

Applicability

This Schedule is applicable to industrial customers having demands of 1,000 kilowatts or greater in any month during the previous twelve (12) months.

Character of Service

Alternating current at a frequency of approximately 60 Hertz: 208Y/120 volts, 480Y/277 volts, 480 volts, 4,160 volts, 12,000 volts, 17,200 volts, 69,000 volts or 115,000 volts three phase, where and to the extent available, at the option of the District.

Monthly Charges

The total amount of a customer's bill, excluding applicable local and state taxes and surcharges, will be the sum of the charges listed below and any adjustments for Special Provisions, effective on the date of meter reading for each account.

| Summer (May – September) | Winter (October – April) |
|-------------------------------------|-------------------------------------|
| Fixed Monthly\$195.00 | Fixed Monthly\$195.00 |
| Demand (per kW)\$17.78 | Demand (per kW)\$17.78 |
| Electric Usage (per kWh): | Electric Usage (per kWh): |
| On Peak\$0.1053 | On Peak\$0.0694 |
| Partial Peak\$0.0811 | Off Peak\$0.0526 |
| Off Peak\$0.0526 | |

Territory Served

The entire area within the Modesto Irrigation District electric service boundary or any other area served by Modesto Irrigation District pursuant to the laws of the State of California and the District's Rules and Regulations for Electric Service.

Determination of Demand

Customer's Demand shall be the maximum 15-minute rate of taking in kilowatts measured by meter during the month. Should the customer's equipment be such as might impose intermittent or violently fluctuating loads on the District's system, customer's demand for billing purposes may, at the sole option of the District, be based on a 5-minute interval. (See Special Provision 6.)

Under certain circumstances, the District may, at its sole option, estimate the demand of the customer. This will usually be done (a) for new customers whose usage is not yet known; (b) when meter readings cannot be obtained; or (c) when a demand meter is required, but may not yet have been installed. If an estimate is used for customer's demand, then that estimate will be used for customer's demand during the month.

Special Provisions

1. Adjustment for Power Factor

For customers on this Rate Schedule, the maximum 15-minute reactive kilovolt-ampere demand requirements will be measured by means of installed instruments, or by periodic tests, the ratio of such reactive kilovolt-ampere demand requirements to the customer's kilowatt demand requirements at the time of the tests shall be used for computing the Power Factor Adjustment until a new test is made. Such meter, once installed, will not be removed while customer is on this Rate Schedule.

In any month during which such customer's maximum 15-minute reactive kilovolt-ampere demand requirement is in excess of one-half of the customer's maximum kilowatt demand requirement, an additional monthly charge of \$1.43 will be made for each reactive kilovolt-ampere of such excess.

2. Delivery at Primary or Transmission Voltage

When delivery is made at 4,160 volts, 12,000 volts or 17,200 volts, a discount of 10% will be applied to the amount of the demand charge computed as described under Monthly Charges above including any adjustments to the demand charges pursuant to Special Provisions 8 and 10. When delivery is made at 69,000 volts or above, a discount of 15% will be applied to the amount of the demand charge computed as described under Monthly Charges above including any adjustments to the demand charges pursuant to Special Provisions 8 and 10.

3. Availability

Service under this Rate Schedule is available the first of the month following customer's selection to receive service under this Rate Schedule. Once established on the GS-3 Rate, a customer may elect to receive service under a different Rate Schedule at any time by giving the District notice in writing at least thirty (30) days in advance of the effective date of the desired new Rate Schedule. In the event customer changes service from the GS-3 Rate, such Rate Schedule shall not be available for a period of twelve months from the effective date of the new Rate.

4. Proration

When a customer switches from another Rate Schedule to this Rate Schedule, the customer's demand charge and fixed charge shall be prorated for the period between the last full billing period and the commencement of the applicability of this Rate Schedule.

5. Time Periods

Time periods are defined as follows

Winter: (Service from October 1 through April 30)

On Peak: 8:00 a.m. to 11:00 p.m. Monday through Friday, excluding holidays.

Off Peak: All other hours.

Summer: (Service from May 1 through September 30)

On Peak: 1:00 p.m. to 9:00 p.m. Monday through Friday, excluding holidays.

Partial Peak: 8:00 a.m. to 1:00 p.m. and 9:00 p.m. to 11:00 p.m. Monday through Friday, excluding holidays.

Off Peak: All other hours.

Holidays are: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day.

6. Large Demands of Short Duration

Where a customer requires new service or modification to existing services to supply x-ray equipment, welding equipment or other equipment which presents large demands of short duration to the District's system, at the sole discretion of the District, such loads may be served through a separate meter and transformer. It is the customer's responsibility to pay for, in advance, such equipment to supply modified service.

7. Implementation

Customers may take service under this Schedule following installation of metering equipment as specified by the District.

