Utah PSC No. 19 Original Sheet No. 18 Date Issued: December 1, 2016 Effective: February 1, 2017

STATE OF UTAH

SCHEDULE INDUSTRIAL

AVAILABILITY: At facilities of adequate capacity; Three-phase alternating current service at 480 volts or higher; For Consumers with one (1) metering point with loads in excess of 2,500 kW or an aggregation of multiple meters with a non-coincidental sum of demands in excess of 2,900 kW. Rate shall apply during project construction period. Power purchased under this rate schedule is not for resale.

This tariff rate shall be applied to Consumers, meeting the demand requirements stated above that do not have an effective written agreement (negotiated rate agreement) with the Association for rates and charges for electric service meeting the demand requirements stated above. Due to the seasonal nature of the energy markets, consumers receiving power under this tariff must remain on it for 360 days before a new contract may be negotiated.

As a condition of receiving service, Consumer shall provide Performance Assurance in the form of cash, letter of credit, surety bond, or other form acceptable to BVEA and/or the Wholesale Supplier. Performance Assurance shall be for an amount equal to 60 days of electrical service charges as reasonably estimated by BVEA. Performance assurance shall be provided at least 15 days prior to commencement of service under this tariff rate and shall be maintained for the duration of service thereunder.

MONTHLY RATE:

Demand Rate:	As Set Forth Pursuant to Exhibit "A-2016" to this Electric Service Schedule IS-3
Energy Rate:	As Set Forth Pursuant to Exhibit "A-2016" to this Electric Service Schedule IS-3
Facilities Charge:	The Monthly Service Charge as defined below.

DEFINITION OF FACTORS IN RATES:

Measured Demand: 15 minute average integrated demand, in kW, as measured at Consumer's delivery voltage. Measured Demand will be coincidized if the Consumer has multiple meter/delivery points, utilizing interval metering data in each Billing Period when the Association determines that adequate Interval Metering is installed and operating at Customer's multiple meter/delivery points; or (in all other Billing Periods) the Coincidence Factor. Consumer shall pay as a contribution-in-aid all costs, if any, incurred to acquire, install and maintain revenue quality interval metering system and associated communication equipment. Energy, in kWh, measured at Consumer's delivery Voltage.

> Shall equal 0.85 in every Billing Period for portions of the Customer's load which the Association has determined adequate Interval Metering equipment has not been installed at Customer's multiple meter/delivery points.

Measured Energy:

Coincidence Factor:

Jul Rulien

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SCHEDULE INDUSTRIAL (Continued)

Loss Factor:	Shall equal 1.07 unless otherwise negotiated between Consumer and Association and memorialized in valid, enforceable and currently effective written agreement. Loss Factor shall be applied to Measured Demand and Measured Energy to determine delivered quantities for retail billing purposes.
Minimum Measured Demand:	Shall be defined as 70% of Consumer's highest monthly maximum Measured Demand during the prior twelve (12) months of billing history multiplied by the Loss Factor.
Facilities Charge:	The Facility Charge shall be \$4.00 per installed KVA per month. The Facility Charge shall be revised periodically and from time to time as determined by BVEA Board of Directors.
Billing Demand:	Measured Demand multiplied by Loss Factor.
Billing Energy:	Measured Energy multiplied by Loss Factor.
Billing Period:	Each calendar month or, if service hereunder is received for less than one full calendar month, any portion of calendar month during which service hereunder is received.
Wholesale Supplier:	Deseret Generation & Transmission Co-operative

<u>POWER FACTOR ADJUSTMENT</u>: Demand Charge will be adjusted if Consumer's average power factor is lower than 95%. Such adjustment will be made by increasing the Measured Demand 1% for each 1% by which the average power factor is less than 95% lagging or leading.

<u>DETERMINATION OF BILLING DEMAND</u>: The Measured Demand in the Billing Demand calculation shall be the maximum kilowatt demand established by the Consumer during any fifteen (15)consecutive minutes interval of the Billing Period, as indicated or recorded by demand meter(s) and adjusted for power factor as applicable.

<u>MINIMUM CHARGE:</u> The minimum monthly charge shall be the Facilities Charge plus the Consumer's Minimum Demand Charge, which shall equal the Minimum Measured Demand multiplied by the Demand Rate.

