

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE
SCHEDULE NO. LP015
STATE OF UTAH

EXTRA LARGE POWER SERVICE

AVAILABILITY: Available for high load factor (over 90%) oil field pumping. The load shall require 1500 KVA of transformer capacity or more. The load shall be served directly from an Association substation bus at available primary distribution voltages.

APPLICATION: This schedule is for alternating current electric service supplied at approximately 12500, 24900, or 34500 volts, three phase, from a substation bus, through a single kilowatt-hour meter at a single point of delivery for all service required in a single oil field.

Meters which are not accessible for regular monthly reading will be billed under the Estimated Billing Regulation.

MONTHLY BILL:

A. **Base Rate:** \$100.00 per month

B. **Demand Rate**

- i. The demand rate (Demand Rate) shall be \$6.70 per kW of Billing Demand.
- ii. Billing Demand shall be defined as the greater of (a) the maximum 15 minute demand measured during the Billing Cycle, (b) 80% of the maximum Billing Demand that occurred during the previous twelve (12) Billing Cycles, or (c) 80% of the maximum Billing Demand that occurred during the Billing Cycles since the effective date of the tariff, if less than twelve (12) Billing Cycles have occurred.
- iii. If the Marginal Load Energy Rate is terminated, the Billing Demand, for purposes of Section B.ii. (b) & (c) above, for the twelve months (12) preceding the effective date of the termination shall be deemed to be 2,000 kW.

C. **Energy Rate**

- i. Energy shall be supplied under a two tiered rate, comprised of a Base Load and Marginal Load Energy Rate.
- ii. Base Load Energy shall be the first 1,343,000 kWh of energy consumed during a Billing Cycle. The Base Load Energy Rate shall be \$0.055 per kWh.
- iii. Marginal load energy shall be any energy consumed during a Billing Cycle in excess of the Base Load Energy.

- (1) The Marginal Load Energy Rate is indexed to the price of West Texas Intermediate Crude Oil (Domestic-f Spot market) as published by the Dow

- (2) The Monthly Oil Price used to determine the Marginal Load Energy Rate for a Billing Cycle shall be the simple average of the daily West Texas Intermediate Crude Oil Prices for the calendar month preceding the Billing Cycle.
- (3) The Marginal Load Energy Rate for a Billing Cycle shall be determined from the table below. As an example, if the Monthly Oil Price is \$17 per BBL, the average rate for electricity will be \$0.027 per kWh.

<u>Monthly Oil Price \$/BBL</u>	<u>Energy Rate \$/kWh</u>
15 and below	0.0210
16	0.0240
17	0.0270
18	0.0300
19	0.0330
20	0.0360
21	0.0390
22	0.0420
23	0.0470
24	0.0520
25	0.0570
26	0.0620
27 and above	0.0670

- (4) The Association may terminate the Marginal Load Energy Rate, at any time, upon ninety (90) days written notice to the consumers receiving service under this Schedule.

D. The Energy Rates include retail and wholesale components. Any changes in the wholesale rate component shall be passed through to the Consumer. Any general retail rate changes approved by the Association's Board of Trustees shall be applied on a pro-rata basis to the Energy Rates.

POWER FACTOR ADJUSTMENT: The metered demand, for purposes of determining Billing Demand, shall be increased by 1% for each 1% the average monthly power factor is below 95%.

CONDITIONS OF SERVICE: All wiring, poles, lines and other electrical equipment beyond the substation fence shall be considered the distribution system of the Consumer and shall be furnished and maintained by the Consumer.

MINIMUM MONTHLY CHARGE: The minimum monthly charge shall be the Base Rate, and 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.

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TEMPORARY DISCONTINUANCE OF SERVICE: If a consumer requests connection or 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 service to 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 Association. The Electric Service Regulations of the Association on file with and approved by the Public Service Commission of Utah, including and 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 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.

TERMS OF PAYMENT: The above rates are NET and DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state, and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

Effective Date: July 1, 2009