

July 2010 Rate Increase FACT Sheet

Rate increase FACTS:

- The EPUD Board of Directors approved a 4% rate increase on May 11.
- The decision came after review of proposals by the Citizens Advisory Committee, and after a public hearing to consider any public comment or concern.
- The increase is effective for all bills issued on or after July 1, 2010
- The increase will cost the average residential customer \$4 more per month.

Why are the rates increasing?

There are multiple factors behind the rate increase. The main point is, as the regional demand for power rises, the COST of power rises. Here are some points to consider:

- As the population of our region grows, so does the cost of providing power. New generating facilities, which are vital to producing additional power, cost 130% more to build today than they did in 2000.
- The demand for electricity will continue to increase as much as 30% by 2030.
- BPA can no longer provide enough power to supply our region. Now, each utility gets a certain SHARE of the limited amount of “cheap” power BPA can provide. This leaves EPUD with two more expensive options to meet our Districts growing energy needs:
 - 1.) Purchase market power.
 - 2.) Invest in our own renewable energy projects like small hydro at Dorena.
- Reliable service demanded by our customers requires maintenance and upgrades, which cost more and more as prices rise.
- EPUD’s industrial load has not yet recovered from the economic downturn which creates a shortfall in revenue for EPUD.

So what does this mean for EPUD Customers?

- EPUD MUST raise rates to cope with these issues and remain a solvent company.
- EPUD provides power AT COST. We raise rates only when necessary to cover the cost of providing power.
- The more power we consume, the more it will cost all of us. We all need to conserve and cut back power usage to avoid having to buy more expensive types of power.
- Rates will continue to increase as long as power consumption increases.

