

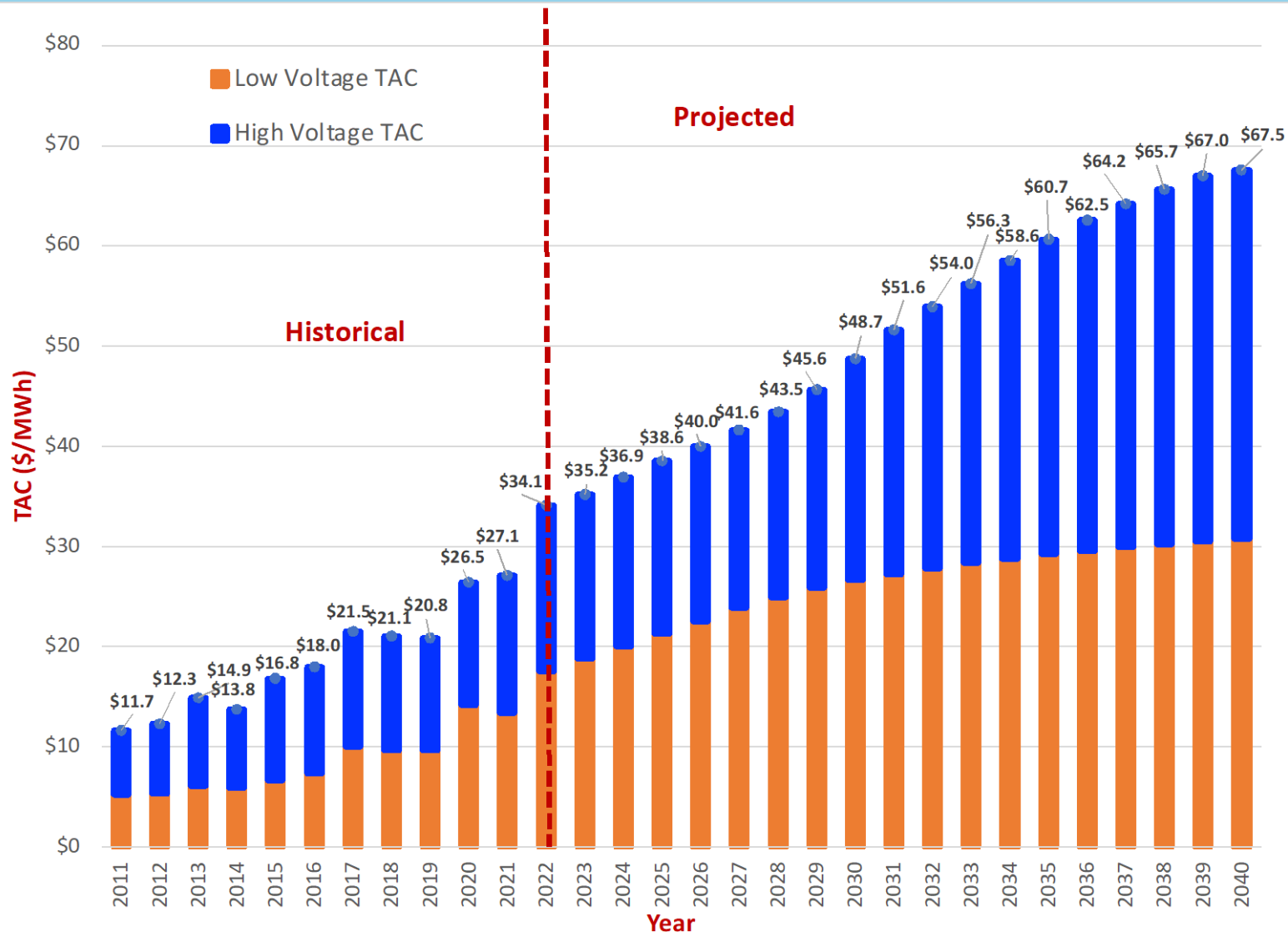
Flynn RCI on Transmission Cost Impacts

NCPA'S ANNUAL CONFERENCE 2022

LEGAL COMMITTEE MEETING

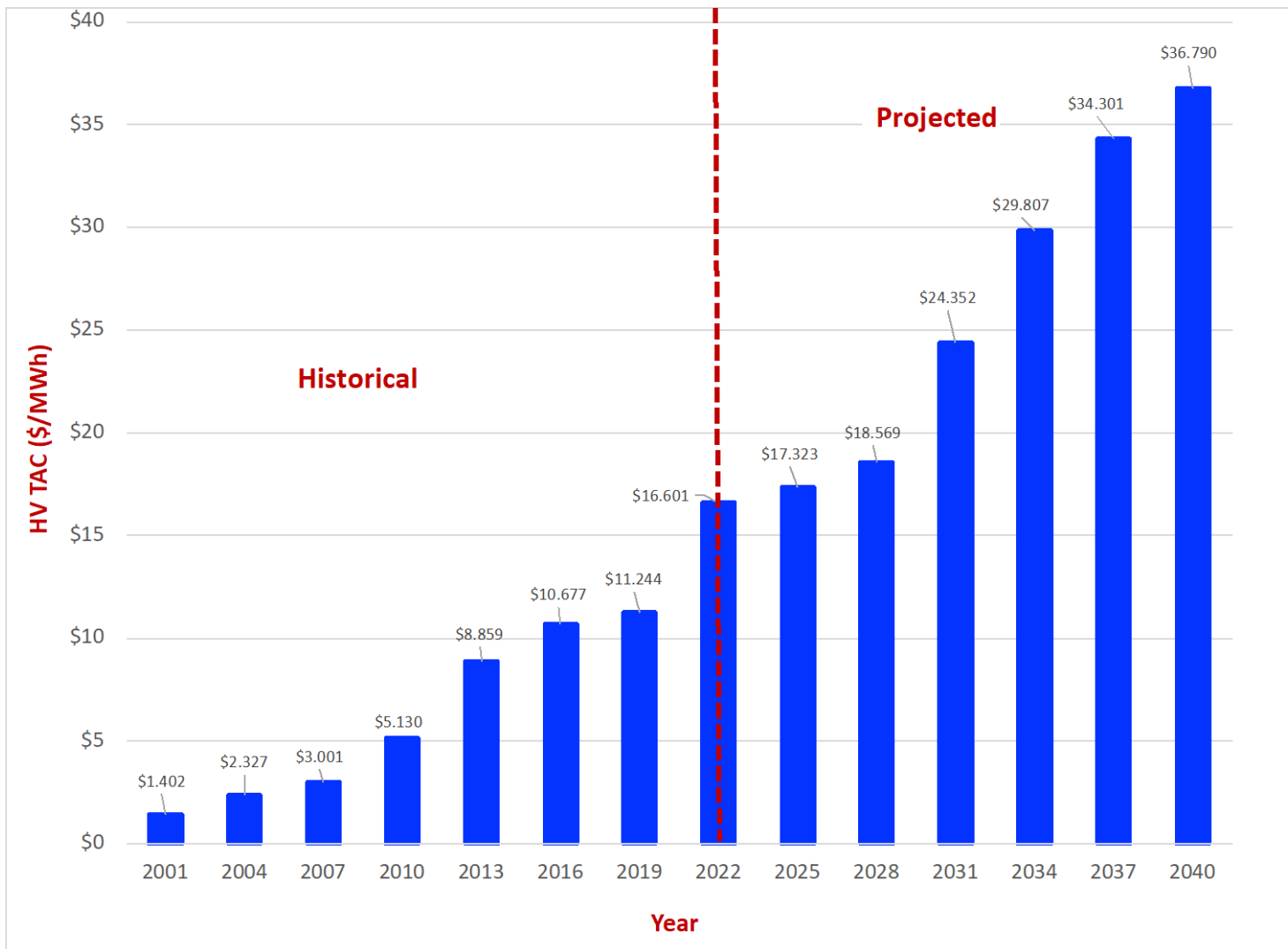
September 21, 2022

Historical and Projected TAC in Northern CA