TERMS OF PAYMENT: Due and payable twenty (20) days from the date of the monthly bill.

<u>SPECIAL PROVISIONS:</u> Rules and Service hereunder subject to Electric Service Regulations of the Association as amended from time to time.

By: Jul Rulian

STATE OF UTAH

SCHEDULE INDUSTRIAL (Continued)

Exhibit - "A-2016"

То

ELECTRIC SERVICE SCHEDULE Industrial

A-1. <u>Demand, Energy Rates:</u> Rates and charges for deliveries of power and energy hereunder shall include the Initial Block Charge and the Incremental Block Charge, as follows (in each case as adjusted pursuant to Section A-2 of this Exhibit "A-2016" below):

A-1.1 "Initial Block Charge" for each Billing Period shall be equal to an amount determined as follows: (i) Billing Energy in each hour up to the first 2,500 kWh of Billing Energy in such hour multiplied by a stated rate equal to \$0.02220 per kWh; plus (ii) the Billing Demand up to the initial 2,500 kW of Billing Demand in such Billing Period multiplied by a stated rate equal to \$7.039 per kW-month.

A-1.2 "Incremental Block Charge" for each Billing Period shall be equal to an amount determined as follows: (i) Billing Energy in each hour in excess of the first 2,500 kWh of Billing Energy in such hour multiplied by the Monthly Market Index per kWh; plus (ii) the Billing Demand in excess of 2,500 kW of Billing Demand in such Billing Period multiplied by a stated rate equal to \$22.815 per kW-month (year round) (i.e., \$5.236 per kW-week).

A-1.3 "Monthly Market Index" for each Billing Period shall be equal to the highest forward price during the last five (5) trading days of the previous calendar month for firm electric power and energy for all calendar days during the subsequent calendar month ("Prompt Month") for which such Monthly Market Index is to be determined, for firm power forward contracts, delivered at Palo Verde ("PALO"), as communicated to the Association by the Wholesale Supplier based on published 7 x 24 hour prices or a weighted average on-peak and off-peak prices (based on the respective hours in each period during the Prompt Month) expressed in \$ per kWh, plus the CEEV as set forth pursuant to Section A-2 below. If published forward price data is unavailable to Wholesale Supplier for any calendar month, BVEA will ask Wholesale Supplier to obtain at least two representative price - quotes from power marketers or brokers and shall base the Monthly Market Index on such good faith indicative price quotes received by Wholesale Supplier.

Jul Rulien

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SCHEDULE INDUSTRIAL (Continued)

A-2. Emissions-related Adjustment to Rates

For purposes hereof, an "Emissions Reduction Program" shall mean laws or regulations that result A-2.1. in the binding, mandatory limit, reduction, or regulation of the amount of Greenhouse Gas emissions that may be produced from one or more generating resources used by Association and/or Wholesale Provider to provide service hereunder with the express intent of reducing or limiting the amount of global climate change resulting from the buildup of Greenhouse Gases in the atmosphere; "Greenhouse Gases" shall mean those gases specifically enumerated in any Emissions Reduction Program as being subject to control under such program with the intent of reducing or limiting the amount of global climate change; "Emissions Factor" shall mean with respect to each contract year (or calendar year, if use of a contract year is not feasible) the measured and calculated aggregate number of metric tons (calculated to two decimal places) of carbon dioxide actually produced (together with any carbon dioxide equivalent(s) if other Greenhouse Gas(es) are also produced) by all of the generating resources used to supply power and energy to ASSOCIATION for service hereunder per each MWh of Billing Energy received by ASSOCIATION for delivery to the customer loads hereunder; and "Carbon Dioxide Equivalent Emissions Value," or "CEEV" shall mean, for each hour of Measured Energy, an adjustment (expressed in \$/MWh) to be added to the Energy rate(s) otherwise set forth for deliveries of Energy hereunder which fairly and reasonably reflects the anticipated impact in costs of power and energy to be provided by ASSOCIATION for customer loads served hereunder as a result of an Emissions Reduction Program. The CEEV, if relevant, shall be calculated as follows:

