

**Board of Directors' Written Determination  
With Respect to PURPA Standards  
August 2023**

**I. Overview**

This document constitutes the written, public determination of Carroll Electric Membership Corporation (“CEMC” or “Carroll EMC”) with respect to the two (2) new standards that Carroll EMC is required to consider pursuant to the Infrastructure Investment and Jobs Act of 2021 (the “IIJA”) which amended the Public Utility Regulatory Policies Act of 1978 (“PURPA”). These standards, which shall be referred to in this document as “The IIJA Standards,” are as follows: **(1) Demand-response practices (16 U.S.C. § 2621(d)(20))**, and **(2) Electric vehicle charging programs (16 U.S.C. § 2621(d)(21))**. This document is adopted pursuant to Rule 15 of Carroll EMC’s PURPA Rules and 16 U.S.C.A. § 2621(b).

**II. Background**

The Board began consideration of each of the IIJA Standards on February 22, 2023. Subsequently, the Board directed Carroll EMC’s staff to review each of the IIJA Standards, confer with expert consultants as appropriate, and to develop testimony relating to each of the IIJA Standards for the purposes of guiding and informing the Board’s consideration of, and ultimate determination with respect to, each IIJA Standard. Carroll EMC scheduled and held a public hearing on July 20, 2023 (the “Hearing”).

To solicit and encourage participation in the Hearing, public notice was provided by each of the following means:

1. Letter notice to the Secretary of Energy was sent on April 10, 2023.
2. Web site posting beginning on April 4, 2023, at the Carroll EMC Web site.
3. Notice posted at the Carroll EMC headquarters and all district offices beginning on April 4, 2023.
4. Board resolution adopting the PURPA Manual and record date for notice of the Hearing was approved on February 22, 2023.
5. Notices were mailed to all members in April 2023 via e-newsletters and bill stuffers.
6. A copy of the Notice was also published in Georgia Magazine, which was also delivered to all members in April.

The Board has now completed its consideration of whether the adoption of each of the IIJA Standards will serve the three purposes of PURPA,<sup>1</sup> in reliance upon the facts, opinions, conclusions and other information derived from a careful review of the testimony presented at the Hearing, and after giving due and thoughtful consideration to applicable federal and state laws, the unique circumstances of non-profit, member-owned cooperatives in general, and to the specific circumstances of Carroll EMC in particular, the Board adopts the following determinations:

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<sup>1</sup> The three purposes of PURPA are: (i) to encourage the conservation of energy; (ii) to optimize the efficient use of energy facilities and resources; and (iii) to encourage equitable consumer rates. 16 U.S.C.A. § 2611.

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**III. Findings**

Based upon the foregoing, the Board has resolved and makes the determinations set forth below:

**A. The Demand-response practices (The DRP Standard)**

**1. Overview**

The Demand-response practices ("DRP") Standard provides as follows:

(A) In general

Each electric utility shall promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.

(B) Rate recovery

(i) In general

Each State regulatory authority shall consider establishing rate mechanisms allowing an electric utility with respect to which the State regulatory authority has ratemaking authority to timely recover the costs of promoting demand-response and demand flexibility practices in accordance with subparagraph (A).

(ii) Nonregulated electric utilities

A nonregulated electric utility may establish rate mechanisms for the timely recovery of the costs of promoting demand-response and demand flexibility practices in accordance with subparagraph (A).  
16 U.S.C.A. § 2621(d)(20).

**2. Consideration**

The Board believes that the testimony presented at the Hearing by Mr. Warmack indicates that Carroll EMC's existing rate programs, load management, rebates, and cost recovery mechanisms, implement the DRP Standard and promote the purposes of PURPA: the conservation of energy and, in most cases, enhance the efficient use of Carroll EMC's facilities and resources. Carroll EMC has flexibility within its power purchase agreements to allow implementation of certain demand management programs. Carroll EMC is evaluating time-of-use rate tariffs and has mechanisms in place to provide members the information needed to help reduce consumption during peak demand periods. Carroll EMC also offers energy efficiency and conservation information via its

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website to further empower members to reduce usage and improve load factor. Carroll EMC also provides net metering for members with distributed generation facilities. Since much of the distributed energy resource is solar photovoltaic systems, this generation profile reduces members' peak usage since generation generally aligns well with peak demand periods. Carroll EMC continues to evaluate its current programs as well as opportunities for future DRPs. This ongoing evaluation approach places a priority on ensuring its programs provide benefits to the Cooperative and its members.

**3. Determination**

Carroll EMC's current and on-going demand-response and demand flexibility programs are described in Mr. Warmack's written testimony. The testimony demonstrates that Carroll EMC, to the extent it is able to do so as an electric distribution utility, has already adopted programs that promote demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand. The Board further commits that it will, on Carroll EMC's behalf, continue to evaluate its current programs as well as opportunities for future DRPs to ensure that the Cooperative's demand response practices provide optimal benefits to the Cooperative and its members.

The Board finds that Carroll EMC's current DRPs serve the three (3) purposes of PURPA. The Board further finds that because its practices are compliant with the DRP Standard, and because of its unique structure as a member-owned, member-governed cooperative, it is not necessary for Carroll EMC to modify its current DRPs or policies, or to formally adopt the DRP Standard as set forth in IJJA.

**B. Electric vehicle charging programs (The EV Charging Standard)**

**1. Overview**

The EV Charging Standard provides as follows:

Each State [and nonregulated electric utility] shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that:

(A) promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;

(B) improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles;

(C) accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and

(D) appropriately recover the marginal costs of delivering electricity to

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electric vehicles and electric vehicle charging infrastructure.  
16 U.S.C.A. § 2621(d)(21).

**2. Consideration**

Mr. Warmack's testimony demonstrates that Carroll EMC has been evaluating and developing infrastructure necessary for electric vehicles ("EV"), and Carroll EMC has for several years been implementing measures that promote greater electrification of the transportation sector in its service area. Carroll EMC provides special EV rates and a charger rebate program, both of which provide an incentive for members to acquire and use EVs. Carroll EMC participates in efforts to educate legislators and other leaders regarding how the electrification of the transportation sector may impact electric utilities and their consumers. The Board intends to engage in an ongoing effort to understand and address the needs of EV users, the Cooperative, its membership, and indeed the needs of the many communities served by the Cooperative.

**3. Determination**

The Board intends to continue to consider new EV rate options that fairly recover costs in an equitable manner among the EMC's membership. The Board advises staff to encourage the location of EV charging stations in locations within the EMC's territory where adequate distribution infrastructure already exists for serving such stations.

The Board finds that Carroll EMC's current EV charging rates, rebate programs, investments in charger infrastructure and educational efforts all have served the three (3) purposes of PURPA, and is, in effect, an implementation of the EV standard. Consequently, while it is not necessary for Carroll EMC to modify its current programs to implement the EV standard, the Board intends to continue to explore ways to improve upon the services provided by the EMC to the EMC's members and local community. The Board will, therefore, continue to explore methods to promote greater electrification of the transportation sector, while incorporating measures needed to fairly recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.

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**IV. Conclusion and Certification**

This Board, having considered the testimony presented at the Hearing, the purposes of PURPA, and both federal and state laws, hereby adopts this document by unanimous vote of the Board on September 27, 2023.

**Carroll Electric Membership Corporation**

By: 

EDDIE GORE, Chairman

Attest: 

RONNIE JORDAN, Secretary/Treasurer

[CORPORATE SEAL]