8. Interruptible Demand

The potential interruption period is limited to Monday through Friday, 3:00 p.m. to 6:00 p.m. during the District's Summer Billing Months (May through September). By April 1 of each year, the District will determine how much interruptible load that is required. Application for participation in the interruptible program will be taken up to the last working day in April of that calendar year. Applications will be accepted according to the following criteria:

- a) Priority will be given to loads that best fit District needs.
- b) Equivalent loads will be taken on a first come, first served basis until the target interruptible load is met.
- c) Past non-compliance in previous District interruptible programs may impact eligibility.

After May 1 of that calendar year, if the interruptible target has not been met, the District will accept applications for participation in the interruptible program, up to the target, according to the criteria listed above. The Demand Reduction Credit (as described below) will be prorated.

8.1 Customer Eligibility

To be eligible for the Interruptible Demand discount in any calendar year, a customer must sign up for the Interruptible Demand discount by the last working day in April of that calendar year.

8.2 Customer Interruptible

Customer must reduce demand by the customer's designated kilowatt amount, Interruptible Demand, upon telephone notification by the District. A minimum of 2 hours' notice will be provided to the customer prior to implementation of customer's required load reduction. Customer may, but is not required to, verify receipt of District's notice within 30 minutes of receiving such notice. District will provide, if possible, a non-binding notice to the customer by 12:00 noon the workday prior to any planned interruptions. District will have the right to a maximum of 3 interruptions per month per account.

8.3 Interruptible Demand

The customer shall state in its application the amount of Interruptible Demand, in kilowatts, subject to interruption pursuant to this Rate, provided that:

- a) the Interruptible Demand for July and August shall be equal, and shall be at least 100 kilowatts for each month;
- b) the Interruptible Demand for May, June and September shall be at least fifty percent (50%) of the Interruptible Demand for July and August, but not greater than the Interruptible Demand for July and August;
- c) the maximum Interruptible Demand in any month shall be no greater than 90% of the customer's total demand for that same month of the previous year. To allow new customers to be eligible for this Provision, the District will estimate the monthly demands for customers without prior billing history with the District until actual billing demand data become available.

8.4 Demand Reduction

In the event the District, in its sole judgment, determines that it must reduce load, and the District notifies a customer of the requirement to reduce its demand, the customer must reduce its demand by the amount of customer designated Interruptible Demand calculated as follows: The Demand Reduction for any particular day shall be deemed the difference from customer's greatest recorded 15-minute peak demand during the 2-hour period immediately preceding the commencement of the interruption period to the greatest 15-minute demand recorded within the Interruptible Demand period.

8.5 Demand Reduction Credit

In a month in which no request for Interruptible Demand Reduction has been made, customer shall receive a credit to their monthly demand charges of \$3.62 per kilowatt per month of customer designated Interruptible Demand. In a month in which the District has requested Demand Reduction, customer shall receive a credit of \$3.62 per kilowatt per month of actual Demand Reduction achieved as described in Section 8.4, not to exceed the customer designated Interruptible Demand amount.

In months in which multiple requests for Demand Reduction are made, customer credit shall be based on the occurrence in which the *least* amount of actual Demand Reduction was achieved. For billing purposes, the Interruptible Demand shall be the same as the customer's demand, if customer's demand is less than the Interruptible Demand.

8.6 Non-Compliance Demand Charge

A Non-Compliance Demand Charge will be imposed in the event that the customer fails to reduce its demand by the designated kilowatt amount during any 15-minute interval during an interruption period as required by the District pursuant to this Provision. The Non-Compliance Demand Charge will be based on the highest single Non-Compliance Demand incurred by the customer in the billing month for which the Non-Compliance Demand Charge is imposed. The Non-Compliance Demand Charge will be \$3.62 per kilowatt multiplied by the number of kilowatts by which the customer failed to reduce its demand as described in Section 8.4, provided that the Non-Compliance Demand Charge shall not exceed \$3.62 multiplied by the Interruptible Demand. Any customer failing to reduce its demand by the designated kilowatt amount on two or more occasions during any 12-month period will, at the District's option, become ineligible for this Provision and will not become eligible for the Provision for a period of 12 months.

8.7 Maintenance Outage Notice

The customer shall have the right to waive all or part of its Interruptible Demand obligation for a maximum of one month per year. For the customer to waive all or part of its Interruptible Demand obligation in a month, written notice must be received by the District's Dispatching Supervisor at least five (5) working days prior to the month the customer wishes to waive all or part of its Interruptible obligation. This notice must specify the month a change is requested and the revised kilowatt amount of Interruptible Demand. Upon acceptance of the Maintenance Outage Notice, the customer will be obligated to reduce load, if called upon, by the revised amount specified in the notice. Customer Interruptible Demand Credit in that month will be based upon the revised Interruptible Demand as specified in the Maintenance Outage Notice.

9. Air Conditioning Controlled Load Service (S.T.E.P.)¹

Service under this Schedule is provided to customers who have District-controlled electric central refrigerative air conditioning which, in the opinion of the District, is suitable for controlled service.

