

EXPANSION OUTLOOK

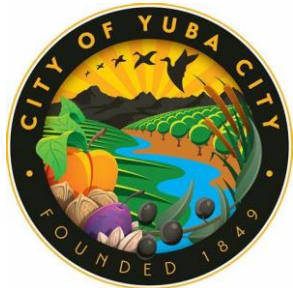
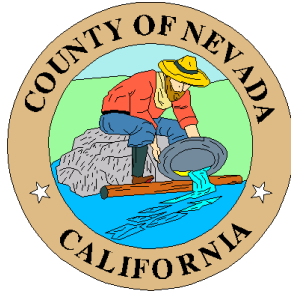
Nevada County

November 12, 2024

Background

2023	<ul style="list-style-type: none">• Nevada County considers joining Pioneer, but results of Impact Assessment Study find significant market restraints due to pricing and availability of Resource Adequacy and renewable resources• Board of Supervisors chooses to wait until conditions are more favorable
January 2024	<ul style="list-style-type: none">• Pioneer launches service in cities of Grass Valley and Nevada City• Pioneer call center reports consistent and ongoing contact from residents in the unincorporated areas of Nevada County wanting to join Pioneer
Spring/Summer 2024	<ul style="list-style-type: none">• Pioneer alerts Nevada County that several additional municipalities are interested in joining Pioneer and likely will commission an Impact Assessment Study• Nevada County decides to commission an updated Impact Assessment Study to determine the feasibility of service expansion<ul style="list-style-type: none">◦ Expansion must make financial sense for all parties◦ Pioneer must have the ability to serve the increased load
Summer 2024	<ul style="list-style-type: none">• Impact Assessment Study is conducted
Fall 2024	<ul style="list-style-type: none">• Study results are shared with Pioneer's Expansion Committee and Board of Directors<ul style="list-style-type: none">◦ Pioneer shares study findings and Board recommendations with jurisdictions

Growing Interest In Pioneer ...

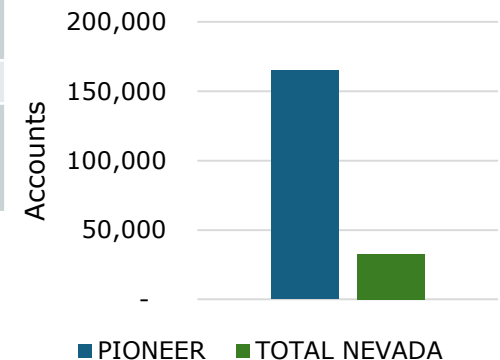
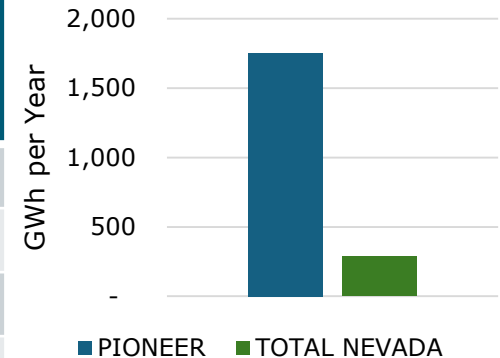


Two Questions IAS Must Answer

- **Does it make financial sense to move forward with expansion?**
 - **Purpose of the Impact Assessment Study**
- **Do we have the power supply resources to serve?**
 - **Answers the best timing for launch**

Nevada County Customer Information

Classification	Accounts	Annual Energy (MWh)	Average Customer Usage (kWh/Mo.)
Residential	30,509	237,368	648
Com/Ind	2,089	47,421	1,892
Ag/Pumping	100	2,786	2,322
Street Lighting	220	261	99
Total	32,918	287,836	729
Peak Demand (MW)	57		



Expansion to Nevada County customers would represent an approximate 16% increase to Pioneer retail sales.

Includes account data within Unincorporated Nevada County.

