



**RATE SCHEDULE No. 17**  
**EVOLVING INDUSTRY SERVICE**

*Rates shown on the Rate Schedules are set by the Grant PUD Commission and are subject to change at the discretion of the Commission.*

**AVAILABLE:** To retail customers whose energy load activity and / or industry meets the requirements of the Evolving Industry definition, as detailed below:

No less than annually, Grant PUD will review the Evolving Industry Class to determine if it is appropriate for customer's classes to move into or out of the Class. To fall within the Evolving Industry Class an industry must have concentration risk (defined below) and at least one of the two other criteria below.

1. Regulatory Risk – Risk of detrimental changes to regulation with the potential to render the industry inviable within a foreseeable time horizon.
2. Business Risk – Potential for cessation or significant reduction of service due to a concentration of business risk, in an evolving or unproven industry, in the value of the customer's primary output.
3. Concentration Risk – Potential for significant load concentration within Grant PUD's service territory resulting in a meaningful aggregate impact and corresponding future risk to Grant's revenue stream. Evaluation would begin to occur when industry concentration of existing and service request queue customer loads exceeds 5% of Grant PUD's total load.

**MONTHLY BILLING RATES:** Customer's monthly billing will consist of the following charges:

**17-A:** For retail customers that would otherwise be served as Residential, Rate Schedule 1, and other retail customers with service less than 200 KW Billing Demand.

**EFFECTIVE:** With meter readings on and after *April 1, 2019*, usage will be prorated to the new rates based on number of days after March 31, 2019.

Basic Charge:	\$5.00 per day
Energy Charge:	\$0.05448 per kWh
Minimum Charge:	\$5.00 per day

**EFFECTIVE:** With meter readings on and after *April 1, 2020*, usage will be prorated to the new rates based on number of days after March 31, 2020.

Basic Charge:	\$7.50 per day
Energy Charge:	\$0.08165 per kWh
Minimum Charge:	\$7.50 per day

**EFFECTIVE:** With meter readings on and after *April 1, 2021*, usage will be prorated to the new rates based on number of days after March 31, 2021.

Basic Charge:	\$10.00 per day
Energy Charge:	\$0.12209 per kWh
Minimum Charge:	\$10.00 per day

**17-B:** For retail customers with service of 200KW or greater Billing Demand.

**EFFECTIVE:** With meter readings on and after *April 1, 2019*, usage will be prorated to the new rates based on number of days after March 31, 2019.

Basic Charge: \$500.00 per month  
Energy Charge: \$0.02219 per kWh  
Demand Charge: \$8.00 per kW of Billing Period  
Minimum Charge: The Minimum shall be computed as Demand Charge times 75% of the Customer's Maximum Billing Demand during the most recent 12 month period.

**EFFECTIVE:** With meter readings on and after *April 1, 2020*, usage will be prorated to the new rates based on number of days after March 31, 2020.

Basic Charge: \$750.00 per month  
Energy Charge: \$0.02465 per kWh  
Demand Charge: \$19.00 per kW of Billing Period  
Minimum Charge: The Minimum shall be computed as Demand Charge times 75% of the Customer's Maximum Billing Demand during the most recent 12 month period.

**EFFECTIVE:** With meter readings on and after *April 1, 2021*, usage will be prorated to the new rates based on number of days after March 31, 2021.

Basic Charge: \$1,000.00 per month  
Energy Charge: \$0.03518 per kWh  
Demand Charge: \$30.00 per kW of Billing Period  
Minimum Charge: The Minimum shall be computed as Demand Charge times 75% of the Customer's Maximum Billing Demand during the most recent 12 month period.

**BILLING DEMAND:** The Billing Demand under this schedule shall be the larger of the following demand factors:

- a. The contract demand, if any, or;
- b. The highest 15-minute demand during the month as determined by demand meter, adjusted up to 95 percent power factor.

**TAX ADJUSTMENT:** The amounts of any tax levied by any city or town, in accordance with RCW 54.28.070 of the Laws of the State of Washington, will be added to the above charges.

**SERVICE:** Service under this Schedule is subject to the terms and conditions in the District's Customer Service Policies, as the same may be amended from time to time.

**EVOLVING INDUSTRY RATE CLASS EXIT CRITERIA:** No less than annually, a team composed of Grant PUD staff will review the EI Rate Class to determine if it is appropriate for a customer's industry to

move into, or out of the EI Rate Class. The team will be composed of representatives from Large Customer Care, Customer Solutions, Engineering, Rates, and Finance/Accounting. To fall within the requirements of the EI Rate Class, an industry must have Concentration Risk and at least one of the other two criteria above. To make this determination staff will evaluate the following:

- **Regulatory Risk** - Based on pending State or Federal legislation, review of current potential for regulatory rulings from State or Federal agencies, feedback from investment banks.
- **Business Risk** - Based on trends in the price volatility of the industry's primary product over the previous 12 months, financial strength of market participants, and viability and competitiveness of industry. Staff will review the industry based in part upon Porter's Five Forces analysis which is used to assess competitive intensity and industry profitability. These five factors include: 1) Threat of new entrants, 2) Threat of substitutes, 3) Bargaining power of customers, 4) Bargaining power of suppliers, and 5) Industry Rivalry.
- **Concentration Risk** – Staff recommends basing this factor upon a concentration threshold of 5% of Grant PUD's load including existing customers as well as customers in the service request queue. Input from credit agencies will be considered when determining any future changes to concentration risk.