

Expansion Outlook

City of Colusa

**Impact
Assessment
Study Findings
November 4,
2025**



Participants

Lisa Rhoads

Community Outreach Manager

Terrance Rodgers

Community Outreach Manager

Agenda

- I. Background Review
- II. About the Study
- III. Review of Study Results
- IV. Considerations
- V. Next Steps & Timeline
- VI. Questions

Background

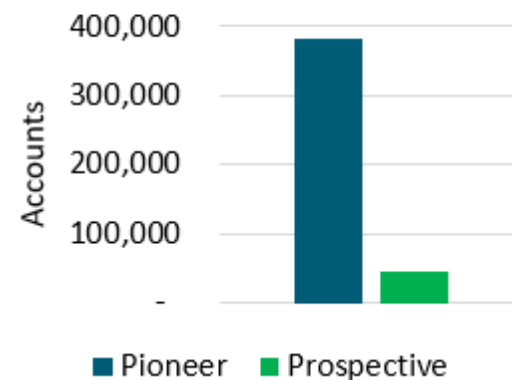
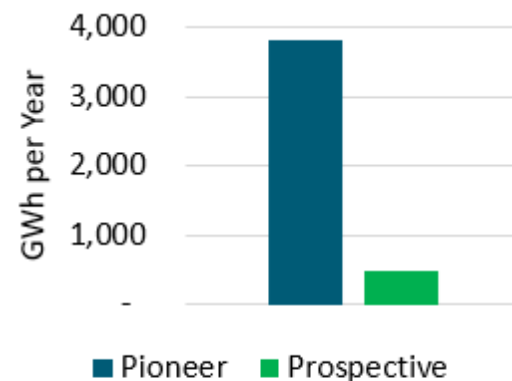
- **Summer 2025:** Pioneer presented to City of Colusa City Manager who authorized an Impact Assessment Study be conducted
- **October 2025:** An Impact Assessment Study was conducted to determine the economic feasibility of Pioneer service expansion into their respective communities
 - Expansion must make financial sense for all parties
 - Pioneer must have the ability to serve the increased load
 - Study results are shared with Pioneer's Expansion Committee and Board
 - Pioneer Board made recommendations on moving forward based on study findings
 - Pioneer issues a 30-Day Notice of Vote to Amend JPA to include Madera County, City of Chowchilla, and City of Colusa. (Provisional expansion into Colusa County and City of Williams.)

About the Study

- Jointly commissioned by Madera County, City of Chowchilla, and City of Colusa
- Conducted by Pacific Energy Advisors, a well-respected firm in the industry and highly experienced in the preparation of such studies
- Examined 24 consecutive months of data for each jurisdiction's electricity customers
 - Looked at consumption patterns and electricity load requirements
 - Used the data to create a forecast of future consumption, costs, and impacts to Pioneer's energy portfolio
- Examined many different scenarios and optimal timing for expansion
- Completed in October 2025 and results shared with Pioneer Board of Directors at its October 16 meeting

Total Customer Information

Classification	Accounts	Annual Energy (MWh)	Average Customer Usage (kWh/Mo.)
Residential	39,234	246,743	524
Com/Ind	4,572	197,766	3,605
Ag/Pumping	1,215	24,477	1,679
Total	45,021	468,985	868
Peak Demand (MW)	121		



Expansion to eligible customers would represent an approximate 12% increase to Pioneer retail sales.

Includes account data within Unincorporated Madera County, City of Chowchilla, and City of Colusa.

Data above are unadjusted for opt-out assumptions and excludes standby accounts.

Study Findings

- **Expansion** into Madera County and Cities of Chowchilla and Colusa is possible
- When comparing current rates to projected power supply costs at time of launch, **the study supports expansion in October 2027**
- **Start Date:** An October 2027 service commencement is reflected in the current expansion analysis.
- **Customers and Sales:** Forecast is based on historical PG&E data and assumes 90% customer participation; eligible accounts assumed as of December 2024. 2.07% annual load growth rate aligning with the CEC's planning forecast.

Study Findings

- **Revenues:** Rates based on current levels reduced by 20% to be conservative.
- **Incremental Costs:** Include power supply valued at current market prices (per Pioneer portfolio specifications) and customer billing.
- **Other implementation costs** would be incurred, such as utility service fees, marketing and outreach, regulatory and legal representation, internal operations, resource planning and procurement.

