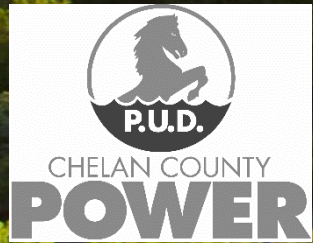


# New Large Loads Update

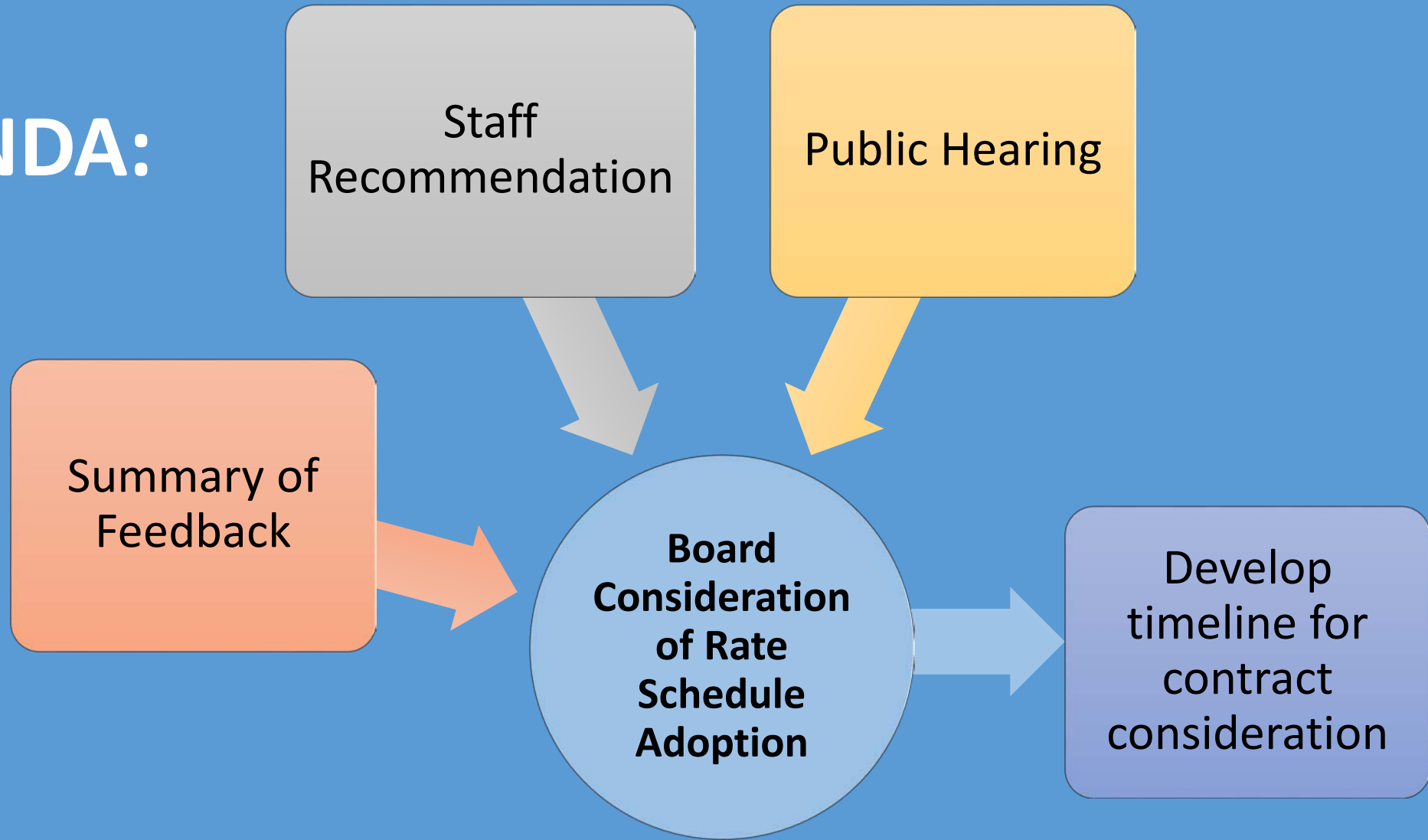
Rate Schedule 4 Public Hearing



Lindsey Mohns – Customer Utilities Business Manager

February 4, 2019

# AGENDA:





# STAFF RECOMMENDATION

## Revise existing Schedule 4 to:

- Allow negotiated energy and delivery charges
- Update market-derived service charges (over 15 years old)
- Expand availability to other special circumstances

## Items to be considered in individual contracts:

- Energy Rate
- Delivery Rate
- Services
  - load following, load shaping, imbalance, firming, reactive power, voltage control, environmental attributes and conservation requirements.
- Terms and conditions

