

# Jefferson County PUD

1

## Rate Design

May 5, 2015

**Presented by:**

**Gary Saleba, President  
EES Consulting, Inc.**

A registered professional engineering corporation and management consulting firm with offices in the Seattle and Portland metropolitan areas  
Telephone (425) 889-2700 Facsimile (425) 889-2725



# Agenda

2

- Rate Simplification by Class
- Other Rate Issues
- Questions / Answers

# Residential/Farm Rates – Initial Thoughts from EES

3

## ■ Rate 7

- Elimination of block rates had large bill impacts
- Current rate differential = 1.8 cents per kWh
- Tier 1/Tier 2 BPA rate differential = 0.5 cents per kWh
- No change in rates at this time
- Consider reduction or elimination of blocks for Phase 2

## ■ Rate 8

- Recommend eliminating separate farm rate
- Most move to Rate 7, very large move to Rate 24
- Note below for impacts

## Residential/Farm Rates (cont'd)

4

- Rate 8
  - Rate 8 has 859 customers
  - Collected latest month of data for all customers
  - 203 customers used more than 600 kWh (block 2)
  - 11 customers used more than 4,000 kWh
  - Recommend users over 3,000 or 4,000 kWh/month move to Rate 24

# Rate 8 Bill Impacts

5

- Small Users See Rate Decrease, Large Users See Rate Increase
- Expect Small Impact on Overall Revenues for the Class

kWh/Month Range	% of Total	Current Rate 8	Move to Rate 7	% Change	Move to Rate 24	% Change
0-100	36.6%	\$13.31	\$10.69	-20%	\$16.17	21%
101-300	21.6%	\$25.85	\$23.20	-10%	\$29.99	16%
301-600	15.3%	\$47.16	\$44.46	-6%	\$53.48	13%
601-1000	11.1%	\$76.97	\$77.64	1%	\$86.34	12%
1001-1500	8.4%	\$115.03	\$123.92	8%	\$128.29	12%
1501-2000	2.1%	\$156.16	\$173.95	11%	\$173.63	11%
2001-3000	2.7%	\$211.86	\$241.67	14%	\$235.02	11%
3001-4000	0.8%	\$309.70	\$360.65	16%	\$342.87	11%
4001-5000	0.3%	\$391.58	\$460.21	18%	\$433.12	11%
5001-6000	0.6%	\$470.04	\$555.62	18%	\$519.60	11%
High User	0.1%	\$637.10	\$758.76	19%	\$703.74	10%
High User	0.1%	\$974.79	\$1,169.39	20%	\$1,075.96	10%
High User	0.1%	\$1,040.04	\$1,248.73	20%	\$1,147.89	10%
High User	0.1%	\$1,847.12	\$2,230.14	21%	\$2,037.50	10%



## Small Commercial Rates (<50 kW)

- Eliminate Seasonal Difference
  - Rate 24 has 2,054 customers
  - Demand charge in place but not used
  - Increase for large summer users but less than 1% change (not significant)

	Current Rate	Alternative Rate
Basic Charge	\$12.64	\$12.64
Demand Charge		
Winter	\$9.01000	
Summer	\$6.01000	
Energy Charge		\$0.09390
Winter	\$0.09507	
Summer	\$0.09197	

## Large Commercial Rates (>50 kW)

7

- **Combine Rates 25 and 26**
  - **No seasonal difference, no blocks**
  - **Rate 25 has 68 customers, Rate 26 has 3 customers**

	Current Rate 25	Current Rate 26	Alternative Rate
Basic Charge	\$51.67	\$104.46	\$60.00
Demand Charge			\$7.50
Winter	\$9.01	\$8.94	
Summer	\$6.01	\$5.96	
Energy Charge		\$0.06706	\$0.0652
Winter	\$0.09479		
Summer	\$0.08664		
Block 2	\$0.06928		

