

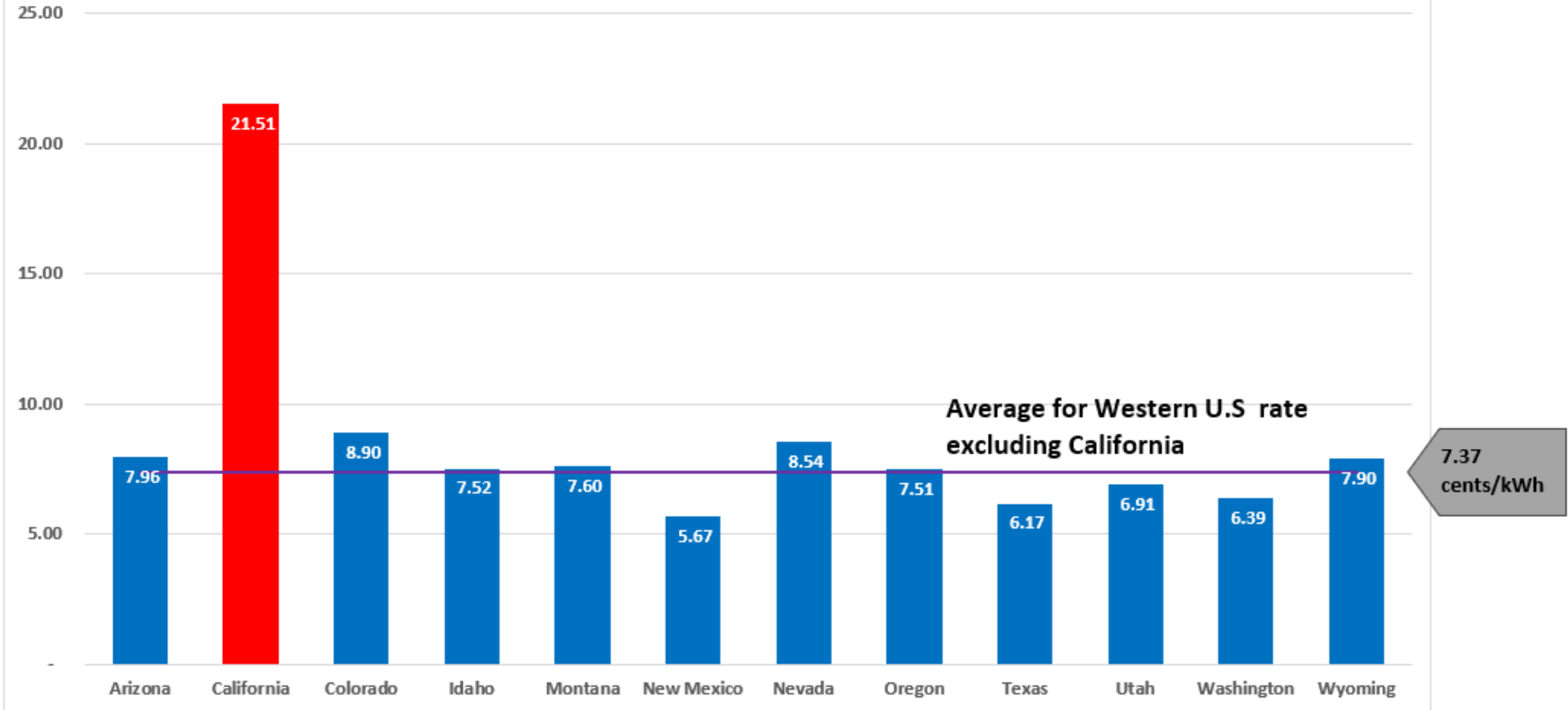


CALIFORNIA LARGE
ENERGY CONSUMERS
ASSOCIATION

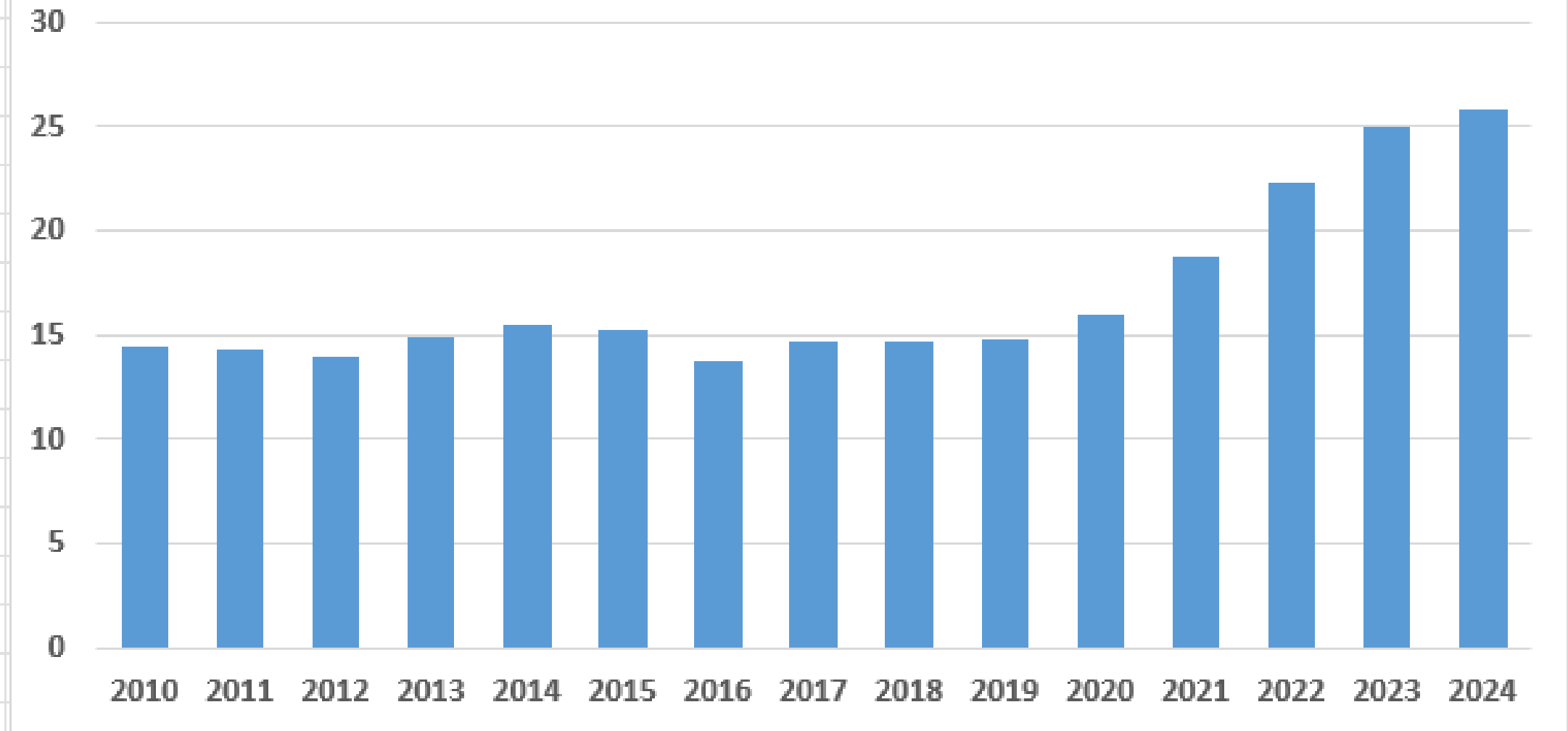
Nora Sheriff, Counsel to CLECA, Presentation to
Committee on Energy, Utilities and Communications
Oversight Hearing
February 19, 2025

Industrial Rates for Western U.S. (Cents/kWh)

