

**RESOLUTION OF THE BOARD OF TRUSTEES OF LEE COUNTY  
ELECTRIC COOPERATIVE, INC., REGARDING THE  
INFRASTRUCTURE INVESTMENT AND  
JOBS ACT OF 2021**

**WHEREAS**, Lee County Electric Cooperative, Inc. (hereinafter referred to as "LCEC"), is a rural electric cooperative organized and existing under Chapter 425, Florida Statutes; and

**WHEREAS**, the Infrastructure and Jobs Act of 2021 ("IJA") was enacted into law, amending the Public Utility Regulatory Policies Act of 1978, as previously amended ("PURPA"), requiring certain electric utilities to either consider or establish a date to hold a hearing after public notice, following which the affected electric utilities are to consider the proposed standards as set forth therein and described in "Exhibit A" hereto; and

**WHEREAS**, LCEC, a non-regulated utility, as that term is defined by PURPA, 16 U.S.C. 2602, commenced its consideration process to make a determination whether it is appropriate for LCEC to implement either of the two new PURPA standards; and

**WHEREAS**, the amendments to PURPA require LCEC to consider and make a final determination as to whether it is appropriate to implement the standards related to Demand-Response Practices and Electric Vehicle Charging Programs as further detailed in Exhibit A attached hereto to fulfill the purposes of PURPA; and

**WHEREAS**, LCEC issued a Notice of PURPA Consideration and Hearing process; and

**WHEREAS**, as part of its consideration, LCEC held a public hearing and issues a final determination in writing based upon the evidence presented and upon findings specifically included in its written determination; and

**WHEREAS**, in making these determinations, the Board of Trustees has reviewed the written submittals and considered how implementation of these standards might affect LCEC and its Members in the areas of encouraging energy conservation by Members, making efficient use of facilities and resources, and maintaining equitable rates to consumers, as well as conditions and circumstances specific to LCEC in reaching its conclusions;

**NOW, THEREFORE**, upon motion duly made, seconded and passed, the Board of Trustees hereby issues its final determination on the implementation on the Demand-Response Practices standard and the Electric Vehicle Charging Programs standard, as follows:

1. The above recitals are true and correct.
2. LCEC adopts the recommendations of management attached hereto as "Exhibit A."

LEE COUNTY ELECTRIC COOPERATIVE, INC.

By: \_\_\_\_\_

Craig Woodward, Secretary

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## EXHIBIT A

Date: **November 13, 2023**  
To: **LCEC Board of Trustees**  
From: **Amanda Smelker, Director of Administrative Services**  
Re: **Management Recommendation of PURPA 111(d) Standards**

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As part of the 2021 Infrastructure Bill, Section 111(d) of the Public Utilities Regulatory Policies Act ("PURPA") was amended by the Infrastructure Investment and Jobs Act of 2021 ("IIJA") by adding two new standards to 16 U.S.C. §2621(d). The new standards include promotion of demand response and demand flexibility practices and greater electrification of the transportation sector.

Lee County Electric Cooperative (LCEC), as a non-regulated electric utility as defined under PURPA, is required to consider the two new standards and determine if it is appropriate to implement each standard.

The text of each standard and LCEC's management recommendation for each are below.

### ***Standard 1. Demand-Response Practices***

#### ***(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***

*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).*

### **Determination Regarding Standard 1**

Basing electric rates on most likely projections of revenue requirements and the power and energy demands of an electric cooperative's various consumer rate classes is accepted as standard electric utility "best practice". With our rate design, our current inclining block rates promote energy efficiency by providing lower rates for reduced energy consumption.

Management concludes that we are partially adopting Standard 1 through our current rate structures.

## **Standard 2. Electric Vehicle Charging Programs**

*Each State 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 but not limited to: 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.*

### **Determination Regarding Standard 2**

According to the U.S. Department of Energy, 80% of non-fleet light-duty EV charging is expected to occur at homes. EV ownership in Southwest Florida is currently estimated at 5.3% of LCEC residential customers. With an expected gradual influx of electric vehicles in the LCEC service territory, LCEC predictions reflect sufficient load capacity for the expected EV use patterns.

Management recommends partially adopting Standard 2 in support of Part A with the continuation of our plans to provide a reliable infrastructure for commercial EV locations. While improving customer experience is an important enabler for EV adoption, LCEC's fiduciary responsibility to its existing members requires a careful balancing of investment and risk to provide an optimal experience without burdening non-participants of EV programs therefore we will not consider Parts B-D.