## Rate 25 Bill Impacts

8

- Impacts Due to Eliminating First 50 kW Free/Declining Block
- Moderate Decrease for Large Users and Small Users with High Peaks
- Larger Increases for Smaller Users
- Note: Average of Winter/Summer Bills
- Based on April Bills – Might Not Be Representative

# Customers	kWh	kW	Load Factor	Average % Change
27	20,000-115,000	53-228	30% to 81%	-5% to -7%
2	23,000-31,000	192-252	16% to 17%	-3% to -4%
11	14,000-17,000	42-147	14% to 52%	-5% to 0%
10	9,000-13,000	38-143	11% to 98%	+3% to +6%
8	7,000-11,000	34-91	15% to 32%	+7% to +9%
5	4,000-10,000	19-52	23% to 43%	+12% to +28%
4	4,000-5,000	39-86	6% to 17%	+33% to +53%



## Rate 26 Bill Impacts

9

- Small Decrease for All 3 Customers – Not Significant

Customers	kWh/mo	kW Demand	Load Factor	Monthly Bills		% Change
				Current	Phase 1	
2	486,240	804.3	81%	\$38,776	\$37,795	-2.5%
1	320,400	502.8	86%	\$25,381	\$24,721	-2.6%

## Rate 31

10

- Keep Current Customer and Energy Rates
- Eliminate Seasonal Difference in Demand Charge
- Current = \$8.64 Winter and \$5.76 Summer
- Proposed = \$7.25 All Year
- Rate Impacts Only if Large Seasonality for a Customer

# Lighting Rates

11

## ■ Results Based on COSA

- \$18.00 – Up to 200 watts
- \$21.00 – Over 200 watts

Watts	# Lamps	Average Rate/Light	Existing Revenue/Month	Proposed Rate	Proposed Revenue/Month
400	21	\$24.96	\$524.11	\$21.00	\$441.00
250	13	\$20.00	\$259.99	\$21.00	\$273.00
200	123	\$7.16	\$880.98	\$18.00	\$2,214.00
150	109	\$3.76	\$410.19	\$18.00	\$1,962.00
100	667	\$14.26	\$9,513.18	\$18.00	\$12,006.00
unidentified	76	\$55.05	\$4,183.84	\$18.00	\$1,368.00
City > 200 watts	2	\$18.92	\$37.83	\$18.00	\$36.00
City <= 200 watts	551	\$13.56	\$7,471.13	\$21.00	\$11,571.00
<b>Total</b>	<b>1009</b>	<b>\$15.63</b>	<b>\$15,772.29</b>	<b>\$18.14</b>	<b>\$18,300.00</b>

## Other Rates

12

### ■ Irrigation – Move to Small Commercial Rates

Monthly Bills			
kWh/mo	Current	Rate 24	% Impact
101	\$30.72	\$22.12	-28.0%
5,850	\$397.03	\$561.95	41.5%
9,340	\$619.41	\$889.66	43.6%

### ■ Interruptible Schools – Move to Rate 31

- Move off primary rates if advantageous

Monthly Bills			
kWh/mo	kW Demand	Load Factor	Current
48,000	207.6	31%	\$4,206
84,600			\$4,961
(Average 2 customers)	624.6	18%	\$10,360
220,800	1,002.0	30%	\$21,938
			20%

# New Large Single Loads

13

- **Based on Potential of Causing Tier 2 BPA Power Purchases**
  - Tier 2 amount tied for historic loads
  - 2.5 MWa added load could trigger Tier 2 for JPUD
  - Want to hold existing customers harmless from rate increases due to NLSL
- **Initial Staff Proposal**
  - NLSL over 1 MW has tiered rate
  - First 1 MW at standard large commercial rate
  - Over 1 MW charged premium to reflect the difference between Tier 1 and Tier 2 rates (Currently 0.5 cents per kWh)
- **Policy Question**
  - Apply to growth of existing customers?



## Questions / Answers