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

Assumptions in the Study

- Examined 2 years of consecutive data (2022/2023)
- Projected revenues from current rates
 - Very conservative approach
 - Current rates average 7% discount
- Power Supply Energy
 - Renewable Energy
 - Resource Adequacy

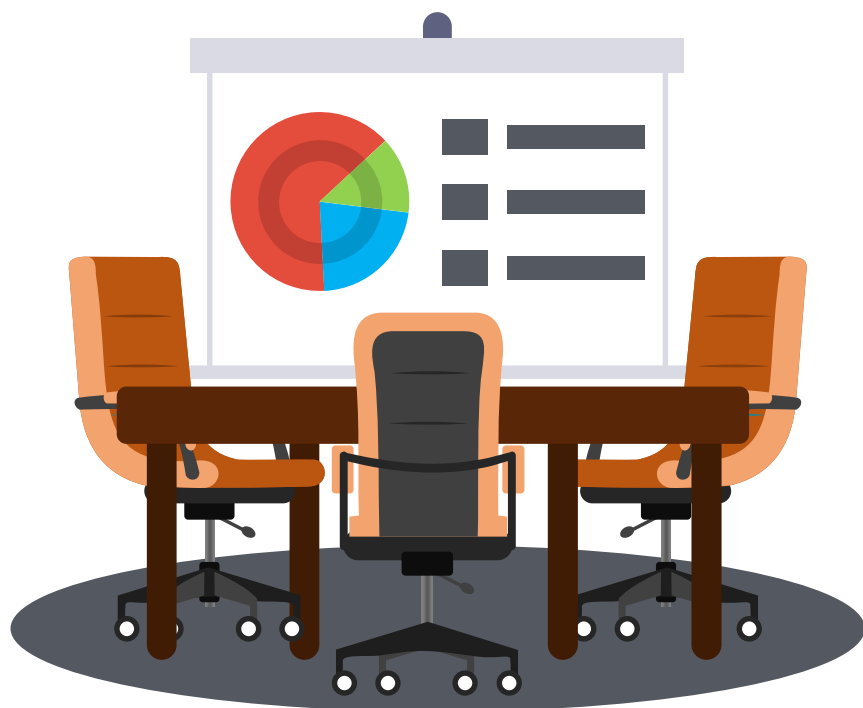


Fiscal Impact Summary

	FYE 2028	FYE 2029	FYE 2030	Total
Revenue (\$MM)	\$ 162.8	\$ 254.8	\$ 260.1	\$ 677.7
Operating Expenses (\$MM)	\$ 141.9	\$ 252.4	\$ 252.0	\$ 646.3
Net Operating Margin (\$MM)	\$ 21.0	\$ 2.4	\$ 8.1	\$ 31.4
Electricity Sales (MWh)	1,264,837	1,848,607	1,886,873	5,077,642
Avg. Revenue (\$/MWh)	\$ 128.82	\$ 135.04	\$ 135.04	\$ 133.47
Avg. Expense (\$/MWh)	\$ 112.15	\$ 133.77	\$ 130.86	\$ 127.28
Avg. Margin (\$/MWh)	\$ 16.57	\$ 1.27	\$ 4.18	\$ 6.19
Avg. Margin (% of Rev)	13%	1%	3%	5%

- *Reflects partial year of service for fiscal year ending June 30, 2028. This forecast is for all 10 jurisdictions.
- 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

Pioneer Board Direction



- Pioneer's Board received a presentation on Sept. 19th on the results of the study
- Study recommended launch of October 2027 for all 10 jurisdictions.
- Over the next few months, Pioneer will confirm all parties remain on course to join and in parallel conduct market assessment on resources
- Return to the Board in December with a consideration to start the expansion process

Next Steps

Sep 2024
Initial study
results
shared with
Expansion
Committee

**Oct-Nov
2024**
Staff analyzes
resource
constraints
and creates
enrollment
phasing
schedule

**Nov-Dec
2024**
Board
approves new
memberships
and JPA
Amendment

Feb-Mar 2025
Implementation
Plan
Amendment
submitted to
CPUC

Sep-Oct 2024
Results shared
with
prospective
members

Dec 2024
Staff brings
enrollment phasing
schedule to
Expansion
Committee for
Board
recommendation

Jan-Feb 2025
Nevada
County
adopts
ordinance,
two readings

Action Item for Today

- **Has the proposed launch date of October 2027 impacted your decision to move forward?**
- **Planning for upcoming activities:**
 - **Pioneer Board meets December 19 to vote on expansion.**
 - **Nevada County votes to approve ordinance in January. January/February - first and second reading of ordinance**
 - **Filing of Implementation Plan with CPUC in March**

Thank you for your time today

Questions:

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