



Market and Economic Development Rate Update

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Economic Development Discount

- In May 2016, the LCRA's Board approved the Economic Development Discount (EDD) to provide economic stimulus by incentivizing new jobs, customers, and an increase in the tax base within the LCRA service territory.
- Discount is a pass-through from the LCRA, benefiting recipient without increasing cost to PEC's membership or affecting PEC's margins.
- New Load must:
 - > 2,200,000 kWh, served by the LCRA
 - A five year service agreement in place with PEC
 - Another source of development incentive
- PEC Board approved the Economic Development Rate at the 3/20/2017 Meeting
- Power Supply, Economic Development, Key Accounts, Legal, Finance, Metering and Operations all worked together to set up the processes enabling PEC to pass and bill the Economic Development assistance on behalf of the LCRA.
- PEC put in first application on 2/28/2018
- LCRA approved the application on 03/01/2018
- Member to begin receiving the discount as of 03/01/2018

Potential Savings to Qualifying Members

Sample Facility	Annual Energy Usage	Demand	Estimated Annual Savings*
Large Retail	3,000,000 kWh	342 kW	\$ 18,000
Medium Industrial	10,000,000 kWh	1,141 kW	\$ 60,500
Large Industrial	160,000,000 kWh	18,252 kW	\$ 968,000

**Estimated annual savings of
approximately 8% of total bill**

*Estimated savings based on preliminary program design and 100% load factor, actual savings may vary



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