



**Notice of Public Hearing – Proposed Electric Rate Adjustment
Wednesday, April 19, 2023, at 7:00 p.m.
at the City Council Chambers
10500 Civic Center Drive, Rancho Cucamonga, CA 91730**

The Rancho Cucamonga Municipal Utility (RCMU) has taken pride in extending the most reliable and affordable electric service rates to our customers for almost 20 years. However, during the last 6-9 months, the increase in the price of the natural gas market have severely impacted the wholesale price of electricity in the California Independent System Operator (CAISO) area of which RCMU is a part of. Unfortunately, RCMU has reached a point where these increased market costs can no longer be absorbed.

To manage these price spikes responsibly and fairly in the energy market, the following recommendation is being proposed to the Rancho Cucamonga City Council for review and approval:

- **Power Cost Adjustment Factor (PCAF)**: The addition of a PCAF will be a formula driven rate shown on the customer's monthly bill that will vary monthly depending on the wholesale costs RCMU pays to purchase electricity to meet all of our customer's needs.
- The purpose of the PCAF is to automatically adjust for any increases and/or decreases to RCMU's wholesale power related costs in order to recover the true energy costs RCMU pays. Therefore, the PCAF can be a charge for some months and a credit for other months.
- The PCAF is designed as a pass-through cost to the customer. RCMU will only collect what is necessary to recover our energy costs and nothing more.

For more information on the PCAF, please visit www.CityofRC.us/RCMU. If approved by the City Council, the revised RCMU electric service rates will become effective May 1, 2023.