ELECTRIC RATES

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STANDARD OFFER TARIFF

GENERAL SERVICE SCHEDULE GS4 GENERAL SERVICE GREATER THAN 2,000 KW AND LESS THAN 10,000 KW

Availability

In the Cooperative's Certificated Area where its facilities are of adequate capacity and the required phase and suitable voltage are in existence and are adjacent to the premises served.

Application

The General Service Greater Than 2000 kW and Less Than 10,000 kW Rate (GS4) is applicable for three-phase service for all electric service used for Commercial, Business, Professional and Industrial peak loads in excess of 2,000 kW but not to exceed 9,999 kW which are supplied at one point of delivery and measured through one meter. Existing Customers served by this tariff may continue to take service under this tariff if they met tariff eligibility requirements prior to the effective date. Service under this rate tariff cannot be interrupted intentionally to avoid demand charges.

Alternately, at the Customer's option it may take delivery at multiple delivery points with one primary metering point provided that the Customer pays the Cooperative a non-refundable contribution in aid of construction or, at the Cooperative's discretion, the Cooperative will install the facilities required to serve multiple delivery points and the Customer will pay for such facilities pursuant to a monthly facilities charge assessed based upon a cost analysis to serve the load. The Cooperative has the right to meter in the most practicable manner, either primary or secondary voltage. Service is available only if the Cooperative has adequate facilities to serve the Customer or if adequate facilities can be built at the Customer's expense to provide such service.

Type of Service

At available transmission or distribution voltages determined by the Cooperative. Where service of the type desired by the Customer is not already available at the point of delivery, additional charges under the Cooperative's RRLEP and special contract arrangements may be required prior to service being furnished.

Monthly Rate

a. <u>Customer Charge</u>: Meter Cost \$450.97 per month Meter Reading \$ 0.98 per month Billing \$ 6.33 per month Access \$ 41.72 per month Total Customer Charge \$500.00 per month

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 b. <u>Distribution Demand Charge at the</u> <u>Applicable Metering Point</u>: Transmission Delivery
b. <u>Distribution Substation Delivery</u>
b. <u>Applicable Metering Point</u>: Transmission Delivery
b. <u>Solution Substation Delivery</u>
b. <u>Solution Substation Delivery</u>
b. <u>Solution Secondary Delivery</u>
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Definition of Service Levels

Transmission Delivery is defined as service taken at 69 kV or higher.

Substation Delivery is defined as service taken directly from the low side bus of the distribution substation or where Customer has requested that multiple points of delivery be metered at the low side bus of the distribution substation. Where multiple delivery points are metered at the low side bus of the distribution substation, the Customer will be charged an additional facilities charge for the Cooperative-owned, operated or maintained facilities on the Customer side of the meter

Distribution Primary is defined as service taken at standard distribution voltages where the Customer owns the final distribution transformation equipment or where the Customer has requested that multiple points of delivery be metered at a single primary metering location. Where multiple delivery points are metered at a single primary metering location, the Customer will be charged an additional facilities charge for the Cooperative-owned, operated or maintained facilities on the Customer side of the meter.

Distribution Secondary is defined as service taken at standard secondary voltages where the Cooperative owns the final distribution transformation equipment.

c. <u>Wholesale Power Cost:</u>

The Wholesale Power Cost shall be the cost of electricity to serve the Customer, including but not limited to, capacity, energy, transmission, ancillary services and fuel charges for the current billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods from all providers who provide services in connection with the Wholesale Power Cost. The Wholesale Power Cost will be calculated using the billing units defined in the same manner as defined in the wholesale rate to the Cooperative, including any ratchet provisions in the wholesale rate. The Customer's billing units may be adjusted for line losses, as determined by the Cooperative, to calculate the Customer's power cost at the wholesale supplier's metering point to the Cooperative.

d. <u>Facilities Charge:</u>

An additional monthly charge for the provision of distribution facilities as determined by the written Agreement between the Cooperative and the Customer.

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Determination of Facilities Billing Demand

The Billing Demand for purposes of determining the Distribution Demand Charge will be the greater of: (1) the contract demand as defined in the Agreement for Electric Service, (2) the highest maximum thirty-minute demand established during the current and previous eleven billing periods, or (3) 2,000 kW.

Minimum Monthly Charge

The greater of the amount specified in the written Agreement between the Cooperative and the Customer or the sum of the monthly Customer Charge, Distribution Demand Charge, and Facilities Charge, not including any wholesale power cost adjuster or any other adder approved by the Arizona Corporation Commission.

Power Factor

The Customer shall maintain power factor at the time of the Customer's maximum demand as close to unity as possible. The Cooperative shall have the right to measure such power factor at any time during the billing period. In the event the power factor measured at the time of the Customer's maximum demand is less than 95% lagging or leading, such maximum shall be adjusted for billing purposes by dividing such maximum measured demand by the measured power factor multiplied by 0.95.

Tax Adjustment

To each of the charges computed in this Tariff, including all adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues and/or the price or revenue from the electric distribution, capacity and energy and transmission and ancillary services, sold and/or the volume of energy purchased for sale and/or sold hereunder.

Rules, Regulations and Line Extension Policy (RRLEP)

The RRLEP of the Cooperative as on file with the Arizona Corporation Commission shall apply to this rate schedule. Upon application for service or upon request, the Cooperative will assist the Customer in selecting the rate schedule best suited to the Customer's requirements, but the Cooperative does not guarantee the Customer will be served under the most favorable rate schedule. Upon written notification of any material changes in the Customer's installation, load conditions, or use of service, the Cooperative will assist in determining if a change in rate schedule is desirable. No more than one (1) such change at the Customer's request will be made within any twelve (12) month period.

Contract

All electric service provided pursuant to this Tariff shall be set forth in a written agreement between the Cooperative and the Customer. Any service provisions that are different from the provisions of the Tariff shall be set forth in a written agreement that will require the approval of the Arizona Corporation Commission. The written agreement shall contain, among other provisions, provisions for a Contract Demand, Minimum Monthly Charge and a Facilities Charge to cover capital costs and operation and maintenance costs, if applicable. Should the Customer request service at the Transmission Delivery rate, and should the line connections be made directly with the lines of the Cooperative's transmission provider, then the contract may become a three-party contract to cover the provisions required by the Cooperative's transmission provider.

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Service Availability Charge

A Service Availability Charge to be paid by the Customer to the Cooperative may be included in the contract to reimburse the Cooperative for its operating expenses with regard to idle or standby services in connection with the facilities constructed or installed pursuant to the contract based upon the Cooperative's estimate of its actual operating costs for such idle or standby services.

Renewable Energy Standard (RES) Surcharge

The Cooperative shall add to its bill a RES Surcharge in accordance with the approved RES tariff to help offset the costs associated with the Cooperative's programs designed to promote alternative generation requirements that satisfy the RES as approved by the Arizona Corporation Commission. Other charges may be applicable subject to approval by the Arizona Corporation Commission.

Demand Side Management (DSM) Programs; DSM Adjustment Mechanism

The Cooperative shall recover its cost for pre-approved DSM programs through a separate DSM adjustment mechanism which shall provide for a separate and specific accounting for pre-approved DSM costs.