



**BASIN ELECTRIC  
POWER COOPERATIVE**

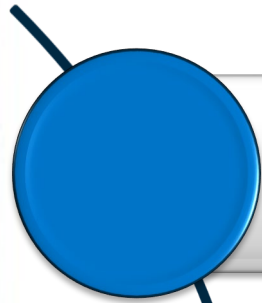
A Touchstone Energy® Cooperative 

# **2022 Rate Structure**

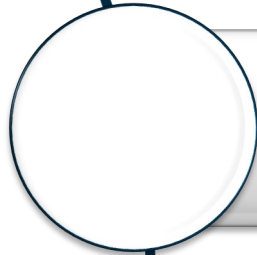
July 22, 2021

Member Manager's Conference

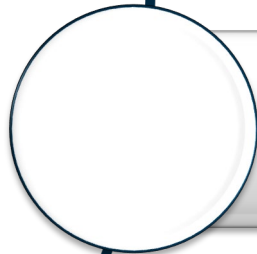
# Discussion Topics



General Rate Structure



Special Purpose Rates

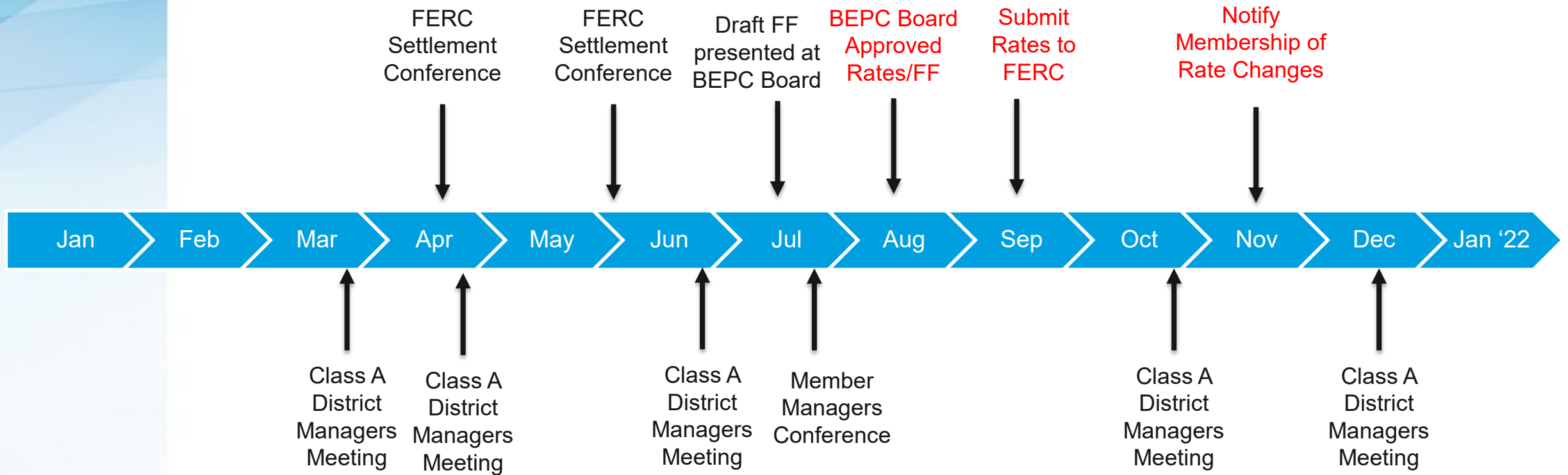


Purchase Rates



Other Rates

# Timeline



# General Rate Structure

2075/2050 Contract Rates

Fixed Charge #1

Demand Period Waiver

Behind the Meter Transmission Assessment

# Base Rate/ CROD Rates

- Determined after the Financial Forecast is completed
- Anticipating an intent to maintain 2021 Rate Components into 2022

