

ECONOMIC DEVELOPMENT DISCOUNT RATE



WHAT'S OUR MARKETING STRATEGY?



WHAT IS AN ECONOMIC DEVELOPMENT RATE (EDR)?

Qualifying companies receive a monthly discount on their standard consumption rate which reduces operating costs and serves to improve the “bottom line.”

WHY DOES LEU OFFER AN EDR?

- To stay competitive with IOUs
- Discounting rates in exchange for creating and retaining new jobs contributes to more home sales, increased retail activity, and further capital investment, making Lodi a good place to do business.

WHO IS ELIGIBLE?

Any commercial or industrial customer adding more than one new full-time position is eligible .

HOW MUCH DOES THE EDR COST?

In FY 23, total cost of EDR program was \$667,427.

HOW DOES IT WORK?

- Employers provide # of full-time positions and hire dates.
- LEU compares this data against number of existing positions.
- Data is checked again in six months.

OTHER ECONOMIC DEVELOPMENT INCENTIVES:

- New business monthly discount
- Zero percent energy efficient financing
- Commercial rebates based on energy savings up to \$75,000



STANDARD (1 YEAR)

- 2%- 1 to 3 new jobs
- 4%-4 to 6 new jobs
- 6%-7 to 9 new jobs
- 8%-10 or more new jobs

PREMIUM (8% UP TO 5 YEARS)

- 10-20 new jobs- 1 year
- 21-30 new jobs-2 years
- 31-40 new jobs- 3 years
- 41-50 new jobs-4 years
- >50 new jobs-5 years



WHAT ARE RECENT TRENDS WITHIN ELECTRIC UTILITY INDUSTRY TO ENCOURAGE ECONOMIC DEVELOPMENT?

- Creating small business incentives
- Increasing the flat monthly discount for new business
- Replacing or substituting jobs requirement with increased capital investment requirement
- Discounting rates for locating in a disadvantaged community