

# Rate Cases Surge

**THE NUMBER OF** electric and natural gas utility rate cases decided by state regulatory commissions soared to a near decade high of 70 last year – more than double the number decided in 2001.

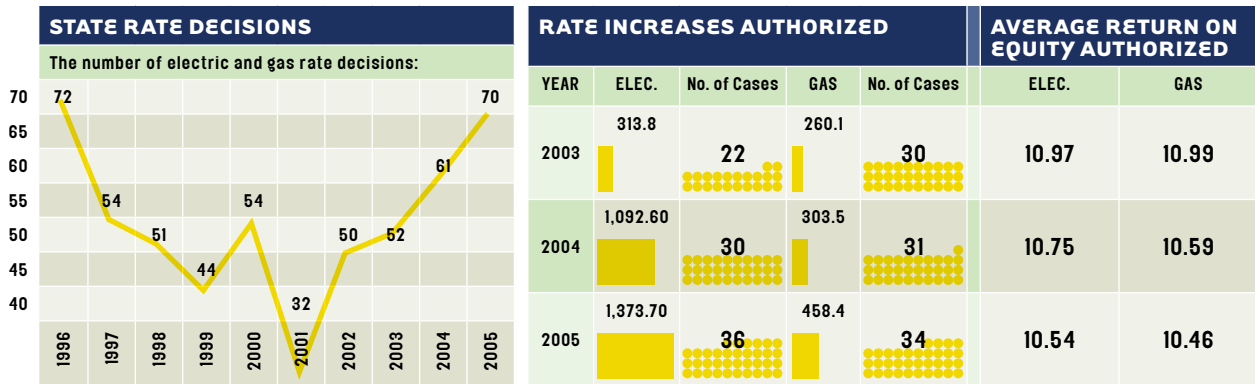
Regulators last year authorized \$1.4 billion of increases – a 25 percent increase from 2004 – in 36 electric rate cases. They also approved \$458 million in total increases in 34 natural gas rate cases. That sum is more than 50 percent higher than in 2004.

The average returns on equity authorized in 2005 slipped from 2004, even though interest rates, a major

cost of doing business for utilities, were increasing.

Robert Schain, president of Regulatory Research Associates, in New Jersey, said, “Companies have shed much of their diversified activities and are now looking to their utility operations for more growth. Also, many utilities are trying to receive rate recognition of their latest capital investments.”

Schain also pointed out that rates will become visible issues in states that have freezes coming to an end, including Illinois, Ohio, Pennsylvania, Delaware, Maryland, and Virginia.



Source: Regulatory Research Associates

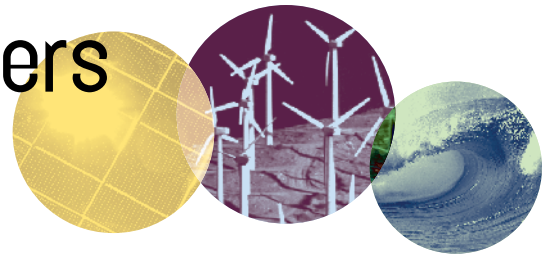
# Renewable Winners

LAST YEAR, CONSUMERS purchased 2.7 billion kilowatt hours of renewable electricity, an increase of 36 percent from 2004.

Austin Energy in Texas was tops in overall renewable power sales.

Xcel Energy had the largest number of participants, followed by PacifiCorp.

The city of Palo Alto Utilities in California was number one in customer participation rates.



Lori Bird, senior energy analyst with the U.S. National Renewable Energy Laboratory, which compiled the figures, said, “Utility green power sales continue to show strong growth across the country. These utilities are the national leaders.”

TOP RENEWABLE ENERGY SALES - 2005	
Utility - Sales kilowatt hours per year	
Austin Energy	435.1 million
Portland General Electric	339.6 million
PacifiCorp	234.2 million
Florida Power & Light	224.6 million
Sacramento Municipal Utility District	195.1 million

TOP TOTAL No. OF CUSTOMER PARTICIPANTS	
Utility	Participants
Xcel Energy	49,354
PacifiCorp	42,269
Portland General Electric	40,570
Sacramento Municipal Utility District	31,229
L.A. Department of Water & Power	24,380

CUSTOMER PARTICIPATION RATES	
Utility	Rate
City of Palo Alto Utilities	13.6 percent
Lenox Municipal Utilities	12.6 percent
Montezuma Municipal Light & Power	6.3 percent
Holy Cross Energy	6 percent
Sacramento Municipal Utility District	5.5 percent

Source: U.S. National Renewable Energy Laboratory