

QUICK REFERENCE SHEET

Peak Day Pricing

Who

PG&E estimates more than 2,000 electrical service points in the Central Valley could be impacted by Peak Day Pricing. You are likely to be subject to Peak Day Pricing surcharges if you answer "YES" to Questions 1 **or** 2 **or** 3 **and** "YES" to Question 4:

1. Has PG&E mailed you a letter or has your PG&E Ag rep notified you that you're subject to Peak Day Pricing?
2. Do you have loads over 200 kilowatts (approximately 250 hp irrigation pump)?
3. Do you have a cold storage facility over 5,000 square feet?
4. Do you have Smart Meters or Interval Meters installed?

What

Peak Day Pricing is intended to discourage energy use during peak demand periods. For example, the average cost for a 200kW service point running for one hour could jump **from \$24/hour during non-peak times to \$224/hour during peak demand events**. Peak demand events typically happen:

- Hot summer afternoons when the need for power rises dramatically in heavily populated areas and affects PG&E's entire service area
- During power grid emergencies or maintenance outages

Why

Peak Day Pricing is in response to a statewide initiative by the California Public Utilities Commission (CPUC), which oversees all of the state's electric utilities. The goals of Peak Day Pricing are:

- Reduce electricity needs during peak demand periods
- Avoid blackouts and stabilize the power grid
- Ease the load on existing power plants and defer the need to build new ones
- Lower the output of greenhouse gases
- Transition to "cost-based pricing" by aligning rates with the actual costs of power generation and distribution

Where

Peak Day Pricing will apply to all PG&E agriculture customers throughout California. However, the greatest impact will be felt in the Central Valley. This is where there are the greatest number of service points that use over 200 kilowatts (a key threshold for Peak Day Pricing programs). Service points typically include large irrigation pumps, refrigeration systems for cold storage facilities and motors for food processing sites.

When

Starting Feb. 1, 2011, PG&E will begin implementing pricing program changes for agriculture customers. Actual customer enrollment dates will vary based upon a number of factors:

- Installation of Interval meters or Smart Meters
- Track record of 12 months of continuous electricity usage data

Demand Response Incentive Programs such as **Peak Energy Agriculture Rewards (PEAR)** offer relief from Peak Day Pricing surcharges, plus cash incentives for shutting down service points during peak demand events. A PEAR specialist can help you determine if you're eligible:

Phone a PEAR specialist: **888-630-7327**

Email a PEAR specialist: **PDP2@PEARcalifornia.com**