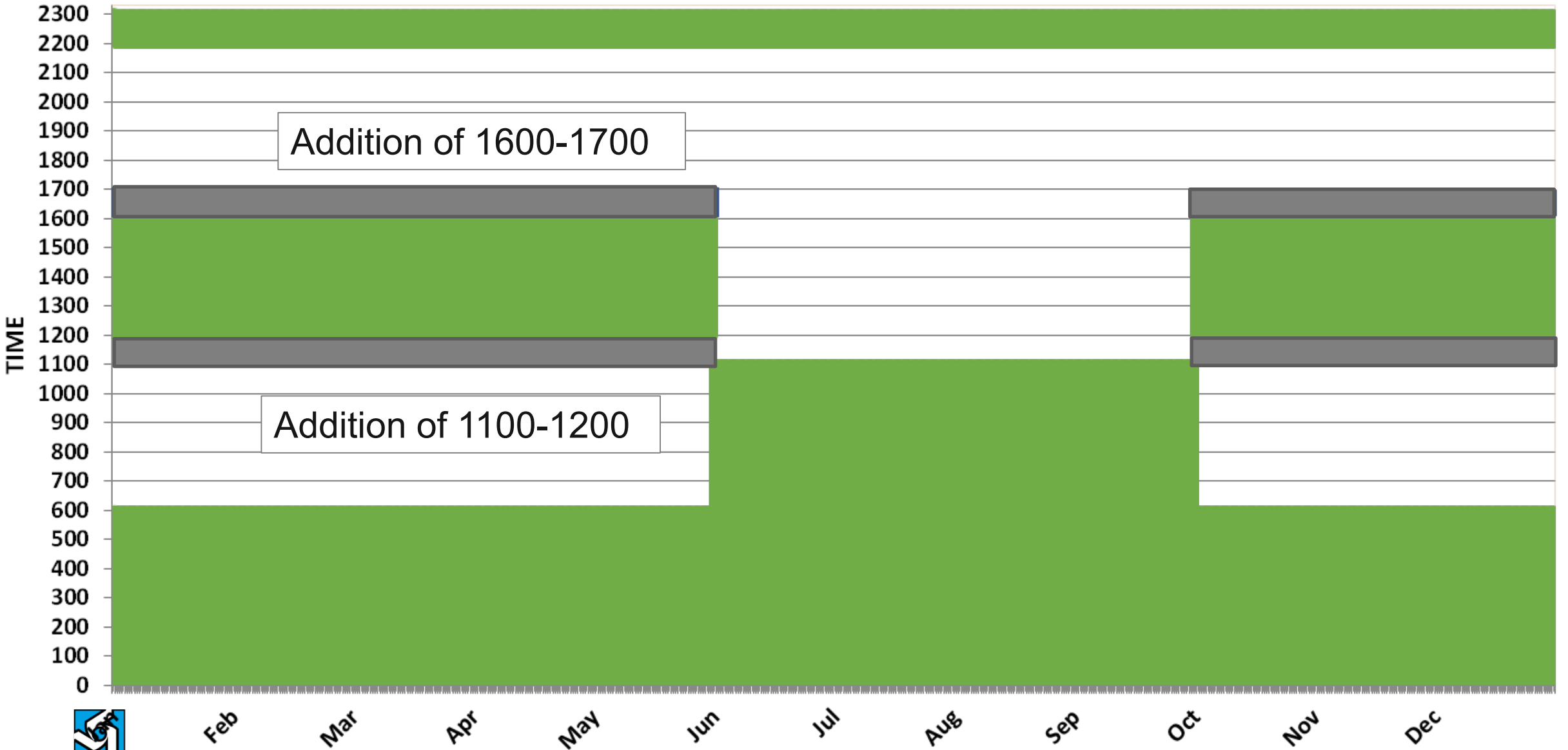
	2050 Contracts	2075 Contract
Base Demand	\$19.75/kw-mo	\$19.64/kw-mo
Base Energy	31.97 mills/kWh	31.36 mills/kWh
CROD Demand	\$21.39/kw-mo	\$21.23/kw-mo
CROD Energy	27.31 mills/kWh	26.85 mills/kWh