Fiscal Impact Summary

	FYE 2028	FYE 2029	FYE 2030	Total
Revenue (\$MM)	\$ 28.7	\$ 48.7	\$ 49.7	\$ 127.0
Operating Expenses (\$MM)	\$ 25.1	\$ 46.0	\$ 48.0	\$ 119.1
Net Operating Margin (\$MM)	\$ 3.6	\$ 2.6	\$ 1.7	\$ 7.9
Electricity Sales (MWh)	284,819	452,442	461,808	1,199,069
Avg. Revenue (\$/MWh)	\$ 100.60	\$ 107.53	\$ 107.53	\$ 105.89
Avg. Expense (\$/MWh)	\$ 88.09	\$ 101.70	\$ 103.91	\$ 99.32
Avg. Margin (\$/MWh)	\$ 12.51	\$ 5.83	\$ 3.62	\$ 6.57
Avg. Margin (% of Rev)	12%	5%	3%	6%

- *Reflects partial year of service for fiscal year ending June 30, 2028.
- Prior to Pioneer expansion, other implementation costs would be incurred. Such costs may be related to utility service fees, marketing and outreach, regulatory and legal representation, internal operations, resource planning and procurement.

Expansion Map

Current members

- El Dorado County
- City of Auburn
- City of Grass Valley
- City of Nevada City
- City of Rocklin
- Placer County
- City of Colfax
- City of Lincoln
- City of Placerville
- Town of Loomis

Planned expansion for Fall 2027

- Butte County
- Nevada County
- Colusa County
- Tuolumne County
- City of Colusa
- Live Oak
- Orland
- Willows
- Town of Paradise
- Glenn County
- Sutter County
- Madera County
- Chowchilla
- Chico
- Oroville
- Sonora
- Williams
- Yuba City

Pioneer Service

- Current Territories
- Confirmed 2027 Territories
- Prospective 2027 Territories

Alternate Utility Service

- Roseville Electric
- SMUD
- Liberty Utilities
- PG&E Only



Conclusions

- Projected fiscal impacts are positive and suggest that this is a win-win for both Pioneer and the jurisdiction
- Pioneer's Board recommends a launch after Summer 2027 that is consistent with the earlier approved expansion of 13 territories.
- This is a tight deadline set by the CPUC, however, Madera County and the cities of Chowchilla and Colusa can be included in the October 2027 expansion of service

Next Steps and Timeline

October

- Conduct Impact Assessment Study
- Share study results with Pioneer Board
- Board approves 30-day Notice to existing members of intention to amend JPA to allow new members

November/December

- Public meetings for new member Boards/Councils to adopt Ordinance (requires two readings) and approve Resolution
- After second reading of ordinance, new member applicants adopt Ordinance and approve Resolution with intent to join Pioneer
- Pioneer Board votes to amend JPA to include new members
- Pioneer files Implementation Plan with the CPUC by December 23

