



# 2022 Rate Plan

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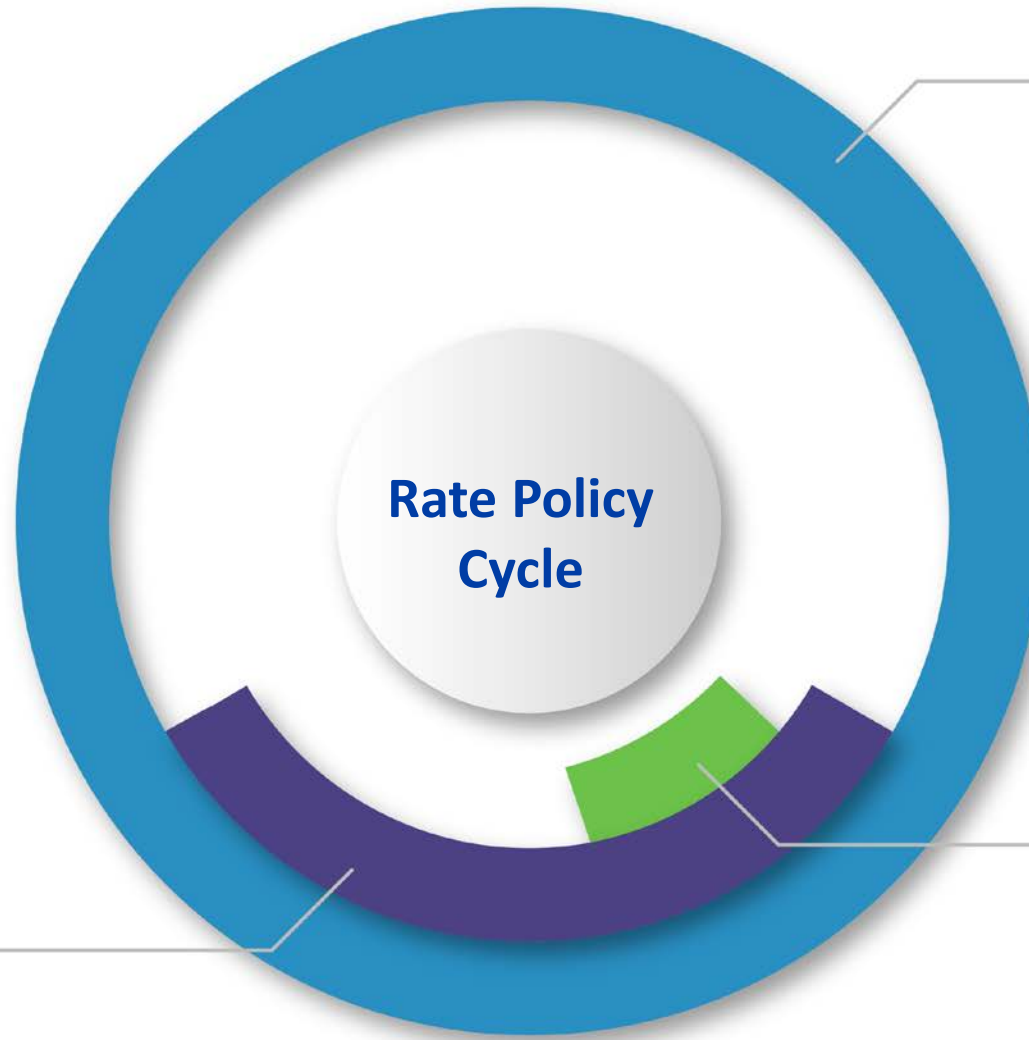
David L. Thompson | VP of Markets

# Rate Policy Cycle

## EVERY YEAR

### Rate Plan

- Presented to both the Rates Committee and the Board of Directors
- Recommendations for upcoming year



## EVERY 3 YEARS

### Cost of Service Study

- All rates, fees and allowances reviewed
- Due to complete new study in 2023

## EVERY QUARTER

### Board of Directors Report

- Implementation of the Rate Plan
- Reserve balances
- Revenue recovery
- Rate competitiveness

# Rate Policy Cycle

Rates Committee (Section 5.2 in Rate Policy) is charged with administration of the Rate Policy and is made up of the following roles:

- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Controller
- Rates Manager
- Vice President of Markets
- In-house legal designee