# Fixed Charge #1

- \$750/month for Class A Member with Class B, C, and D Members
- \$1,450/month for each Class B, C and D Member
- \$750/month + \$1,450/month (\$2,200/month) for each Distribution Class A Member
- ~~.08~~ **.07** mills/kWh for those Members assessed a Fixed Charge mill rate per the Wholesale Power Contract

*Forecasted ~\$2.2 Million for 2022*

# Demand Period Waiver Utilization



# Demand Period Waiver

- Basin Electric will maintain the Demand Period Waiver Rate through ~~2022~~2024; and it is Basin Electric's Board's intent to maintain the Demand Period Waiver through ~~2024~~2026, unless the impacts of the Demand Period Waiver results in Basin Electric needing to add additional Generation Capacity.



# Behind the Meter Transmission Assessment

If the Member owns or controls generation and/or batteries, excluding batteries accepted under the Member Owned Trial Battery Rate, that results in monthly Member billing demand reduction from Basin Electric, and Basin Electric has to report the behind the meter generation discharge to the transmission provider for transmission assessment purposes, then Basin Electric will assess the Member the Behind the Meter Transmission Assessment based on the following.

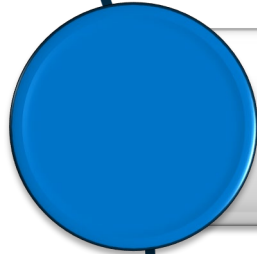
Rate	\$5.34 per kW of behind the meter generation discharge at the time of Members' coincident billing peak
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Assessments under this Behind the Meter Transmission Assessment shall be excluded from Basin Electric margin allocation and bill credits.