March 2026

- CPUC issues decision

May 2026

- Staff confirms commitment from new members before procuring power

October 2027

- New members begin service



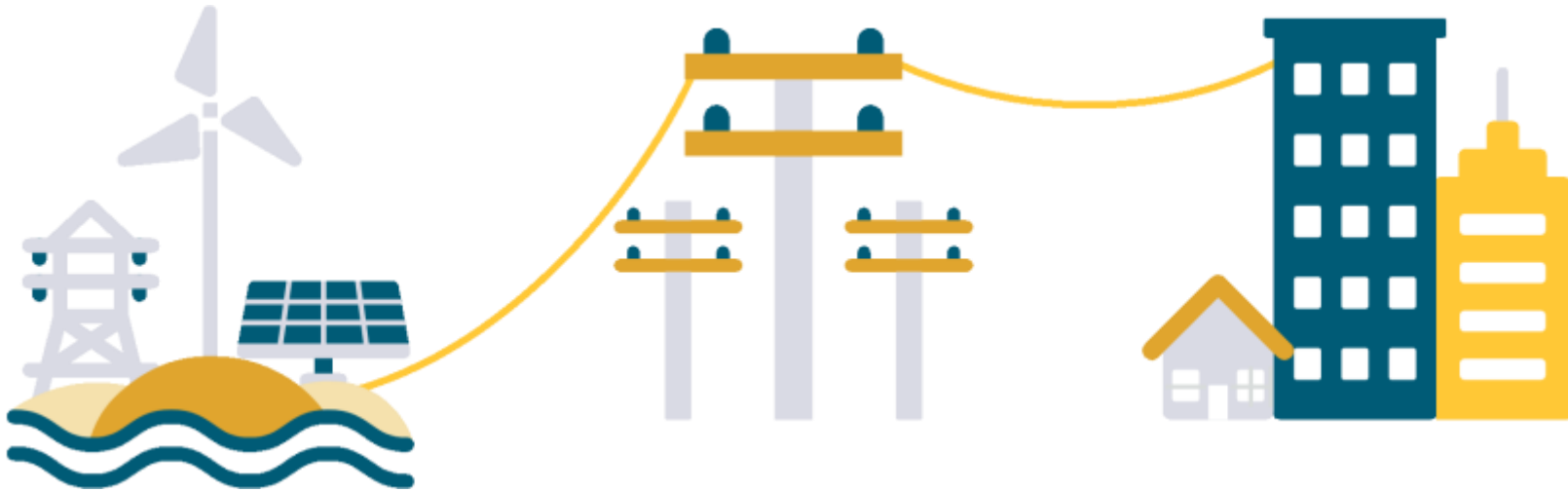
Appendix

Why Choose Pioneer?

- Pioneer serves inland, rural communities with similar priorities such as customer savings, community reinvestment, biomass, and economic development.
- Cost Savings – Saving customers money is our number one priority
- Minimal on-going staff time with added cost savings and no financial investment other than cost of Impact Assessment Study (\$15k)
- Creating opportunities to support biomass, and local power purchase agreements
 - El Dorado Irrigation District (\$37 million)
 - PCWA (Over \$10 million)
 - Sierra Pacific Industries (\$1.2 million)
 - Grass Valley- Biomass RFP
 - Western Placer Waste Management- biomass plant



How Does a CCA Work?



Pioneer buys electricity on the open market from various suppliers. Our buying team works with sources to negotiate pricing and ensure a steady, affordable energy supply.



PG&E delivers electricity, maintains the infrastructure of power lines and poles, and sends out bills to customers.



As a customer of both Pioneer and PG&E, customers get a choice in electricity providers. With Pioneer, you'll receive competitive rates, a choice in energy options and exceptional customer service.

Pioneer's Criteria for Expansion

Pioneer's Board adopted an expansion policy with these criteria:

- Makes financial sense – Pioneer would commission a third party to run an Impact Assessment Study to compare projected rates at time of launch with projected power supply cost to serve the new customers
- Be like-minded – Pioneer Board prioritizes:
 - Savings
 - Biomass – reliable energy, mitigates wildfire risks, jobs
 - Local projects = local jobs
- One Member – One Vote = no weighted voting

How are customers billed?



ENERGY STATEMENT

www.pge.com/MyEnergy

Account No:

Statement Date: 05/03/2023

Due Date: 05/24/2023

Service For:

Your Account Summary

Amount Due on Previous Statement	\$310.25
Payment(s) Received Since Last Statement	-311.00
Outstanding Credit Balance	-\$0.75
Current PG&E Electric Delivery Charges	\$80.73
Pioneer Community Energy Electric Generation Charges	51.35
Current Gas Charges	110.27

Questions about your bill?

Mon-Fri 7 a.m.-7 p.m.
Saturday 8 a.m.-5 p.m.
Phone: 1-800-743-5000
www.pge.com/MyEnergy

Total Amount Due by 05/24/2023	\$241.60
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PG&E Bill – Page #1

- Pioneer listed on the front page
- Customer pays total energy bill to PG&E – one payment
- PG&E remits \$ to Pioneer

What Makes Pioneer Unique?

Pioneer serves inland communities with similar priorities like customer savings, community reinvestment, exceptional customer service, and economic development

- **Local Control** - Pioneer is a Joint Powers Authority, a not-for-profit public agency, with a board of directors comprised of only elected officials from the jurisdictions we serve.
- **Ratepayer Savings** – We are committed to providing competitive electricity rates and have saved customers \$108 million since launching in 2018, with an additional \$37 million in savings anticipated in 2025.
- **Community Reinvestment** - Creating opportunities to support and develop biomass, and local generation projects and power purchase agreements
 - El Dorado Irrigation District (\$37 million)
 - PCWA (Over \$10 million)
 - Sierra Pacific Industries (\$1.2 million)
 - Grass Valley - Biomass RFP
 - Western Placer Waste Management – proposed biomass plant

Benefits

