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**Economic Development Rider**

**I. Objective**

Polk County RPPD has a vested interest in the economic vitality and growth of our communities. Economic development can benefit Polk County RPPD through job retention and creation, and by building load which in turn reduces the average cost of utility service to all customers. To that end, PCRPPD is committed to providing consistent, reliable service to its customers along with innovative ways to support economic development initiatives.

In order to encourage new and expanding businesses within its service territory, Polk County RPPD will offer Schedule EDR to qualified businesses which need assistance. Schedule EDR participants may receive an electric declining credit applied to each bill over a five (5) year period. Polk County RPPD reserves the right to evaluate and decline applications which can not show a need for the rate relief or that the EDR was not a significant factor for locating in the Polk County RPPD's service territory or for any other reason that the EDR is not in the best interest of the District.

**II. Provisions**

Schedule EDR is available to new or increased electric loads of 300 kW or less during the five-year term of service. Schedule EDR assumes that PCRPPD did not make an extra capital investment in the construction to serve the additional load requiring extra contracted years for allowable investment.

To qualify, a new or expanding business must meet the following minimum criteria:

1. A new business must be new to PCRPPDs service territory or a business that has been closed for more than two (2) years. The new business must, for the full term of the EDR, have an expected monthly demand of 15 kW or more, employ at least one full-time employee, and operate out of a building not connected to a residential service.
2. An expanding service is one that is currently a customer in good standing of PCRPPD and has not previously used PCRPPDs economic development rider. Expanding customers must, for the full term of the EDR, increase their demand by 30% or more and increase their FTEs by a minimum of one employee or 10% whichever is greater.
3. Applicant must not have discontinued a service within PCRPPDs district within the last five (5) years due to business closure.
4. Schedule EDR is not available to new customers resulting from the change of ownership of an existing firm or facility. However, if a change of ownership occurs after a customer contract for service under Schedule EDR, the successor customer may be allowed to fulfill the remaining term of service under Schedule EDR and receive billing credits or rebates as outlined below during such remaining term.

5. Schedule EDR is not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike or economic conditions. Schedule EDR is also not available for load shifted from one facility or delivery point on PCRPPD's electric transmission and distribution system to another location on the system.
6. Schedule EDR is only available to customers who are not receiving other electrical economic development rate incentives.
7. Customers desiring to take advantage of Schedule EDR must complete a contract for service with a term of no less than five (5) years and complete an EDR application accompanied by a business plan showing reasonable and attainable success with the assistance of an EDR prior to commencement of service.
8. EDR customers shall provide PCRPPD with information concerning their projected new or increased electric load and the basis for determining that the projected new or increased electric load that will meet Schedule EDR eligibility requirements.
9. The customer must demonstrate to PCRPPD's satisfaction that, absent the availability of this Rider, the qualifying new or increased demand would be located outside of the PCRPPD's service territory or would not be placed in service due to poor operating economics.
10. Applications for Schedule EDR must be approved by the PCRPPD Board of Directors.

### III. Economic Development Rate

The Economic Development Rate (Schedule EDR) effective September 1st, 2019, is available to new or expanding loads being served under PCRPPD Commercial Rates General Service (38/39), General Service Demand (66/67), Rural Commercial (14/24) or Rural Commercial Demand (44). All terms and conditions of the commercial power Rate Schedules (including Power Supply Cost Adjustment and kilowatt-hour tax) apply to service provided to participating customers except as modified by Schedule EDR.

Customers participating in Schedule EDR will receive a declining credit to their bill based on the percentages listed in the following table.

<i>Year</i>	<i>R Com 14/24</i>	<i>GS 38/39</i>	<i>GSD 66/67</i>	<i>LP &lt;1MW</i>
1	16%	18%	10%	10%
2	12%	14%	8%	8%
3	9%	10%	6%	6%
4	7%	6%	4%	4%
5	4%	4%	2%	2%

All the components of the electric bill will be calculated using the current electric service rates to determine the gross electric bill. The EDR discount rate is then applied to the gross electric bill and will show as a credit on the customer's utility bill. Each year on the anniversary of the customer's service start date the EDR discount rate will decrease and at the end of 5 years the EDR discount rate will cease.

In the event an EDR customer does not fulfill its contracted term of service, PCRPPD may require repayment of previous years credits.

**IV. Responsibility**

The General Manager shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

EFFECTIVE DATE: 8/8/2019.

DATE APPROVED: 8/8/2019.

ATTEST: *Tom Pagnit*

