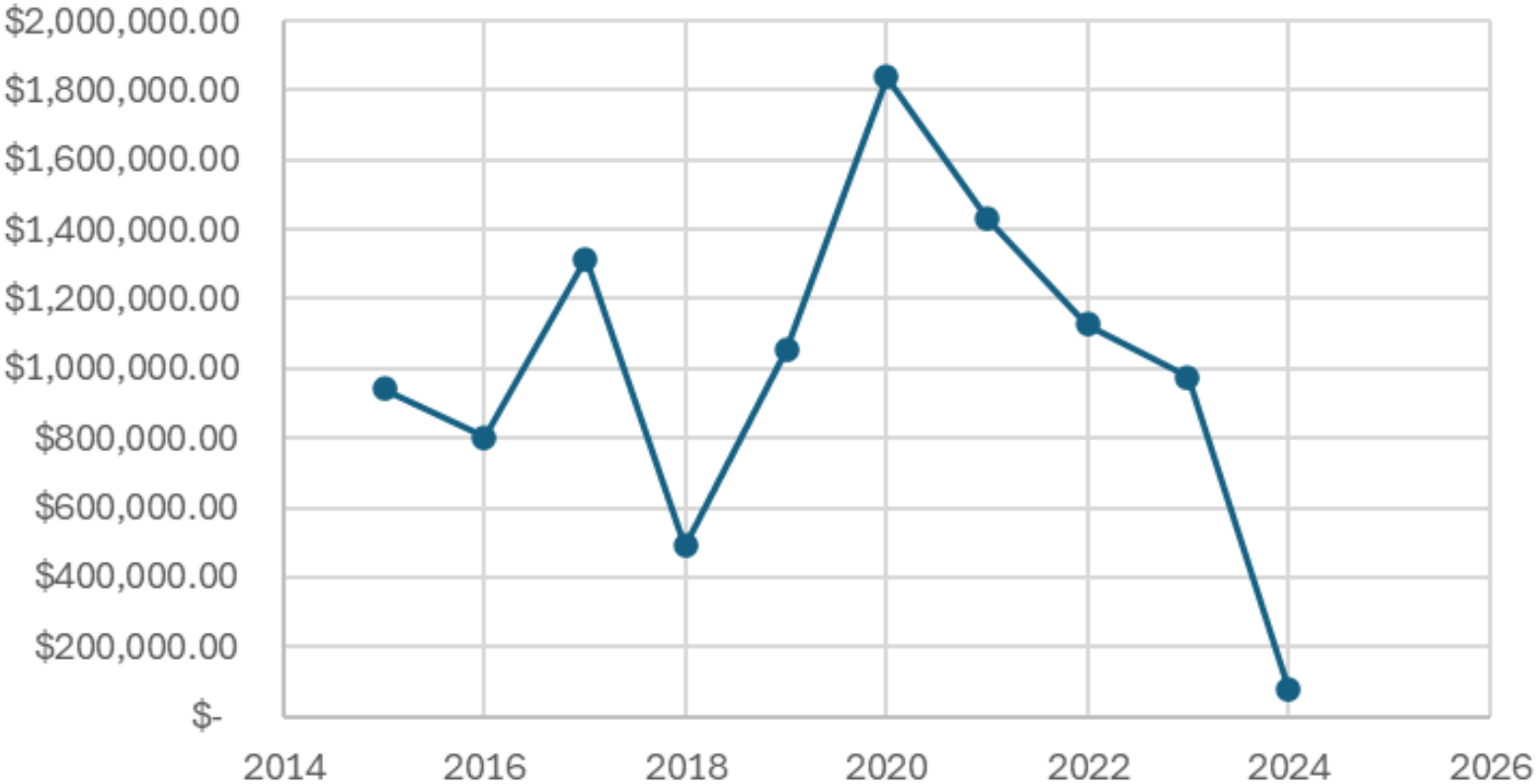
Increase

Financial Information



Financial Information

Annual net margins (after rate change)



RivCo Retail Electricity averages

Data extracted on: September 10, 2024 (1:33:31 PM)

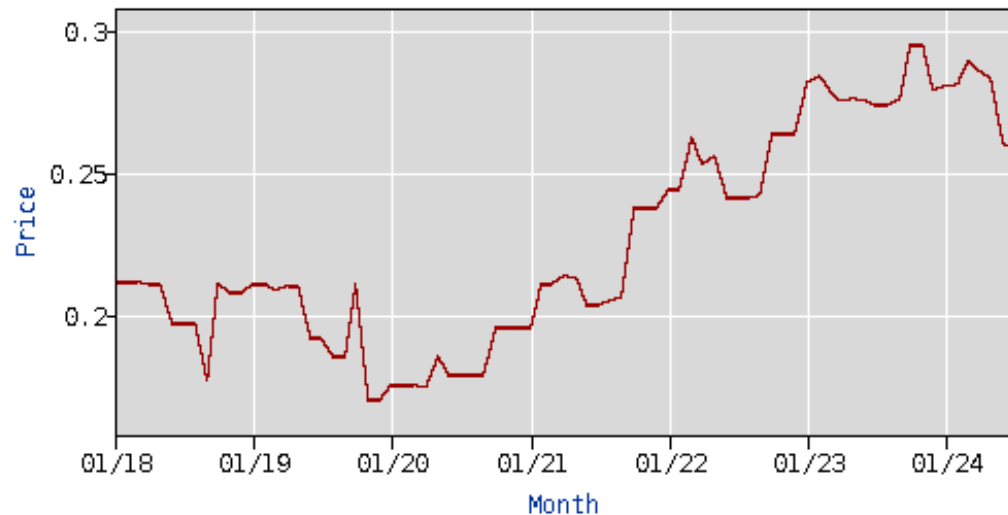
Consumer Price Index Average Price Data

Series Id: APUS49C72610

Series Title: Electricity per KWH in Riverside-San Bernardino-Ontario, CA, average price, not seasonally adjusted

Area: Riverside-San Bernardino-Ontario, CA

Item: Electricity per KWH



← **\$.259/kWh**

Rates in California...

San Diego Gas & Electric is implementing a new rate increase. The company expects the increase to work out to a little more than \$8 per month for the average customer.



In 2024, The average residential electric bill increased from \$143.33 to \$175.39, a \$32.06 increase (or 7.21%). Bills are projected to increase by an additional \$17.49 in 2025, \$5.14 in 2026, \$5.11 in 2027, and \$5.26 in 2028.

PG&E's 2024 rate increase went into effect on January 1, 2024, and affected all electric customers. The average residential customer's monthly bill increased by about \$33, or 13%. The average rate for residential customers increased from 46.76 cents per kilowatt-hour on March 1, 2024, to 47.38 cents per kilowatt-hour.



CALIFORNIA
Public Utilities Commission

2024 RATE COMPARISON

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



• Tier 1	\$.217954	\$.32706	\$.45245
• Tier 2	\$.237954	\$.42150	\$.56969
• Tier 3	\$.287954	\$.42150	\$.56969