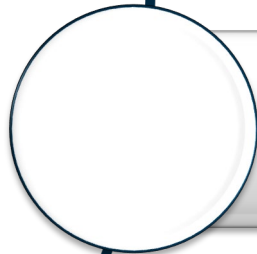
# Discussion Topics



General Rate Structure



Special Purpose Rates



Purchase Rates



Other Rates

# Special Purpose Rates

Non-Controlled Electric/Dual Space Heat Rate

Interruptible Rate

Standby Rate

Renewable Delivery Rate

MISO Wind Resources

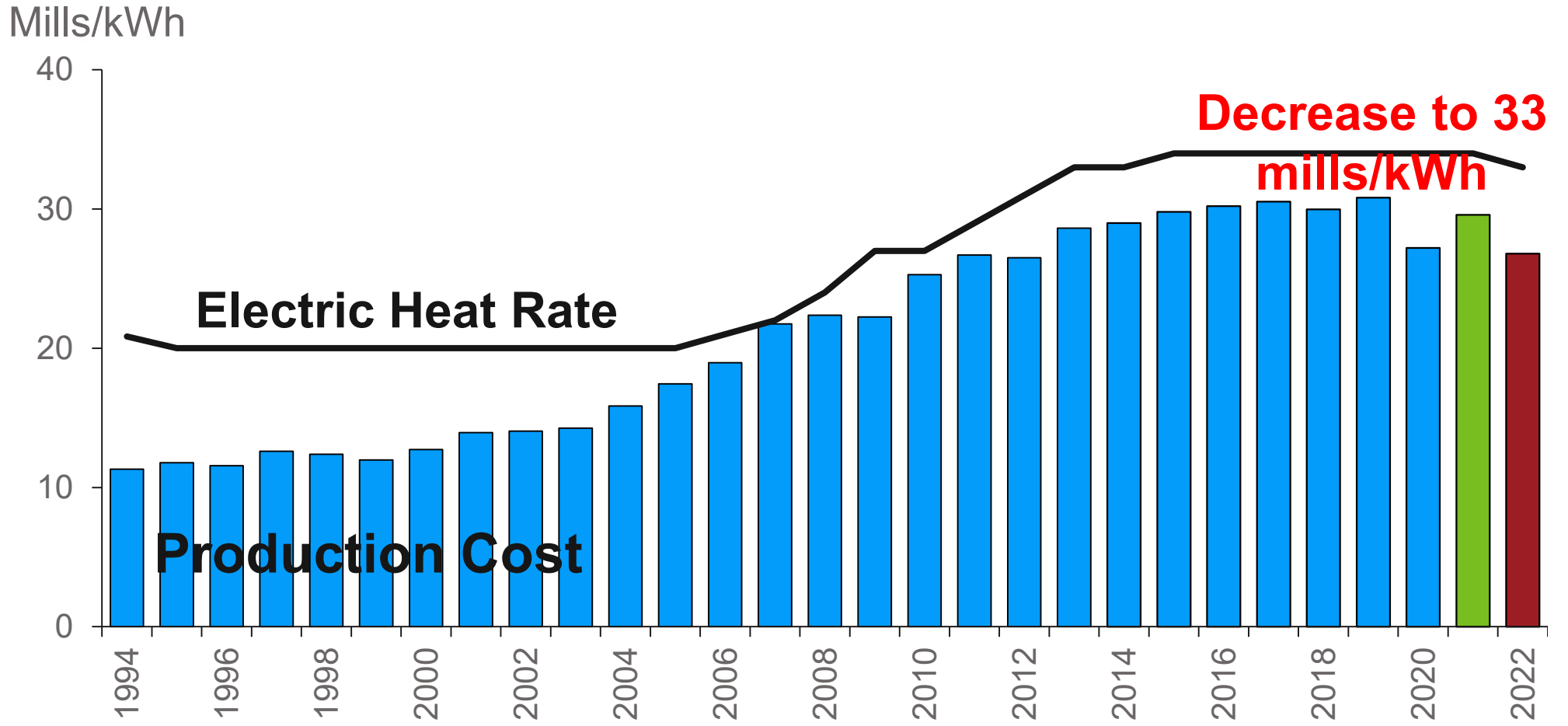
Load Incentive Rate

No Change /  
Elimination

No Change

No Change

# Electric Heat Rate



# Interruptible Rate

- Requires Member active load management system
- 5 months - no control
  - Demand Rate: \$0
  - Energy Rate: Base Energy Rate
- 7 months - active control
  - Penalty for missed control

