

ANNUAL FEES & CHARGES UPDATE

Nov. 19, 2018



CHELAN COUNTY
www.chelanpud.org

TODAY'S DISCUSSION

Electric Service Connection Fees

Other revisions

HDL/Cryptocurrency Electric Application & Engineering Fee revisions

HDL/Cryptocurrency Upfront Capital Charges

INFORMATION ONLY:

Resolution No. 07-13163 delegated authority to General Manager to introduce new fees and charges as needed without requiring resolution of the board.

SERVICE CONNECTION FEES

(All classes)

Service Rating	Single Phase		Three Phase 208V		Three Phase 480V	
	Current	Proposed	Current	Proposed	Current	Propose
1-100A	\$700	\$800	\$1,500	\$1,700	\$2,000	\$2,200
101-200A	\$1,400	\$1,500	\$3,100	\$3,400	\$4,100	\$4,500
201-400A	\$2,300	\$2,500	\$6,200	\$6,800	\$8,200	\$9,000
401-600A	\$3,500	\$3,900	\$9,200	\$10,100	\$12,300	No change
601-800A	\$4,700	\$5,200	\$10,100	\$11,100	\$13,400	\$14,700
801-1000A	\$5,900	No change	\$12,600	\$13,900	\$16,700	\$18,400

Fees last updated in 2014

Increased labor costs primary driver for proposed adjustments

Currently collecting ~70% of costs; proposal is ~10% limited step to increase cost recovery to ~77% instead of moving to full cost recovery



OTHER FEES & CHARGES UPDATES

Secondary service pole

- Current charge: \$650
- **New charge: \$750**

Pole Attachment Fee

- Current fee: \$11.80 per pole, per year
- **New fee: \$23.14 per pole, per year**
- Interim fee, to be re-evaluated in 2019

HDL/CRYPTOCURRENCY APPLICATION FEES

Pre-design Stage	Fee
Up to <1000kW	\$900
1000kW - <5000kW	\$1,350
5000kW+	\$2,000

What is the Pre-design stage?

- District provides high-level capacity availability information
- Applicant and District discuss conceptual design
- Opportunity to understand project needs prior to large financial commitment

Engineering Stage	Fee
Up to <300kW	\$450
300kW - <1000kW	\$2,000
1000kW - <5000kW	\$4,000
5000kW+	At cost

What is the Engineering stage?

- District prepares an Estimate of project costs
- Existing line extension process remains unchanged
- Loads greater than 5MWs are subject to Transmission & Generation Interconnection Requirements processes and procedures

UPFRONT COST (HDL/CRYPTOCURRENCY)

Distribution revised to \$270/kW

Validated prior calculation using new cost (Chelan, Leavenworth substations), results were within 1% of prior, includes:

Land (not including siting, outreach)

Earthwork/excavation

Station infrastructure and equipment

Distribution getaway feeders

Transmission connection

Propose revised calculation to consider engineering guidelines to operate at 80% or less, providing:

Time for growth while constructing future stations

Capacity for switching load in outage situations

Asset longevity

Reflects greater capacity need for HDL/cryptocurrency (1.47 factor)

UPFRONT COST (HDL/CRYPTOCURRENCY)

Transmission cost added \$55-450/kW

Wenatchee corridor, \$5.5M project could provide 100 MW capacity

Equates to \$55/kW

Areas north and west of corridor are radial and would require more costly improvements

\$450/kW

HDL/Cryptocurrency service is not available in areas served by the Anderson Canyon-Beverly Line

100 miles, built in 1930s

Limited capacity

Can support native growth with minor improvements

Significant growth from HDL/cryptocurrency would trigger costly rebuild

UPFRONT COST (HDL/CRYPTOCURRENCY)

\$325/kW in Wenatchee corridor, where capacity is available

Comprised of \$270/kW distribution and \$55/kW transmission

Includes substations in Monitor, Olds Station, Wenatchee, and Malaga

\$720/kW in other areas where capacity is available

Comprised of \$270/kW distribution and \$450/kW transmission

Excluded substations, where HDL and cryptocurrencies are not authorized, include Berne, Coles Corner, Plain, Lake Wenatchee and Summit

Connection requests 5 MW and greater at actual cost

An aerial photograph of a town with a river and mountains in the background. The town is densely packed with houses and buildings, with a river winding through it. In the background, there are large, rolling mountains under a clear sky. The overall scene is bright and sunny.

NEXT STEPS

Fees & Charges revisions effective Jan. 1

Finalize pre-application forms/processes

Line Extension Policy updates reflecting new process