Infrastructure and Jobs Act

Hearing regarding consideration of PURPA Standard Revisions July 24, 2023



Utility Demand Response

Each electric utility shall promote the use of demandresponse and demand-flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.



Demand Response

- Demand response program pioneer
- Began in 1977
- Voluntary
- Nearly 55,000 Minnkota consumers participate
- >10,000 CCEC members participate
- Strengthens the grid's reliability while saving members millions.
- Temporarily turn off electric heating, water heaters, vehicle chargers, grain drying, and commercial load with on-site backup generation.
- About 350 megawatts (~1/3 of Minnkota's peak load) can be temporarily interrupted from Minnkota's control center.
- CCEC actively promotes the advantages of reducing peak demand

Demand Response Promotions

- CCEC website
- Brochures
- Highline Notes newsletter
- Radio
- Digital email

CCEC Website

- <u>Off-peak Program</u>
- <u>Time of Day Rate</u>
- <u>Conservation Blog</u>

Brochures

- <u>Contractor Guide</u>
- Business Accounts Guide
- <u>Residential Services Guide</u>

Highline Notes

- <u>February 2022: Pages 6 & 9</u>
- <u>March 2022: Page 6</u>
- <u>April 2022: Page 10</u>
- <u>May 2022: Page 7 & 12</u>
- June 2022: Page 4/5
- <u>October 2022: Page 7/8</u>
- January 2023: Page 11
- February 2023: Page 14
- <u>March 2023: Page 10/11</u>
- <u>April 2023: Pages 8 & 10</u>
- July 2023: Page 10

Radio

"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!"

Digital Email

- February 2022
- June 2022 5 steps to lower peak demand
- January 2023
- April 2023
- May 2023 (Residential)

Rate Recovery

A nonregulated electric utility may establish rate mechanisms for the timely recovery of the costs of promoting demandresponse and demand flexibility practices.



Response

- Rates are set by the CCEC board.
- Input comes from CCEC staff.
- Comprehensive cost-of-service study every 4 years.
- 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.

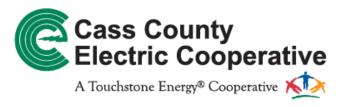
Policy & Rate Examples

- Energy Innovation Policy 323
- <u>Rate Schedules Policy 314</u>
- Demand response (off-peak) rates for:
 - Grain drying
 - Rates 6, 8, 628, 658, and 660
 - Irrigation
 - Rates 400, 401, 410, and 411
 - Off-peak heating
 - Rates 600, 610, 630, 635, 922, 923, 934, 925, 936, 927, 932, 934, and 936
 - Water heating
 - Commercial time of use
 - Rate 310

Promoting Transportation Electrification

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.



Response

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 offpeak 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.

Website

- TOD pilot rate
- EV (Off-peak rates)

Programs

- CCEC donated money to help make the first EV school bus and the first EV motorcycle in North Dakota a reality.
- CCEC participates in local EV events.
- CCEC provides EV general info, charging options, etc. on our website
- CCEC programs include off-peak rates, rebates, and the TOD pilot rate.
- CCEC sends info regarding EVs and EV charging to the membership via Highline Notes, digital email and other channels.

Highline Notes

- February 2022: Page 8 & 13
- August 2022: Page 4/5, Page 10
- September 2022: Page 12
- <u>October 2022: Page 7</u>
- <u>May 2023: Page 2</u>
- June 2023: Page 11

Brochures

- <u>Contractor Guide</u>
- Business Accounts Guide
- <u>Residential Services Guide</u>

Digital Email

- February 2022
- April 2022
- July 2022
- January 2023
- April 2023

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



Response

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.

https://casscountyelectric.com/electricvehicles

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



Response

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.



Response

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.