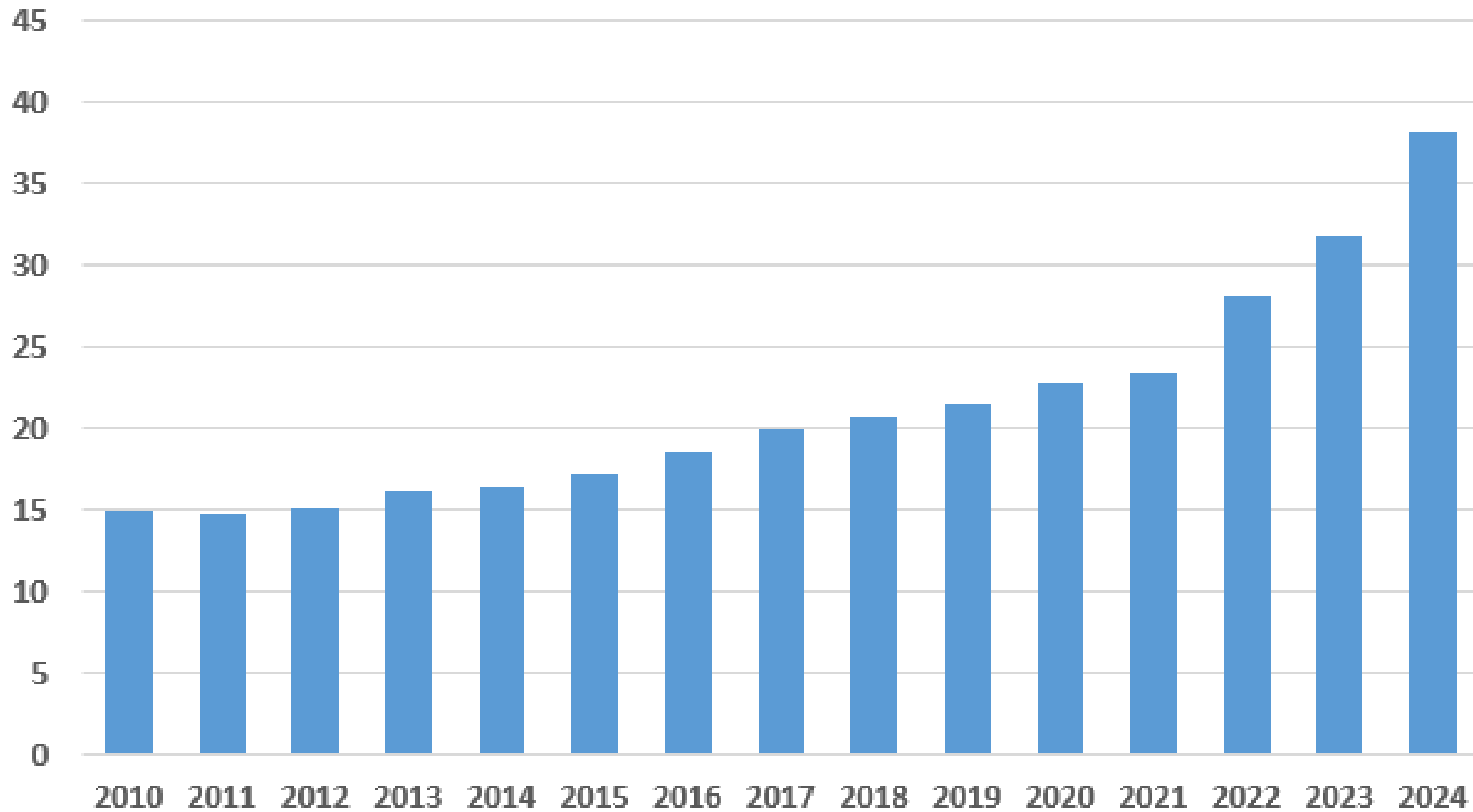
EIA Industrial Rates by State January 2024 - November 2024 (Preliminary)



Southern California Edison Co.: Industrial Average Electricity Rate
cents/kWh (January 2010 - November 2024)