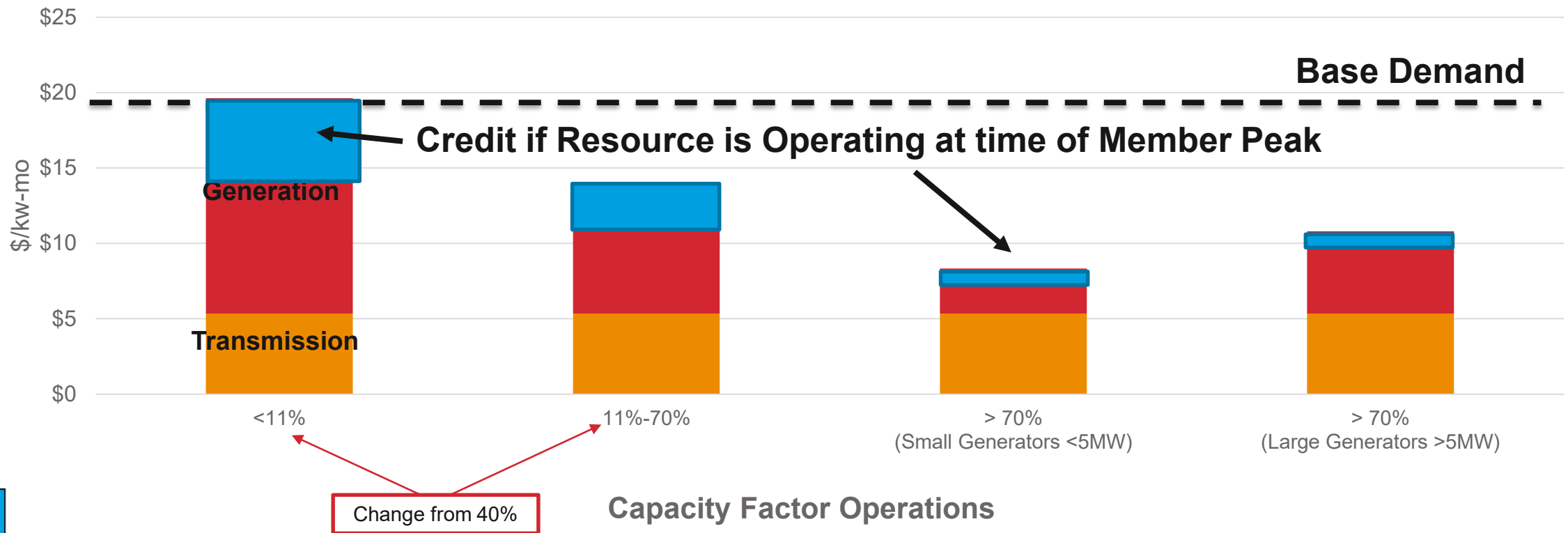
No Change

# Interruptible Rate Type 2

- If “accreditation” can be obtained in an RTO environment, in lieu of Member control, allow load control capability qualification under the Interruptible Rate
  - Only applicable in emergency control situations
  - Available if MISO directly control generators
  - Waive Base Rate on the lessor of
    - 65% of the
    - the load level
  - RTO compliance requirement
    - 12 month RTO control commitment
    - June through May (MISO’s planning year)
    - November registration required prior to MISO planning year
  - Continue to bill Base Rate Energy deliveries

# 2022 Standby Rate

- Capacity factor operation is based on a quarterly calculation
  - Up to two months can be excluded from the capacity factor operation percentage calculation for anticipated normal process downtime. During these months, the full Base Rate sale levels would be applied to 100% of the load.



# Standby Energy Rate

- No Change to energy billing units and charge
- Daily energy charge greater of:
  - Base Energy Rate; or
  - On-peak market energy



# Load Incentive Rate Concepts

- Two Load Incentive Options
  - Loads greater than 1 MW
    - Current Load Incentive Rate
  - Loads greater than 50 MW
    - New Large Load Incentive Rate

# Load Incentive Rate

## Current Incentive Rate

- Loads greater than 1 MW
  - New Loads
    - Change of ownership and expansion of existing load does not constitute new load.
  - Available Five Year Term after COD, but not longer than 2030
    - Discounted Demand Price
    - Billed at the time of the loads NON-CP
  - Limited Member mark up for discounted term
  - Full Rate after 5 years
  - No Patronage for discounted rate

# Large Load Incentive Rate

## New Incentive Rate

- Loads greater than 50 MW
  - New Loads that bring significant support service load (~50 employees)
    - Change of ownership and expansion of existing load does not constitute new load.
  - Negotiated market based rate approved by the Board at the time of application
    - Transmission/Ancillary Service component
    - Capacity component
    - Energy component
    - Admin and a mark-up component
  - Limited Member mark up
  - Negotiated Term
  - Financial Security likely will be required
  - No Patronage for discounted rate
  - Final Agreement requires Board Approval
  - If BEPC has excess capacity and energy available in a planning area for more than five years from COD date, the significant support services would be waived during the time period in which excess occurs

# On Going Member Discussions

Qualifies

- Hydrogen Production Facilities
  - Long-term operation expected
  - Anticipated to bring significant support service load growth
  - Rate Term: 15 yrs with options to extend by mutual agreement