A-2.1.1. From and after the CEEV Commencement Date, the CEEV shall equal the product of (i) the Allocated Credit Percentage, multiplied by (ii) the good faith determination by Wholesale Supplier of the prevalent 30-day average market value as of the last day of the billing period in question, in any major U.S. or regional market, of the right to emit within the Affected Geographic Area a metric ton of carbon dioxide equivalents pursuant to the relevant Emissions Reduction Program, taking into account the weighted average market value any Greenhouse Gas reduction offsets or similar allowances permitting either Wholesale Supplier or ASSOCIATION to emit a quantity of carbon dioxide equivalents within the Affected Geographic Area ("CO₂ Emissions Credits") without any additional cost for governmental fees, taxes, or other charges imposed by the relevant Emissions Reduction Program, multiplied by (ii) the Emissions Factor (to convert the cost per Metric Ton of carbon dioxide equivalent into a cost per MWh).

A-2.1.2. Notwithstanding the provision of paragraph A-2.1.1. above, to the extent that Wholesale Supplier is unable in good faith through commercially reasonable efforts to determine any prevalent market value for CO_2 Emissions Credits by reference to published data setting forth actual market clearing price(s) for such CO_2 Emissions Credits, then the CEEV shall equal, absent manifest error, for any such ton of carbon dioxide emissions produced within the same vintage billing period the product of (i) the Allocated Credit Percentage, multiplied by (ii) ten dollars (\$10.00), multiplied by (iii) the Emissions Factor (to convert the cost per Metric Ton of carbon dioxide equivalent into a cost per MWh).

Bv

Bridger Valley Electric Association, Inc.

Title: <u>General Manager</u> Utah PSC No. <u>19</u> PO Box 399 Mountain View, Wyoming 82939

STATE OF UTAH

SCHEDULE INDUSTRIAL (Continued)

A-2.1.3.

Notwithstanding the provision of paragraphs A-2.1.1 and A-2.1.2 above, for any Billing Period hereunder during which Customer delivers to ASSOCIATION, and ASSOCIATION delivers to the account of Wholesale Supplier, CO_2 Emissions Credits at no additional cost to Wholesale Supplier, for use and application to satisfy and/or reduce Wholesale Supplier's obligation to not exceed its allocation of Greenhouse Gas Emission Allowances imposed by the relevant Emission Reduction Program for its operations during such billing period, then the CEEV shall be reduced to \$0.00/MWh for a quantity of Billing Energy determinants during any such billing period hereunder equal to the number of CO_2 Emissions Credits delivered by Customer.

A-2.1.4. For purposes herein, the following terms shall have the meaning set forth below:

- A-2.1.4.1. "<u>Affected Geographic Area</u>" shall mean any portion of the state of Utah affected directly or indirectly by emissions from one or more fossil-fuel electric generating stations operated by Wholesale Supplier.
- A-2.1.4.2. "<u>Allocated Credit Percentage</u>" shall mean, for each unit of Measured Energy delivered to Customer loads from and after the CEEV Commencement Date, the following with respect to each annual billing period (prorated for any portion of a year that is relevant):
 - (a) one minus the quotient of (x) the total number of tons that each generating resource within the Affected Geographic Area that supplies, in whole or in part, power and energy delivered to ASSOCIATION for customer loads receiving service hereunder is permitted to emit within the Affected Geographic Area at no additional cost for government fees, taxes, Emissions Credits, or other charges (the <u>"Free Credits"</u>), and (y) the total number of tons of carbon dioxide equivalents produced from such generating resources;
 - (b) but if the percentage determined with respect to subsection (a) above is less than 0.00, then the Allocated Credit Percentage shall be 0.00.
- A-2.1.4.3. "<u>CEEV Commencement Date</u>" shall mean the date from which any generating resource that provides power and energy to ASSOCIATION for service to customer loads served hereunder is subject to a limit or restriction on the amount of Greenhouse Gases which such facility may emit as a result of an Emissions Reduction Program (but not as a result of some other regulatory or statutory scheme that is imposed without the express goal of reducing the emissions of Greenhouse Gases for the purposes of limiting or reducing global climate change).

By: Jul Rulien