

January 31, 2016

Notes for Steve Wright, GM, Chelan Co PUD

RE: High Density Energy Users

Hi Steve,

Well, the series of articles in Sunday's Wenatchee World finally made me really pay attention to the issue about power usage for bit coin miners, etc.

Since being in the planning process with your Team, I will never forget the central tenant that we used to determine what was the most important: "The Best for the Most for the Longest"....

In your current discussion, I believe this means serving the owners/customers with "best" and for the "longest". It follows that we will always have more owners that have the critical stake in the system and, therefore, to me, the best rates for the longest possible period trumps any significant risk which might be brought on by too much power being allocated for the new high density users.

I do, however, believe that Malachio Salcido has a point about a reasonable balance around the allocation of some power to these users and, in my words, these small operations can serve as test beds, startups and incubators in Chelan County. In no case should we exceed a pre-determined maximum load allocated for these types of high load density businesses. I further believe this allocation needs to be a fraction of the available surplus power. Just like this issue, we have no idea what the future holds. Wow, we had little clue about this emerging issue during our very recent planning process.

Steve, another thought I had was to draw a comparison from my days on the County Commission. Many times when we approved new development, we required the developer to build roads into their project that became extensions of the county road system once the development was complete. The County did not pay these initial "set up" costs. I believe you folks might want to consider a policy which requires the business to pay part of or much of the infrastructure costs required to bring a higher level of power capacity to their site. This should be in addition so some sort of higher cost per kwh. I see no logic in providing high load density power at regular rates.

My final thought is that we have some available land in the County that you could concentrate these types of businesses; allowing you to much more efficiently serve them. I think of the remaining Port property in Olds Station and the Port property that has recently become available in Cashmere, as examples. I believe your policy could simply state that to be approved for high density energy, you will be located in certain areas; much like a zoning decision.

Steve, all this is off the top of my head but with a little experience in county and state government. Please accept it as such and for the good of the order and thank you for your continued outstanding service to the PUD and our owners. Please share this with your Board and anyone else you may chose. My Best, Tom Green 360 789-7237