

Utah's electricity prices can remain among the lowest in the world

by Richard Walje, president, Rocky Mountain Power

The men and women who work at Rocky Mountain Power are proud to provide electric service to Utah. We've provided safe, reliable, reasonably priced electricity to our customers for nearly 100 years. That foundation of long experience helps us plan for the future needs of customers and advise Utah on how developing energy policy is likely to affect electricity prices. A good understanding of our current energy situation—as well as what the future holds—will help all of us collectively shape our future.

For years, Utah electricity prices have been among the lowest in the world, and Utah's past energy decisions played a big role in that. These low electricity prices have contributed to Utah's phenomenal growth in recent years as new businesses and families are attracted to our state. Even with the recession, customers are using more electricity than ever before. We're working hard to ensure electricity is available to support this growth. We're expanding neighborhood electric systems and building new power plants for you. We're also building new transmission lines to move the electricity from where it's generated to your homes and businesses. And, we're improving the environmental performance of existing low-cost power plants, allowing them to continue to meet environmental regulations and supply some of the lowest-cost electricity in the nation.

The increasing demand for electricity and new environmental regulations unavoidably increase electricity prices. We've been straightforward in talking about the future of prices. Like the building phase in the 1970s to the mid-1980s—when new power plants and transmission lines were built to serve you—annual increases in electricity prices are likely for the next decade. Even with these increases, Rocky Mountain Power is committed to retaining our position as a low-cost electricity provider. Customers can be assured that our decisions are thoroughly reviewed by the Public Service Commission of Utah to ensure we act in your best interests. We also invite public input as we make these decisions on your behalf.

No one likes price increases; we get that. However, electricity is a growing part of modern life and essential for the economy—for our homes and for businesses that mean jobs today and for our children. We work hard to control costs to keep electricity prices low. Over the past four years, we cut our own operating costs 32 percent through improved efficiency. We continue to look for ways to become more efficient.

You can help keep electricity prices low, too. We offer award-winning programs to help you use less electricity and lower your energy bills. This helps individuals with their personal finances and helps keep electricity prices low for everyone because it delays the need to build costly new power plants. Cash incentives for efficient appliances, refrigerator recycling, better home insulation and other programs are popular with customers and highly effective. Customer participation in these programs saves enough electricity to power 28,000 average residential homes for a year.

Our recent price increase request would mean about \$10 more on a typical monthly residential bill. To put that in perspective, Rocky Mountain Power now provides power for homes, work, schools, hospitals and entertainment—all for about 79 cents a day per person. The increase is an additional 12 cents.

As we continue the challenging work to ensure safe, reliable, reasonably priced electric service, we hope citizens will become involved in understanding and shaping our energy future. Our website, www.rockymountainpower.net, contains information customers can use to learn more about our business and steps they can take to use electricity more efficiently. We look forward to our continuing partnership.