# SUMMARY OF FEEDBACK

- None to date

## PUBLIC HEARING





## Proposed Next steps

- Feb. 19, Resolution seeking approval of Schedule 4
- Feb. 19, Consideration of contract



# Appendix: Charge & Service Examples

- In contracts with Schedule 4 customers, the District would establish rates, terms, and conditions for the sale and delivery of energy and services in consideration of the special circumstances and conditions applicable to the Customer's energy needs, which may include load following, load shaping, imbalance, firming, reactive power, voltage control, environmental attributes, conservation requirements, and streamflow risk.
- Schedule 4 Menu of Charges: Designed to address load variability and use outside authorized limits. Charges are minimal to nothing where load is stable and predictable and within limits. Charges would increase proportionally with increases in load variability, unpredictability, and to use outside limits. Charges are detailed in the Appendix.
- **4a. Energy Capacity** – Monthly variability in peak demand compared to average
- **4b. Load Imbalance** – Hourly variability in energy use compared to customer's submitted plan
- **4c. Load Following** – Minute-to-minute variability in energy use
- **4d. Demand Exceedance** – Monthly demand in excess of authorized limit
- **4e. Excess Energy** – Hourly energy use in excess of authorized limit

Scheduling services charge is unchanged from current Schedule 4

# Appendix: Schedule 4 Specific Charges

- 4.a Energy Capacity Charge. Monthly variability in peak demand compared to average
  - Applies after Demand first exceeds 5,000 kW
  - The charge is \$4.38/kW of the positive difference, if any, of 90% of the Demand minus the average demand during the billing period (which is the total delivered Energy for the billing period divided by the number of hours in the billing period)
- 4.b Load Imbalance Charge. Hourly variability in energy use compared to customer's submitted plan
  - Applies after Demand first exceeds 5,000 kW
  - Applies only in hours in which hourly delivered Energy deviates from hourly forecasted load by more than the lesser of: (a) 5% of hourly forecasted load; or (b) 2,000 kWh
  - The charge calculation is set forth in the schedule and the amount is based on the combination of the real-time index and the magnitude of deviation
  - If the Excess Energy Surcharge also applies to the Contract, the Load Imbalance Charge does not apply to Energy billed the Excess Energy Surcharge

# Appendix: Schedule 4 Specific Charges

- 4.c Load Following Charge. Minute-to-minute variability in energy use
  - Applies after Demand first exceeds 5,000 kW
  - The charge is \$5.48 per kilowatt of monthly weighted average load-following in excess of 10% of average demand provided in the billing period.
  - The highest 1-minute demand minus the lowest 1-minute demand in each hour will establish the load-following kilowatt for that hour. The weighted average load-following demand for any billing period will be calculated using a weighting factor of 2 (two) on the Heavy Load Hours and load-following demands and a weighting factor of 1 (one) on Light Load Hours.
  - “Heavy Load Hours” means hours ending 7 through 22, Monday through Saturday, excluding NERC recognized holidays.
  - “Light Load Hours” means hours ending 1 through 6, 23 and 24, Monday through Saturday and hours ending 1 through 24 on Sundays and NERC recognized holidays.



# Appendix: Schedule 4 Specific Charges

- 4.d Demand Exceedance Charge. Monthly demand in excess of authorized limit
  - Is addition to all other rates and charges
  - When Demand exceeds the Customer's maximum authorized demand, the excess Demand will be billed at 3 times the highest demand charge applicable under the Contract
- 4.e Excess Energy Surcharge. Hourly energy use in excess of authorized limit
  - In addition to all other rates and charges
  - A surcharge of one (1) times the greater of the highest energy charge applicable under the Contract or the real-time index for each applicable hour will apply to all Energy used within an hour in excess of the Customer's maximum authorized demand.
- *Demand Exceedance and Energy Surcharge are in addition to, not exclusive of, the District's rights to require additional protective measures, recover for damages sustained to the Electric System, disconnect Service, terminate this Contract, or take any other remedial action available to recover losses and prevent future exceedances.*

# Appendix: Pending Contract Consideration

- In conjunction with Schedule 4, staff will be requesting approval of a contract for our first over 5 aMW load.

Contract Element	Amount/Rate	Applicability
Term	10-yr with optional 5-yr extension	
Authorized limits	7 MW increasing to 19 MW	Increase with substation availability
Basic customer charge	Per Schedule 35	Immediately
Energy Charge	Combination of Schedule 3 & 35	Immediately
Delivery Charge	Combination of Schedule 3 & 35	Immediately
Streamflow Risk Charge	Reserved	Reserved
Energy Capacity Charge	Per Schedule 4	Load > 5 MW
Load Imbalance Charge	Per Schedule 4	Under specific circumstances
Load Following Charge	Per Schedule 4	Load > 5 MW
Demand Exceedance Charge	Per Schedule 4	Immediately
Excess Energy Charge	Per Schedule 4	Immediately