Maintaining competitive rates is a core value of the District.

Therefore:

a) The Board establishes a rate target of 18 percent below Pacific Gas & Electric Company’s published rates on a system average basis. In addition, the Board establishes a rate target of at least 10 percent below PG&E’s published rates for each customer class.

b) SMUD’s rate of change for both rates and bills shall be competitive with other local utilities on a system average basis.

c) In addition, SMUD’s rates shall be designed to balance and achieve the following goals:

i) Reflect the cost of energy when it is used;

ii) Reduce use on peak;

iii) Encourage energy efficiency and conservation;

iv) Minimize “sticker” shock in the transition from one rate design to another;

v) Offer flexibility and options;
vi) Be simple and easy to understand;

vii) Meet the needs of people with fixed low incomes and severe medical conditions; and

viii) Equitably allocate costs across and within customer classes.

Monitoring Method: GM Report
Frequency: Annual