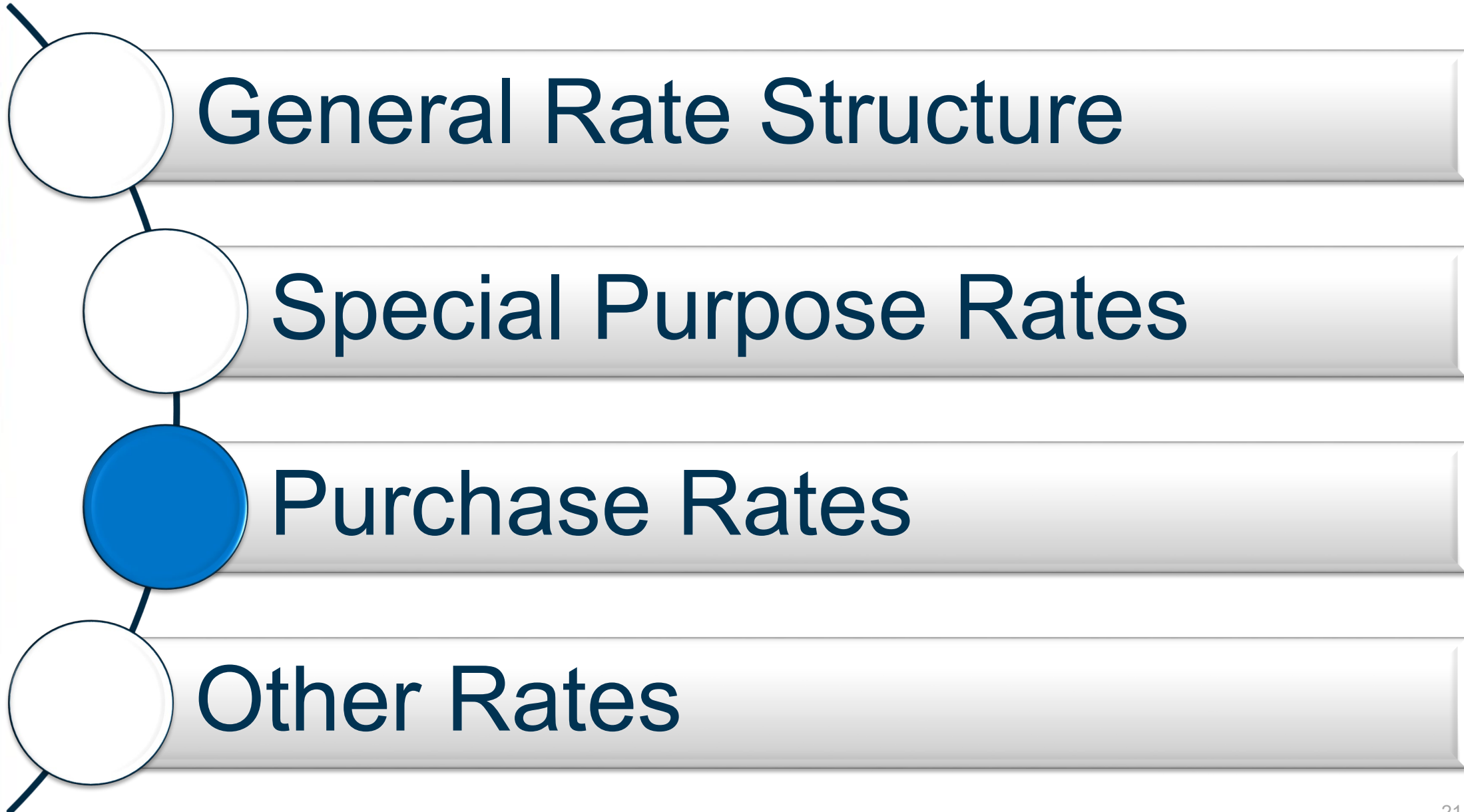
Qualifies/?

- Data Centers
  - 100 MW
  - No** 10-30MW phase 1 with potential to grow to 300 MW
    - Transmission build-out required to support more than 30 MW of load
  - 10 year or longer operation potential
  - Support service load growth
    - Highly automated with less employees than a factory or office property
  - Rate Term: 10 years with options to extend by mutual agreement

No

- Bitcoin/Crypto Mining Load --- Basically a Data Center
  - Container load site --- 5 year potential load ?
  - Starts at 20 MW and could grow to 100 MW

# Discussion Topics



# Purchase Rates

Directed Dispatch/Curtailment Rate (formerly Load Management Rate)

Generation Purchase Rate

# Directed Dispatch/Curtailment Rate (Formerly Load Management Rate)

- Distributed generation or load interruption excluded from Member's Load Management Program
- **0.5 MW** or larger in size
- Right to call up to 180 hours per season
- \$18 / kW-Season
- Distributed generation energy payment
  - indexed to NYMEX futures
- Maximum of 5 Year term
- **Comply with appropriate Power Pool rules**
  - testing, NERC events