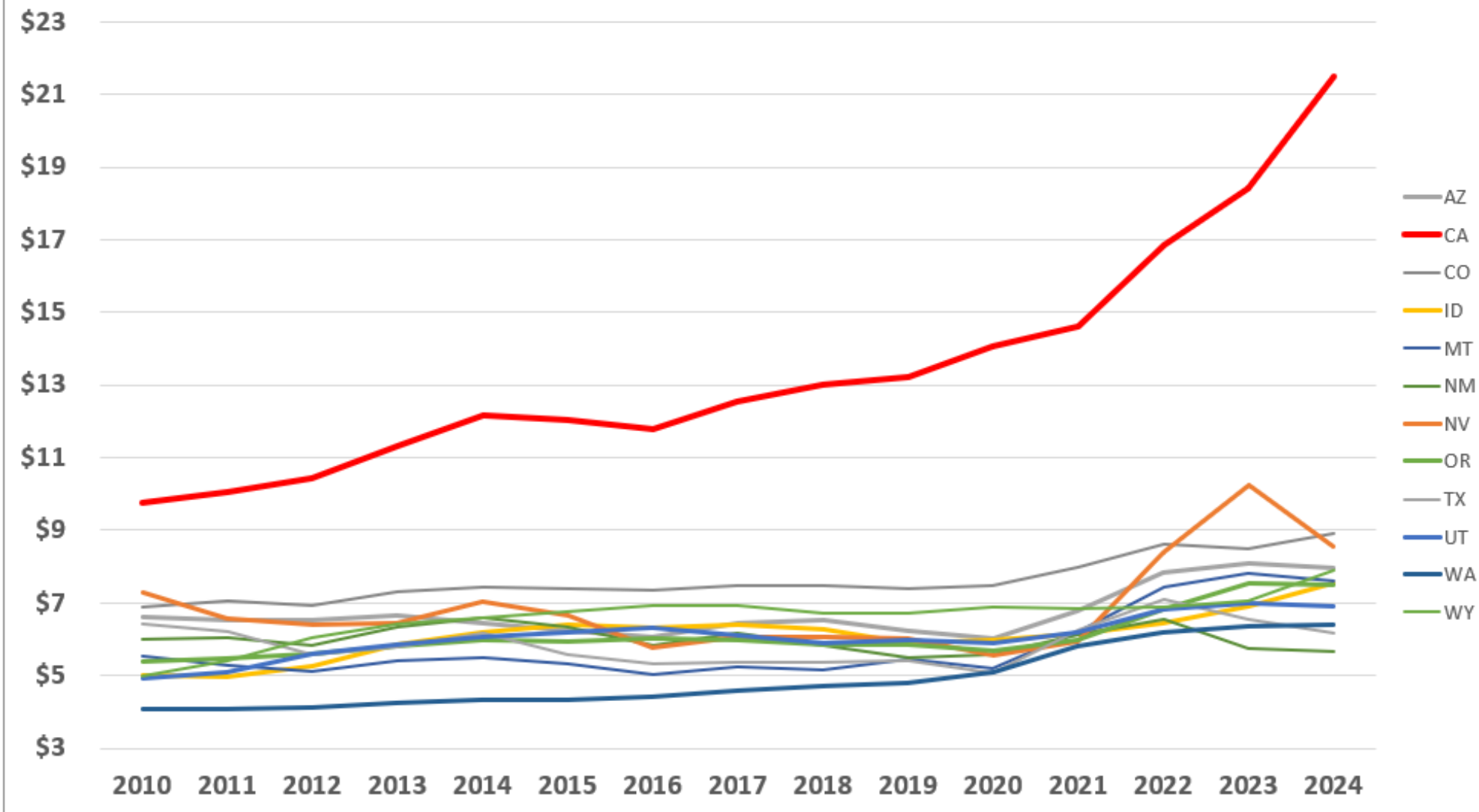
Pacific Gas & Electric Co.: Industrial Average Electricity Rate
cents/kWh (January 2010 - November 2024)



Industrial Sector Average Electricity Rate by State cents/kWh

Energy Information Agency, EIA-861M Report

January 2010 - October 2024



Improve Affordability

- Eliminate programs that are not cost-effective
- Remove social program costs from rates, while providing a safety mechanism for funding from non-ratepayer sources
- Consider alternative financing for capital investments
- Direct the CPUC to
 - ensure availability of effective dynamic pricing rates for new electrification loads to better utilize existing assets before approving significant spending on distribution grid assets to integrate new loads, and
 - time utility distribution grid investments to align with load growth, transmission and clean generation capacity availability

Improve Accountability

- Require CPUC Voting Meetings to start with a rates and affordability report
- Focus the CPUC on its “bread and butter”, that is, general rate cases, and limit the number of proceedings, rulemakings, balancing accounts and memo accounts

Improve Transparency

- Direct the CPUC to create affordability metrics for non-residential customer classes to measure the cumulative effect of utility rate requests
- Direct the CPUC to limit the number of rate changes per year to three
- Direct the CPUC to show cumulative rate impacts for all customer classes in the SB 695 and AB 57 reports, as well as 10-year comparisons to neighboring states' rates
- Have the CPUC direct the utilities to show rate impacts by customer class in the utility quarterly reports

Improve Industrial Customer Opportunities

- Direct the CPUC to implement:
 - AB 2109
 - Encourages customer / private capital investment in zero emission Industrial Process Heat Recovery (IPHR) technologies by exempting “departing load charges” for reductions in grid energy usage, similar to other energy efficiency technologies
 - The heat is converted into carbon free electricity that will be consumed on site, not exported to the electrical grid
 - Encourages new investment in zero-carbon IPHR technology, keeping good paying jobs and clean manufacturing in the state
 - Price Responsive Demand Response or Dynamic large power rates or both, allowing for dual participation with the Base Interruptible Program
- Streamline permitting, interconnection and study processes for customer sited resources