Cass County Electric Cooperative

5/8/23

Staff Plan for 2021 PURPA Compliance

Two new PURPA 111(d) standards were enacted in 2021 via the Infrastructure Investment and Jobs Act ("IIJA") (Public Law 117-58). They require non-regulated cooperatives to consider adopting standards on promoting greater transportation electrification (Sec. 40431) and utility demand response (Sec. 40104).

Cass County Electric Cooperative (CCEC) already has policies consistent with, support, and implement the new PURPA standards being considered, as discussed herein. As such, CCEC staff does not request the addition of new or amended policies relative to the new PURPA standards. That said, CCEC staff welcomes the public's comments and recommendations of the Board regarding improvements to the current CCEC policies for compliance with these new PURPA standards. These new standards are codified at 16 U.S.C. 2621(20) and (21), and, in relevant part, state the following:

1. Utility Demand Response (Sec. 40104)

(20) Demand-response practices

(A) In general – Each electric utility shall promote the use of demand-response and demand-flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.

Cass County Electric Cooperative's Commitment to Demand Response:

In partnership with its power supplier, Minnkota Power Cooperative ("Minnkota"), Cass County Electric Cooperative ("CCEC") helped pioneer its demand response program. The program began in 1977, and now nearly 55,000 consumers participate.

The demand response program is a strategic tool to strengthen the grid's reliability while saving member-consumers millions of dollars.

Electricity consumers in the region voluntarily sign up for the program, which allows Minnkota the flexibility to temporarily turn off electric heating, water heaters, vehicle charges, grain drying, and commercial load with on-site backup generation.

About 350 megawatts, or about 1/3 of Minnkota's peak load, can be temporarily interrupted from Minnkota's control center in Grand Forks, North Dakota.

CCEC has more than 10,000 members that participate in its demand response program. CCEC continues to promote the advantages of reducing peak demand and saving its members money on their electric bills by participating in the program. The following information highlights CCEC's current promotions with regard to its demand response program:

Promotions – Demand Response:

Website

https://casscountyelectric.com/energy-management

https://casscountyelectric.com/timedayrate

Brochures

Contractor Guide

https://casscountyelectric.com/contractor-information

Business Accounts Guide

https://casscountyelectric.com/BusinessAccounts

Monthly Mailed & Emailed Co-op Publication

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https://issuu.com/casscountyelectriccooperative/docs/2022-february-hln

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https://issuu.com/casscountyelectriccooperative/docs/2022-march-hln

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https://issuu.com/casscountyelectriccooperative/docs/2022-april-hln

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https://issuu.com/casscountyelectriccooperative/docs/2022-may-hln

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https://issuu.com/casscountyelectriccooperative/docs/2022 june hln

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https://issuu.com/casscountyelectriccooperative/docs/2022 october hln

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https://issuu.com/casscountyelectriccooperative/docs/2023 january hln

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https://issuu.com/casscountyelectriccooperative/docs/2023 hln april annual

report

Radio Advertisements

WDAY 970 AM

"There's a lot of talk about inflation out there, but you know what hasn't risen? Cass County Electric Cooperative's energy rates! And we're looking to save you even more!

Next to heating and cooling your home, water heating is the largest energy user. If you are looking for ways to save money, we may be able to help through our off-peak program. We offer a reduced rate in exchange for the ability to interrupt water heaters.

If you plan to replace heating and cooling equipment in your home – or you're simply building new – call us to hear how you can save with innovative electric technologies on our off-peak program.

Big rebates and an even LOWER electric rate? There's nothing inflated about that. Call Cass County Electric Cooperative or visit CassCountyElectric.Com to save today!"

The Flag AM 1100

"There's a lot of talk about inflation out there, but you know what hasn't risen? Cass County Electric Cooperative's energy rates! And we're looking to save you even more!

Next to heating and cooling your home, water heating is the largest energy user. If you are looking for ways to save money, we may be able to help through our off-peak program. We offer a reduced rate in exchange for the ability to interrupt water heaters.

If you plan to replace heating and cooling equipment in your home – or you're simply building new – call us to hear how you can save with innovative electric technologies on our off-peak program.

Big rebates and an even LOWER electric rate? There's nothing inflated about that. Call Cass County Electric Cooperative or visit CassCountyElectric.Com to save today!"

Questline Residential Digital Newsletter May 2023

Questline Business Accounts

CCEC 2021 Recap February 2022
5 Steps to Lower Peak Demand June 2022
Sounding the Alarm on Grid Reliability June 2022
Nation's Electric Grid Could Face Winter Challenges January 2023
2022 Annual Report April 2023

(B) Rate Recovery - . . . (ii) Nonregulated electric utilities – A nonregulated electric utility may establish rate mechanisms for the timely recovery of the costs of promoting demand-response and demand flexibility practices in accordance with subparagraph (A).