# Generation Purchase Rate

- Eligible for any generation within the size criteria:
  - Size Criteria: 50 kW to 5MW
- Maximum term of five years; 10 MW Cap

Power Supply Planning Area	50kW and < 150kW	≥ 150kW
MISO	17.2 OR the Real Time Hourly LMP price	Real Time Hourly LMP price
SPP	14.7 OR the Real Time Hourly LMP price	Real Time Hourly LMP price
NW Energy	15.3	15.3
CUS/PAC	15.6	15.6

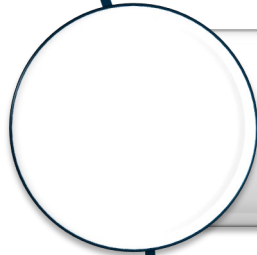
- Time registration metering requirement
- Comply with appropriate Power Pool rules
- QFs under the PURPA rate are not eligible under this rate.



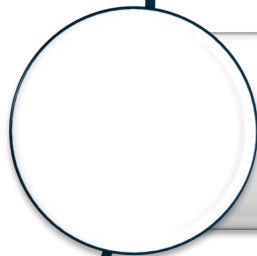
# Discussion Topics



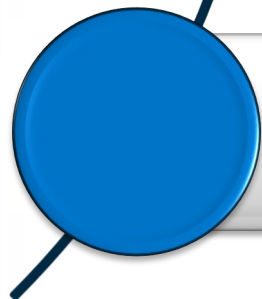
General Rate Structure



Special Purpose Rates



Purchase Rates



Other Rates

# Other Rates

PURPA Rate

No Change

Load Data Incentive Credit

No Change

Environmental Attributes Purchase

Member Owned Trial Battery Rate

# 2022 PURPA Rate

	Capacity (\$/kw-mo.)	2021 Energy (Mill/kWh)
MISO	0	17.2 or Hourly LMP Price
SPP	0	14.7 or Hourly LMP Price
NW Energy	0	15.3
CUS/PAC	0	15.6

\*More than 1 year commitment at negotiated rate.

# PURPA Rate (Member-Owned Generation)

- Allow Members to own/operate/maintain renewable generation
- Basin Electric purchases 100% of the generation output at the applicable regions Basin Electric avoided cost
  - Becomes a BEPC Point of Delivery to the Member

# PURPA Member-Owned Maximum Amounts

Member	Member-Owned amount (kW)	Member	Member-Owned amount (kW)
Central MT	4,950	Minn Valley Electric	2,000
Central Power	15,750	Mor-Gran-Sou	1,450
Corn Belt	14,100	NIPCO	8,100
Crow Wing	1,950	Rosebud	350
East River	23,300	Rushmore	9,350
Flathead	Not Applicable	Tri-State West	Not Applicable
Grand	450	Tri-State East	2,950
KEM	650	Upper Missouri	59,700
LO	3,250	Wright Hennepin	1,400
Members 1st	13,950	WMPA	1,600
Minn Valley Light	1,200	<b>Total</b>	<b>166,450</b>

*Magnitude determined based upon 5% of Members seasonal peak purchases from Basin Electric*

# Member Owned Trial Battery Rate Allowed Battery Usage

Member	Battery Allowance (kW)	Member	Battery Allowance (kW)
Central MT	1,050	Minn Valley Electric	150
Central Power	900	Mor-Gran-Sou	150
Corn Belt*	1,425	NIPCO*	975
Crow Wing	150	Rosebud	150
East River*	3,675	Rushmore	1,200
Flathead	0	Tri-State West	0
Grand	150	Tri-State East	<del>1,350</del> 900
KEM	150	Upper Missouri	1,650
LO*	525	Wright Hennepin	150
Members 1st	450	<b>WMPA</b>	<b>150</b>
Minn Valley Light	150	TOTAL	14,400 <del>14,100</del>

Rate is limited to new applications received for calendar year ~~2020~~ 2022 through ~~2023~~ 2025

