From: Barry Canary <bacanary18@gmail.com>
Date: September 16, 2018 at 9:24:25 PM PDT
To: steve.wright@chelanpud.org
Subject: <External> New ideas for cryptocurrency mining operations

Good Day Mr. Wright,

Hope all is well with you.

I wanted to reach out to you regarding the recent debate on rate structure for cyrpocurrency mining. I have a few thoughts that I would like you guys to consider when you are finalizing your plans for the rate changes.

I think there should be a break out schedule based on how much load you run. For example, start the higher/variable rate at say 10kw and up. Then maybe have a lower rate that isn't variable for loads under that amount. Also, with loads less than 5kw could be exempt from the variable rate and maybe charge say, .035-.04. Staggering the rates to be more static will help ease the really small operations and still allow recoup of costs with higher power rate.

Also, another idea. If anyone has alternate power sources maybe they can be exempt from the increases as long as their load is below their max output. For example, if someone put in a solar system that was grid connected, allow them to run their load up to the max the system output. If there is a need for more power, then add them to the static rate if it's below 10kw. One would be in favor or putting in a solar panel system if there is the capacity to work with you guys in keeping rates low since it would be a beneficial for all parties.

It would be good to do a trial run with the lower power draws as they can be a little more flexible than a large-scale operation. So, do a year with a static rate and see how it performs in terms of cost recoup as well as how many applications you get and so forth.

Another thought, which might be a little harsh for some, but perhaps not allow the use of ASIC (bitcoin miners and a few others) miners in residentials. The reasoning behind this would be that AISCs draw significantly more power than a rig of GPUs (Graphics Processor Units or just called graphics cards). ASIC's are designed to use the maximum amount of power and cannot be tuned to reduce power load. That makes them unstable without proper wiring. With GPU's you can vary the load and tune it to use less power or more depending on what your wiring can handle.

These are just a few ideas I have in regard to how the PUD can serve it's small customers and still plan for the future as well. If you have any questions/concerns feel free to reach out to me.

Thanks,

Barry