

GARKANE ENERGY COOPERATIVE, INC.
ELECTRIC SERVICE

SCHEDULE NO. UT028

STATE OF UTAH

GENERAL SERVICE NO. 2

AVAILABILITY: Available for commercial, industrial, public buildings, and three-phase service for all uses, including lighting, heating and power within the boundaries of the former Kanab City municipal power system as of August 31, 2004, at any point on the Company's interconnected system where there are facilities of adequate capacity, subject to the Company's established rules and regulations. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements are between 50 and 1,000 KVA of transformer capacity.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at available secondary voltage. Motors having a rated capacity in excess of ten horsepower should be three-phase.

MONTHLY BILL:

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|----------------------|----------|
| Base Rate | \$30.00 |
| All kWh | \$0.0641 |
| Demand Charge per kW | \$7.25 |

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 95 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 95 percent lagging.

MINIMUM: The minimum monthly charge shall be \$30.00, plus any increase required under the Line Extension Policy. Payment of the Base Rate does not entitle the consumer the use of any kWh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a consumer requests reconnection of service at the same location, he shall be required to pay the Base Rate for each of the intervening months. Non-use of service for 12 months shall make the premises subject to removal under the Idle Service Regulation.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the consumer and the Company. The Electric Service Regulations of the Company on file with and approved by the Public Service Commission of Utah, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Company'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.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within fifteen (15) days from the date of the bill.

EFFECTIVE: July 1, 2012