\*Distribution Members that are located within two Class A Members Districts are allocated 75kW of battery allowance in each District (Iowa Lakes Electric Cooperative and Sioux Valley Energy)

# Questions?



# Appendix



**BASIN ELECTRIC  
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# Renewable Delivery Rate

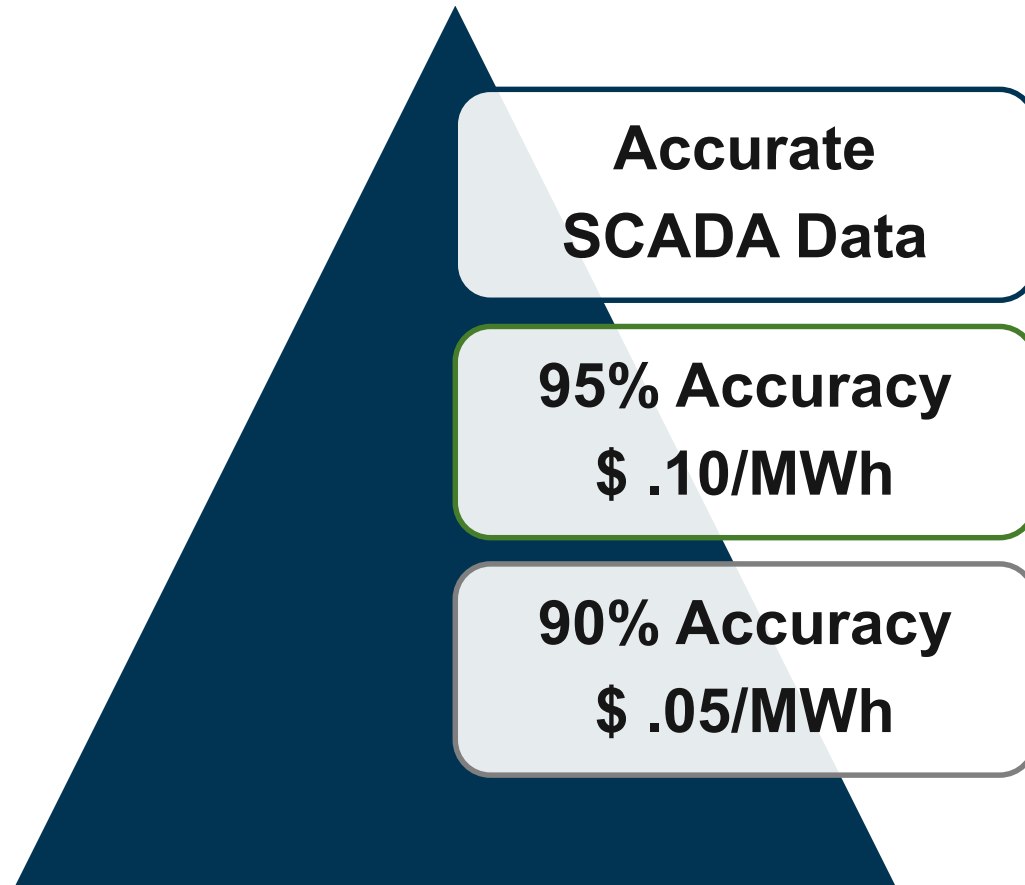
- Provide Members with Power Supply with Renewable Energy Attributes
- Base Rates Plus 1-3 Mill/kWh depending on term

# MISO Wind Resource

- In MISO Wind Generators have the right to buy from the market directly, through this rate the Member passes through the market rate while maintaining their territorial integrity
- Wind Generator must be directly interconnected with MISO
- The entire energy output of the wind resource must be delivered to and purchased by MISO

# Load Data Incentive Rate

- Maintain current rate, as is. No proposed changes.



# Environmental Attributes Purchase Rate

- Per the Wholesale Power Contract the Member has the obligation to purchase and Basin Electric has the obligation to provide Environmental Attributes required by the Member associated with the purchase of the electric power from BEPC.
- Rate serves as a contractual path for BEPC to bill Member's for Environmental Attributes regulatory obligation.