CCEC's Commitment to Establish Demand Response Rates:

CCEC's rates are set by its Board of Directors, with input from CCEC staff. To ensure its rates are fair and equitable, CCEC hires a national rate consultant every four years to

perform a comprehensive cost-of-service study. The rate of return on rate base for demand response rates includes administrative and promotion expenses.

CCEC's demand response rates are 25-50% lower than standard rates because the loads are controlled during coincidental peak demand periods in the winter and summer.

The following information provides examples of the demand response rates CCEC offers to its members:

Demand Response Policy:

- 1. Energy Innovation Policy 323 (Exhibit __)
- 2. Rate Schedules Policy 314 (Exhibit ___)

Demand response (off-peak) rates for:

- Grain drying (rates 6,8,628,658,660)
- Irrigation (rates 400,401,410,411)
- Off-peak heating (rates 600,610,630,635,922,923,934,925,936,927,932,934,936)
- Water heating
- Commercial time of use (rate 310)

2. Promoting Transportation Electrification (Sec. 40431)

(21) Electric vehicle charging programs

Each State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that—

(A) promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure.

CCEC currently has a PILOT Time-of-Day (TOD) rate. The TOD rate allows members to reduce energy costs by shifting their usage times to off-peak hours. Electric vehicle ("EV") chargers are a load that will fit this rate perfectly. Members can charge their EVs during low-demand hours with discounted electric rates. CCEC also has a fixed off-peak electric rate available for members with EVs and a rebate for EV chargers installed on the program. CCEC performs cost-of-service studies to ensure all members' rates are fair and equitable.

TOD pilot rate

EV – off-peak rates

Promotions - EV

CCEC promotes EVs and EV charging on its website with YouTube videos highlighting the first EV school bus in North Dakota and the first EV motorcycle in North Dakota. The EV motorcycle is part of the Fargo Police Department's fleet, and the EV school bus is in the West Fargo Public School's fleet – both of which were promoted and sponsored by CCEC. Also promoted on the CCEC website is general information on EVs, charging options and locations, and CCEC programs, including off-peak rates, rebates, and the TOD pilot rate. CCEC sends information regarding EVs and EV charging to the membership via CCEC's newsletter (Highline Notes), the Contractor Guide, Business Accounts and Residential newsletters, and bill-stuffers. See the links below.

Website:

https://casscountyelectric.com/electric-vehicles

Monthly Mailed & Emailed CCEC Publication

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https://issuu.com/casscountyelectriccooperative/docs/2022-february-hln

Highline Notes August 2022 Page 4/5, Page 10

https://issuu.com/casscountyelectriccooperative/docs/2022_august_hln

Highline Notes September 2022 Page 12

https://issuu.com/casscountyelectriccooperative/docs/2022_september_hln

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https://issuu.com/casscountyelectriccooperative/docs/2022_october_hln

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Contractor Guide

https://casscountyelectric.com/contractor-information

Business Accounts Guide

https://casscountyelectric.com/BusinessAccounts

Questline Business Accounts

Charge Up Your Forklifts: 5 Reasons to Go Electric February 2022

Do's and Don'ts: Transitioning Your Fleet to Electric April 2022

5 Steps to Switching to Electric Fleets July 2022

3 Energy Trends to Watch in 2023 January 2023

Getting Your Building Ready for Electric Vehicles April 2023

(B) improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles.

CCEC promoted the installation of three Level-3 EV chargers in the Fargo area through the Volkswagen settlement funds. CCEC has also sponsored four Level-2 chargers at various businesses and CCEC service centers in Arthur, Kindred, Lisbon, Valley City, and Fargo, North Dakota.

CCEC-Sponsored EV Charging (Exhibit ____)

Level 2 Chargers

- West Acres Mall
- Hornbacher's Grocery store
- CCEC service center
- Sanford Hospital

Level 3 Chargers

- Fargo Convention and Visitor Center
- West Acres Mall
- Hornbacher's Grocery store

(C) accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and

CCEC's Business Accounts team incorporated educational and informational material regarding EVs and EV charging into the materials used for in-person member visits. This information is included in direct mailings via the Business Accounts Newsletter. CCEC also works with City and State Governments to educate on electrifying main traffic corridors and preparing for EVs.

(D) appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.

CCEC currently has a PILOT TOD rate. The TOD rate allows members to reduce energy costs by shifting their usage times to off-peak hours. EV chargers are a load that will fit this rate perfectly. Members can charge their EVs during low-demand hours with discounted electric rates. CCEC also has a fixed off-peak electric rate available for members with EVs and a

rebate for EV chargers installed on the program. CCEC performs cost-of-service studies to ensure all members' rates are fair and equitable.