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**Rider ECON – Economic Development Rate**

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**Availability:**

Electric utility companies may offer discounts to individual customers, to selected groups of customers, or to an entire class of customers. However, discounted rates must be offered to all directly competing customers in the same service territory. Customers are direct competitors if they make the same end product (or offer the same service) for the same group of customers. Customers that only produce component parts of the same end product are not directly competing customers.

In deciding whether to offer a specific discount, the utility shall evaluate the individual customer's, group's, or class's situation and perform a cost-benefit analysis before offering the discount.

Any discount offered should be such as to significantly affect the customer's or customers' decision to stay on the system or to increase consumption.

The consequences of offering the discount should be beneficial to all customers and to the utility. Other customers should not be at risk of loss as a result of these discounts; in addition, the offering of discounts shall in no way lead to subsidization of the discounted rates by other customers in the same or different classes.

All directly competing customers in a similar situation at the time the agreement is entered into with the qualifying customer would also be offered the same discounted rate to the extent they substantiate their status as a "directly competing customer". Customers are direct competitors if they make the same end product (or offer the same service) for the same general group of customers. Customers that only produce component parts of the same end product are not directly competing customers.

**Terms and Conditions:**

The Company may offer a special electric service contract with an economic development rate subject to the terms and conditions set forth in the Iowa Utilities Board rules and under the following minimum criteria:

- a. A cost-benefit analysis must demonstrate that offering the discount will be more beneficial than not offering the discount.
- b. The ceiling for all discounted rates shall be the approved rate on file for the customer's rate class.
- c. The floor for the discount rate shall be equal to the energy costs and customer costs of serving the specific customer.
- d. No discount shall be offered for a period longer than five years, unless the Iowa Utilities Board determines upon good cause shown that a longer period is warranted.
- e. Discounts will not be offered if they will encourage deterioration in the load characteristics of the customer receiving the discount.