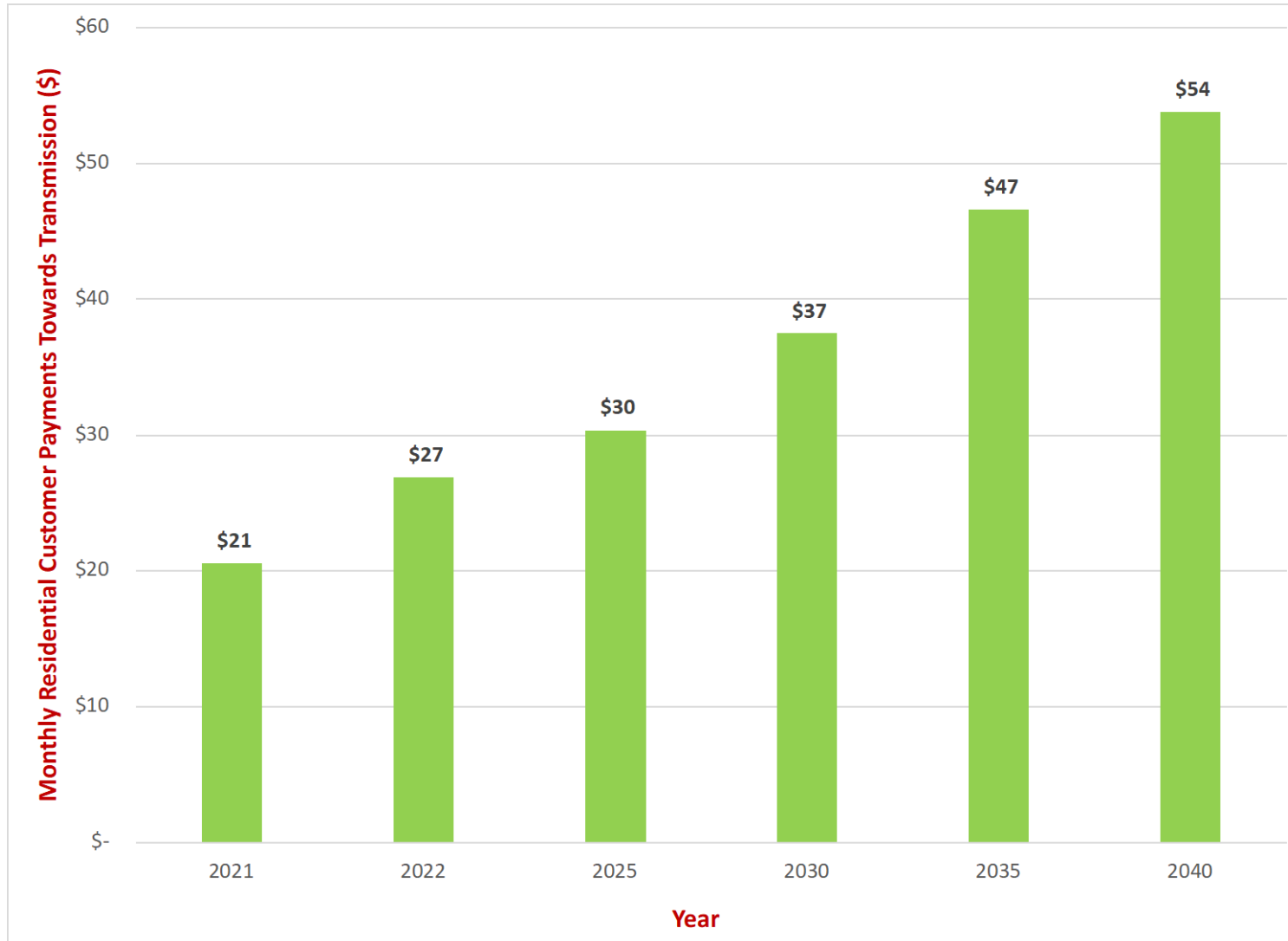
- Since 2010, Northern CA's combined TAC (LV+HV) has almost tripled.
- This trend continues. The projected combined TAC rates in 2030 and 2040 are projected to be approx. 43% and 98%, respectively higher than the current one.

Historical and Projected HV TAC



- Since 2001, the HV TAC has increased by more than ten-folds.
- This trend continues. The projected HV TAC rates in 2031 and 2040 are projected to be approx. 46% and 121%, respectively higher than the current one.

