

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

I. Overview

This document constitutes the written, public determination of Okefenoke REMC ("Okefenoke") with respect to the two (2) new standards that Okefenoke 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 Okefenoke's PURPA Rules and 16 U.S.C.A. § 2621(b).

II. Background

The Board began consideration of each of the IIJA Standards on October 27, 2022. Subsequently, the Board directed Okefenoke'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. Okefenoke scheduled and held a public hearing on May 2, 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 January 23, 2023 via certified mail.
2. Web site posting beginning on January 2023, at the Okefenoke Web site.
4. Notice posted at the Okefenoke headquarters beginning in January 2023.
5. Board resolution adopting the PURPA Manual and record date for notice of the Hearing was approved on October 27, 2022. The PURPA Manual was subsequently posted on the Okefenoke's Web site.
6. Notices were mailed to all members in the member newsletter accompanying customer bills, delivered in January 2023 and via e-bill January 2023.

The Board has now completed its consideration of whether the adoption of each of the IIJA Standards will serve the three purposes of PURPA,¹ 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 Okefenoke in particular, the Board adopts the following determinations:

¹ 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 Okefenoke'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 Okefenoke's facilities and resources. Okefenoke's flexible contractual agreements and time-based rate tariffs, such as residential and general services time-of-use, and School Load Management Service tariffs, give members the information needed to help reduce consumption during peak demand periods. Okefenoke also offers energy calculators and rooftop solar information to further empower members to reduce usage and improve load factor. Okefenoke is working with one of its largest customers to expand its industrial load management capabilities by using pass-through rate tariffs tied to peak demand periods. Okefenoke 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' usage since they align well with peak demand periods. Okefenoke continues to evaluate its current programs as well as opportunities for future DRPs. This ongoing evaluation approach places a

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priority on ensuring its programs provide benefits to the Cooperative and its members.

3. Determination

Okefenoke's current and on-going demand-response and demand flexibility programs are described in Mr. Warmack's written testimony. The testimony demonstrates that Okefenoke, 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 Okefenoke'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 Okefenoke'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 Okefenoke 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 electric vehicles and electric vehicle charging infrastructure.

16 U.S.C.A. § 2621(d)(21).

2. Consideration

Mr. Warmack's testimony demonstrates that Okefenoke has been considering and developing infrastructure necessary for electric vehicles ("EV"), and Okefenoke has for several years been implementing measures that promote greater electrification of the transportation sector in its service area. Okefenoke provides time-of-use rates that encourage members to charge their EVs outside of peak

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demand periods, which provides an incentive for members to acquire and use EVs. Furthermore, Okefenoke is considering EV-specific rates, and 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 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 will continue to explore ways 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.

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 July 27, 2023.

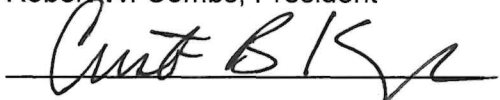
Okefenoke REMC

By:



Robert W. Combs, President

Attest:



Cristi B. Koncz, Secretary/Treasurer



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OKEFENOKE RURAL ELECTRIC MEMBERSHIP CORPORATION

PURPA DETERMINATION

RESOLUTION

WHEREAS, in 2022, the United States Congress approved, and the President of the United States signed into law, the Infrastructure Investment and Jobs Act of 2021 (the "Act"); and

WHEREAS, the Act contained several amendments to the Public Utility Regulatory Policies Act of 1978 ("PURPA"); and

WHEREAS, PURPA, as amended by the Act, requires certain covered electric utilities, including electric cooperatives whose rates are not subject to regulation by a state regulatory authority, to consider and determine whether they will implement two (2) new standards relating to energy policy and rate structures (the "new PURPA standards"); and

WHEREAS, PURPA, as amended by the Act, requires covered electric utilities to hold a public hearing for the consideration of the standards; and

WHEREAS, PURPA, as amended by the Act, requires that such consideration and determination be made after public notice and hearing; and

WHEREAS, Okefenoke Rural Electric Membership Corporation ("Okefenoke REMC") meets the covered utility threshold of PURPA, and Okefenoke REMC's Board of Directors (the "Board") approved a process consistent with the Act to provide notice to Okefenoke REMC's members and others and to hold a public hearing; and

WHEREAS, Okefenoke REMC's public hearing was held on May 2, 2023 (the "PURPA Hearing") pursuant to prior public notice; and

WHEREAS, the deadline for submitting testimony to be considered (the "Testimony") as passed; and

WHEREAS, the staff of Okefenoke REMC has provided a copy of the Testimony to the Board, and the Board has completed its review and consideration of whether the adoption of each of the new PURPA standards will serve the three (3) purposes of PURPA¹, in reliance upon the facts, opinions, conclusions and other information derived from this careful review of the Testimony; and

¹ 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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WHEREAS, after giving due and thoughtful consideration to applicable federal law, state law, the unique circumstances of non-profit, member-owned cooperatives in general, and to the specific circumstances of Okefenoke REMC in particular, the Board does herein state its findings as they relate to the consideration of the new PURPA standards.

NOW, THEREFORE, BE IT RESOLVED, that the Board does hereby adopt the document titled "Board of Directors' Written Determination With Respect To PURPA Standards" (the "Determination") as the written, public determination of Okefenoke REMC Corporation with respect to each of the two (2) standards that Okefenoke REMC was 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"); and

BE IT FURTHER RESOLVED, that the Determination shall be, and it hereby is, adopted pursuant to Rule 15 of Okefenoke REMC's PURPA Rules and pursuant to 16 U.S.C.A. § 2621(b).

This Resolution is adopted this the 27th day of July, 2023.

CERTIFICATION

I, Cristi B. Koncz, Secretary/Treasurer of Okefenoke Rural Electric Membership Corporation, do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of the Okefenoke Rural Electric Membership Corporation held on the 27th day of July, 2023, at which meeting a quorum was present.




Cristi B. Koncz, Secretary/Treasurer