DIXIE ESCALANTE RURAL ELECTRIC ASSOCIATION 71 EAST HIGHWAY 56 BERYL, UTAH 84714

UTAH INDUSTRIAL (2500 kW AND UP)

Service made available to Industrial members of the Association under this rate schedule shall be for non-domestic use, single or three phase, with a minimum demand of 2500 kW.

Facilities Service Charge: \$15.00 per kW per month

Energy Charge: \$0.027 per kWh

Demand Charge: \$31.40 per kW per month

POWER FACTOR: The member shall maintain not less than a 95% lagging power factor. Those members which are determined to have power factors of less than 95% lagging shall have the demand for billing purposes increased by 1% for every 1% that the power factor is less than 95%.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The above rates are subject to the imposition of any purchased power adjustment either upward or downward which may be established and approved for billing from time to time under established procedures.

POWER QUALITY: The required levels of current or voltage distortion shall be within the levels outlined in IEEE Standard 519-2014, IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems, or any successor IEEE standard. When problems are brought to the attention of the Association, the Association will measure the total and individual order harmonic distortion currents, and will share such information obtained with the member. Members needing to take corrective actions to eliminate excessive harmonics and their effect on other members shall be notified of such need in writing, and shall be given 90 days following notification to make corrections which eliminate problems. If the offending member does not eliminate problems within 90 days following notification, the Association shall, at its sole option, take corrective actions and bill member for expenses of such corrective actions or may disconnect service.

PERFORMANCE ASSURANCE: As a condition to receiving any Service hereunder, Member will transfer Performance Assurance to or for the benefit of Association in an amount equal to the Collateral Requirement, at least fifteen (15) days prior to commencement of any service hereunder, and shall at all times maintain Performance Assurance as a condition of continued service hereunder in an amount at least equal to the Collateral Requirement.

As used herein, "Performance Assurance" means a security deposit collateral in the form of a standby Letter of Credit or performance bond and/or other security in form and subject to terms and conditions that are acceptable to Association in its sole and absolute discretion.

As used herein, "Collateral Requirement" means an amount (not less than zero) calculated by Association as follows: 100% of the amount to be paid pursuant to the terms of this Rate Schedule for all deliveries of electric power and energy and other services or charges to Member hereunder for a period of ninety (90) days, based on Association's reasonable estimate of the rates and charges expected to be incurred for service to Member on account of all loads hereunder.

CONTRACT OPTION: It should be noted that for loads of 2500kW or greater, Dixie Power offers negotiated contracts with terms of three years or longer, with substantial take-or-pay provisions for targeted demand and energy, with rates and terms that are more favorable than this tariff.

Effective: August 1, 2018