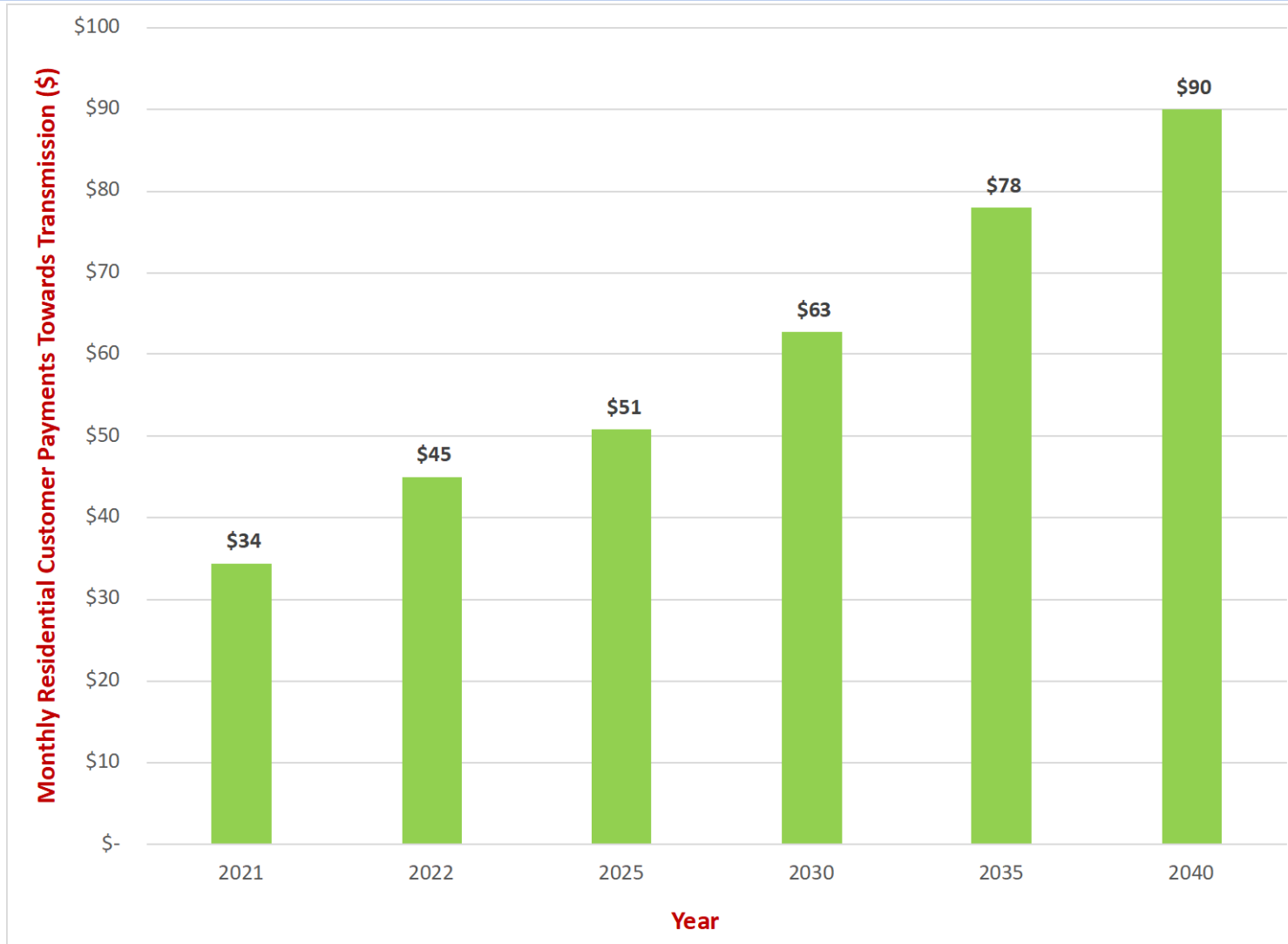
Customer Bill Rapidly Rising with Transmission Costs: PG&E



- ❑ In 2021 a Northern CA residential customer on average paid \$21 per year solely attributed to transmission component.
- ❑ It is ~\$27 in 2022, and is expected to rise to \$54 in 2040, which is 100% growth over 18 years.