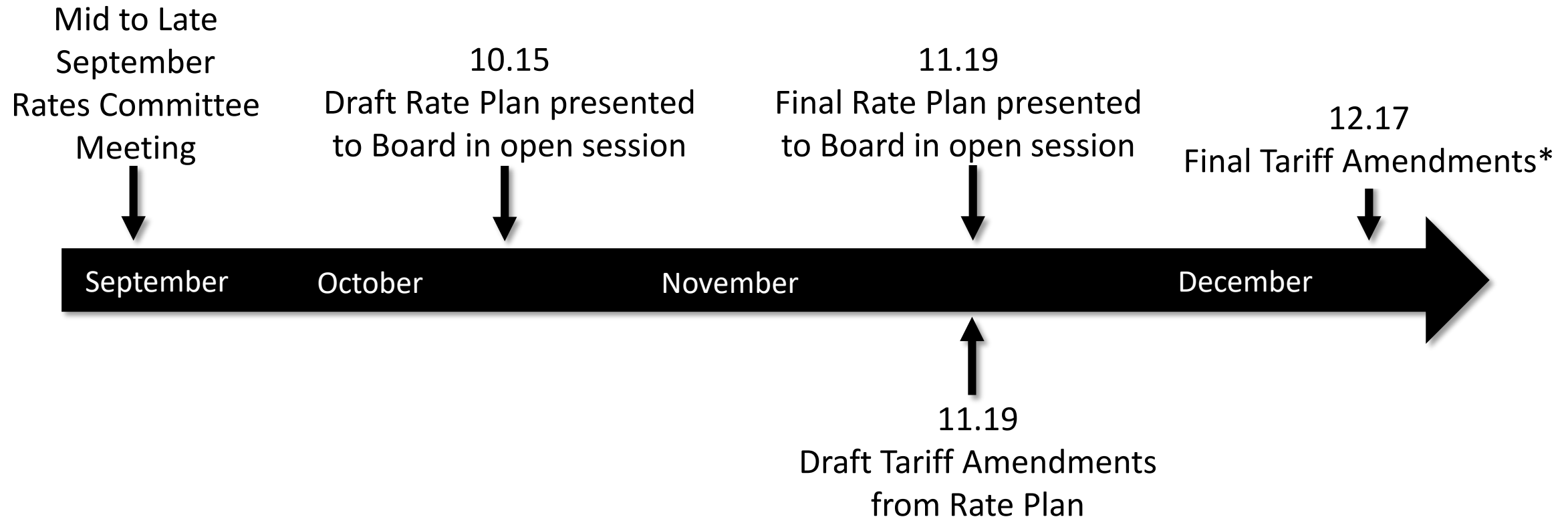
Other attendees:

- Member Relations, Billing, and communications representatives

The Rate Plan is made up of this slide deck as well as additional slides presented in Executive Session. The Board approves the Rate Plan on an annual basis. The Rate Committee administers the implementation of the Rate Plan as approved by the Board of Directors.

# 2022 Rate Plan Timeline

Rate Plan contents and timeline are detailed in section 4.3 of the Rate Policy to align with the annual budget cycle.



\*Reminder: All members affected by any rate changes will be notified at least 30 days before effective date of the rate change.

# 2022 Rate Plan Timeline

Resolution 2021-312 was approved at the July 16, 2021 Board meeting with the language below included.

## **Resolution 2**

BE IT FURTHER RESOLVED that portions of the Interconnection Net Metering and Net Energy Credit rates will be revised to reflect language effective as before the December 2020 Board Meeting; and

BE IT FURTHER RESOLVED that as part of the 2022 Rate Plan scheduled to be presented to the Board in October 2021, recommendations for the Interconnect Net Metering Rate are to be included;

## Link to Board Resolution 2021-312

- <https://pec.legistar.com/LegislationDetail.aspx?ID=5027153&GUID=B671FE99-F99D-4566-87AE-E1C37A83E552>

# Annual Rate Plan Items

## 4.3.3 Recommendations for changes to rates for at least a 12 month period

**The Rates Committee recommends the following items be brought to the Board for consideration.**

### 1) Interconnect Rates for $\leq 50$ kW

- Proposed rate will mirror Residential, Farm and Ranch Rate or Small Power with an additional line item to compensate members for energy that flows back onto the PEC distribution system
- Rate will be informed by Value of Solar Study
- Rate will not include demand rates
- Rate will not include time-of-use base power charges and credits
- Rate will be sustainable as the interconnect member count grows

### 2) Transmission Cost of Service Pass-through

# PEC Helpful Links and Rate Contact Information

## PEC Document Center -

- Includes Rate Policy, Cost of Service Studies, recent rate related Board items
  - <https://www.pec.coop/about-us/your-cooperative/document-center/>

## PEC Rate Inquiry email addresses -

- All Rate related questions - [Rateinquiry@peci.com](mailto:Rateinquiry@peci.com)
- Distributed Generation Rate specific questions - [DGinquiry@peci.com](mailto:DGinquiry@peci.com)
- Time-of-Use specific questions - [TOUinquiry@peci.com](mailto:TOUinquiry@peci.com)



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