Easley Combined Utilities High Energy Density (HED) Customer Adopted: May 9, 2022

# **Application**

This policy applies to any customer that, in Easley Combined Utilities (ECU) reasonable determination, has the characteristics as defined below.

## **Definition**

A HED customer is defined as a customer load that exhibits some of the following characteristics:

- 1. High energy use density
- 2. High load factor
- 3. The need alterations to the ECU's electric distribution facilities in order to maintain safety
- 4. Load that is portable and distributable
- 5. Highly variable load growth or load reduction as an individual customer or in aggregate
- 6. Able to relocate quickly in response to short-term economic signals
- 7. High sensitivity to volatile commodity or asset prices

The determination of a HED customer will be left to the discretion of the ECU General Manager or his designee. Any customer determined to be a HED customer by the General Manager can appeal this designation to the Commission of ECU.

Examples of HED customers are as follows: cryptocurrency processing; blockchain processing; and other loads involving computing or data processing related to cryptocurrency mining, blockchain, or proof-of-work.

#### **Aggregation**

Due to the distributable nature of such loads, smaller loads of the same customer with similar characteristics can me aggregated and treated as one load.

## **System Improvement**

The cost of any improvements or additions to the electrical distribution system of ECU to serve an HED load, including but not limited to the cost of transformers, cost of regulators, cost of increases in line capacity, etc. will be cost responsibility of the customer. An estimate will be prepared by ECU personnel and a deposit of the full estimated cost will be required prior to the commencement of electric system improvements.

# **Deposit Requirement**

A cash deposit of two months estimated utility bills will be required to establish service for an HED customer.

# **Surety**

Due to the nature of ECU's power supply contract the addition of large loads such as HED customers and the subsequent removal can cause adverse financial impacts to remaining customers for up to 12 months after disconnection. In order to mitigate these impacts HED customers must post a Surety equal to the result of the following: connected capacity greater than 500 kW multiplied by the marginal monthly capacity rate of ECU's power supply multiplied by 12 multiplied by 95%.

ECU will draw on the Surety when service is terminated or if it is reduced by 25%. The amount drawn will cover the contractual cost incurred by ECU for the loss of the HED load until the impact on ECU wholesale power cost is no longer felt. At this point, the Surety can be discontinued.

The Surety term must always extend to a minimum of 12 months into the future. If the term is less than 12 months, service will be terminated giving 10 days written notice. Acceptable forms of Surety are cash deposit with ECU, a Surety Bond or Irrevocable Letter of Credit. This Surety will be separate from a customer's security deposit. ECU must receive notice of non-renewal or any change to the Surety.

If a customer's account has good credit and a stable load for 7 years after the effective date of this policy, the Surety requirement will be reviewed by ECU.

## Rate

HED customers will be served at a rate based on the marginal cost of ECU's electric supplier and will be approved by the Commission of ECU.