Assuming average residential consumption of 572 kWh/month

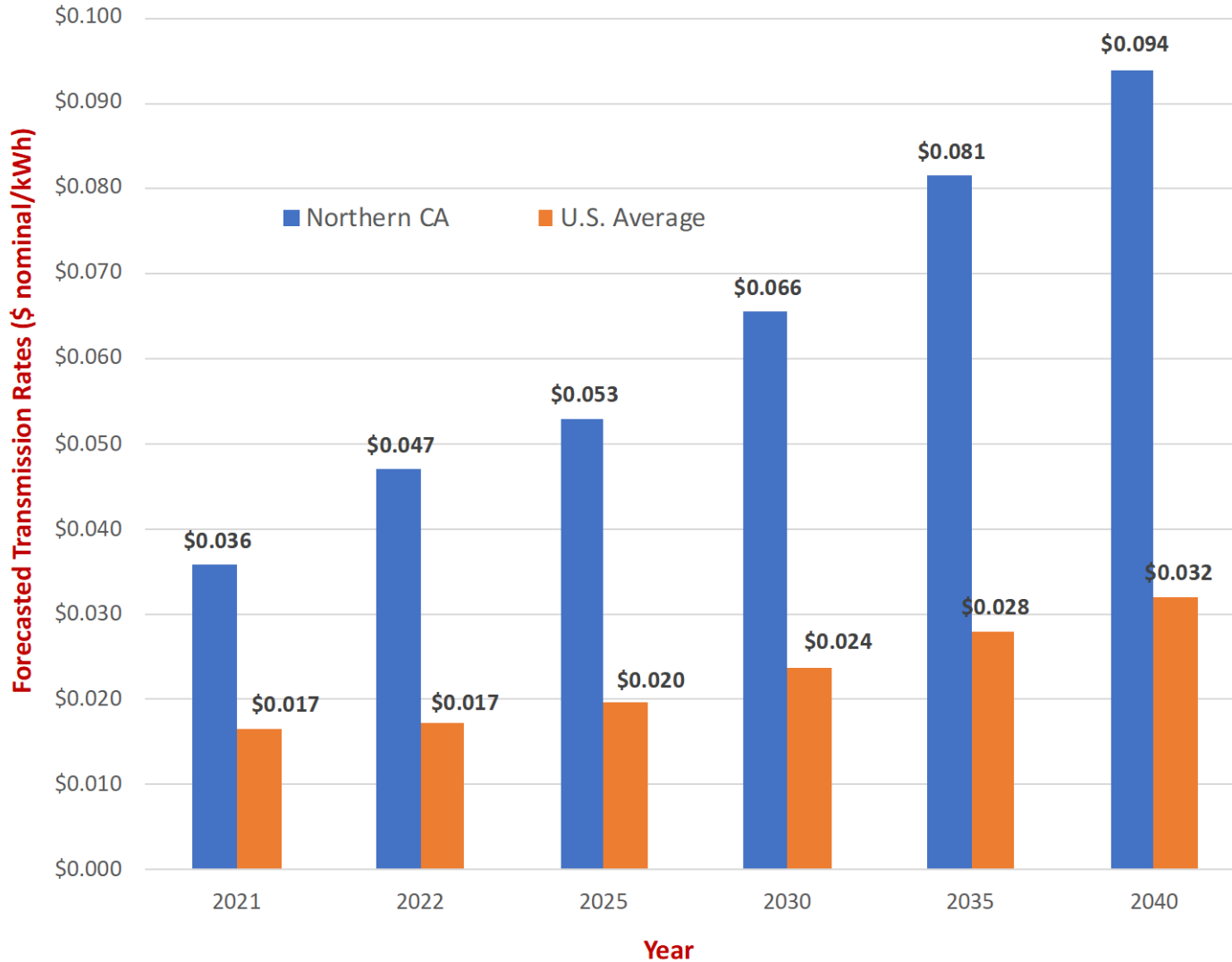
Customer Bill Rapidly Rising with Transmission Costs: Fresno



- ❑ In 2021 a residential customer in Fresno, CA on average paid \$34 per year solely attributed to transmission component.
- ❑ It is ~\$45 in 2022, and is expected to rise to \$90 in 2040, which is 100% growth over 18 years.

Assuming average residential consumption of 957 kWh/month

Northern CA vs. U.S. National Average Residential Transmission Rate



- ❑ The U.S. average residential transmission rates are approximately 47% of Northern CA rates in 2021
- ❑ By 2040, the projected U.S. average residential transmission rate is projected to increase by **92%** from the 2021 rate, whereas the Northern CA rates are expected to increase by **161%** from the 2021 rate.

Source U.S. Average Transmission Rate: EIA, Annual Energy Outlook 2022 National Energy Modeling System Forecast assumed to grow at same rate as N. CA beyond 2030