

POWER COST ADJUSTMENT CLAUSE

(Rate Title or Number)

APPLICATION:

This Power Cost Adjustment Clause is applicable to and becomes a part of all retail rate schedules and is applicable to all sales thereunder.

BILLING:

1. The Power Cost Adjustment (PCA) in dollars per kilowatt-hour shall be calculated each month. The PCA shall be determined each month as follows:

$$PCA = A/B - \text{Base Rate} + R$$

Where:

A = Total dollars of purchased power costs for the preceding 12 billing months calculated at the current wholesale rate

B = Retail sales for the preceding 12 billing months. If Tri-State Generation and Transmission changes the wholesale rate for purchased power charged to its class A members (A-37 rate) between January 1, 2013 and January 1, 2014 then B will be calculated as follows: Total dollars of purchased power costs billed at the A-37 rate during the preceding 12 billing months + (the usage based on 2012 actual usage for any months not billed under the A-37 rate multiplied by the Base Rate)

R = (Over)/Under Recovery (See below)

The Base Rate for this calculation is:

Residential Single Phase - \$0.07658

General Service Single Phase - \$0.7666

Irrigation Single Phase - \$0.7668

General Service Three Phase - \$0.07668

Irrigation Three Phase - \$0.07687

Large Power On-Peak - \$0.04198

Large Power Off-Peak - \$0.01050

Over/(Under) Recovery Calculation

After each 12 month period ended in December 31 of each year, a charge/(credit) per kilowatt hour shall be determined to be added to the customer's monthly rate to account for the difference in Cooperative's actual purchased power cost for the 12 month period and the amount it billed customers for purchased power through base rates plus the PCA. The charge shall be implemented with the PCA taking effect in January 1 of each year. The charge/(credit) shall remain in effect for the following 10 months. The (over)/under recovery amount per kilowatt-hour shall be determined in the following manner:

$$R = (PPB + BAL - PPR) / S$$

Where:

R = (Over)/Under Recovery Factor per kilowatt-hour

PPB = Purchased Power Cost billed to Cooperative from its power supplier for the 12 month period

BAL = (PPB - PPR + BAL) - (R * S) from the previous 12 month period

PPR = Purchased Power Cost recovered from customers through the application of base rates and the PCA

S = Estimated kWh Sales for 10 month billing period

2. For rates with an applicable Purchase Power Billing Demand component, a Power Demand Cost Adjustment (PDCA) in dollars per kilowatt shall be calculated each month. The PDCA shall be determined each month as follows:

$$PDCA = R - \text{Base Rate}$$

Where:

R = Current Purchase Power Demand rate charged by our wholesale supplier

Base Rate:

December through February \$31.74

March through May \$28.99

June through August \$36.81

September through November \$28.99

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Signature of Issuing Officer

Decision or Board Action
Authority No. 11/26/12

General Manager

Effective Date 01/01/13

Title