9.1 Written Consent

Service under this Schedule shall be provided only upon the written consent of the customer. If the customer is other than the landowner and the owner of the air conditioning equipment, the customer shall obtain the permission and authorization of the landowner and owner of the equipment to apply for and take service under this Rate Schedule, and to make the grants required hereunder to the District. Written consent to stop service under this Provision shall be obtained from new customers and owners within thirty (30) days after such service is established at locations where control equipment is in place.

¹ S.T.E.P. service under this Schedule is re-opened for new sign-ups effective January 1, 2001, and will remain open subject to the availability of load control equipment in the District's inventory. The District may terminate acceptance of new sign-ups without further notice if it determines that its inventory of load control equipment is or will be fully utilized.

9.2 Control Period

Air conditioning cycling control will be accomplished between the hours of 8:30 a.m. and 10:30 p.m. by interruption of controlled air conditioners for a period not to average more than 10 minutes nor exceed 12 minutes each half-hour. Air conditioners will not be interrupted on Sundays except as noted in Special Provision 9.7.

9.3 Rate Discount

The following discount will commence with the first billing period (June through September, inclusive) after the District control equipment is installed on the customer's air conditioning equipment. The discount is per ton of controlled air conditioner capacity, as determined by the District. Under no circumstance shall the monthly commercial S.T.E.P. credit exceed the monthly electric usage charge. If electric service is terminated, the current available S.T.E.P credit will be issued on a prorated basis.

| <u>June 1 to September 30:</u> | <u>Discount per Account per Month</u> |
|---------------------------------------|--|
| Central Air Conditioning Cycling..... | \$ 2.00 per ton of controlled A/C capacity |

9.4 Discount Billing Period

The control discount for central air conditioning is in effect for four (4) consecutive summer billing periods beginning with the June billing period.

9.5 Suitable Equipment

Controlled loads will be limited to permanently installed electric central refrigerative air conditioning equipment served from a branch circuit(s) exclusively devoted to such loads. Air conditioning equipment must have a compatible low voltage control circuit, control energy source, and accessible control equipment mounting location as determined by the District.

9.6 Multiple Central Air Conditioning Units

Electric central refrigerative air conditioning systems equipped with more than two compressor units require the installation of District control equipment on two-thirds of total air conditioning capacity. If there are two compressor units, both must be under load control.

9.7 Emergency Control

All controllable loads shall be subject to curtailment when, in the District's sole judgment, its generation and purchase capacity or energy resources, transmission capacity, or any combination of these is needed to meet the demands of its other customers and to prevent an otherwise avoidable outage. Emergency control under these circumstances may exceed the restrictions of Special Provision 9.2.

9.8 Installation, Maintenance and Removal

Control mechanisms and associated equipment will be installed, tested, and maintained at the direction of the District at locations selected by the District and at no expense to the customer. Upon termination of this Schedule with respect to any customer, all wiring will be returned to normal operating conditions at the District's expense.

10. Economic Development Discount

Qualified customers locating or expanding in the District service territory which create new economic development and job opportunities in the community are eligible for a three-year rate discount.

10.1 Rate

A three-year, five percent (5%) rate discount based on the energy, demand and fixed monthly charge portions of applicable Rate Schedule, excluding taxes. The discount will be determined prior to any credit for primary voltage discount.

This discount will be given as an annual or monthly bill credit, at the option of the District.

10.2 Qualification

Qualified customers are new customers with a minimum load requirement of 200 kilowatts, or existing customers who add a minimum 200 kilowatts of new load. For existing customers, only the additional new load will qualify for the discount and will be based on the customer's existing applicable Rate Schedule. Should the additional new load qualify the customer for another Rate Schedule under which this Provision is applicable, such Rate Schedule shall supersede the existing Schedule and shall become the basis from which the discount is calculated. When an existing facility has been out of operation or has experienced measurable reduction in electric power consumption, an increase in electrical use will only be considered net new load when the non-operation or measurable reduction has existed for at least one year. All new load shall be subject to verification and approval by the District. Qualifying new incremental loads that are seasonal in nature are eligible for the Economic Development Discount; however, the discounts shall apply only during the months during which the loads are in full operation. Qualified customers include those engaged in business classified under the North American Industrial Classification System (NAICS) codes 311611 through 541890, inclusive, or any other customers

eligible for service under this Rate Schedule that at the District's sole discretion may be determined to qualify for this discount.

10.3 Contract

Qualifying customers must enter into a five (5) year contract with the District. After three (3) years the customer will have the option to choose other contract rate options available, if qualifying requirements are met.

The discount period shall commence within 12 months following the date of execution of the contract for service and shall be designated by the customer therein.

10.4 Metering

Separate electric metering for additional load may be required if, in the District's sole opinion, it is necessary to provide service under this Provision. The customer will be responsible for any costs associated with providing separate electric metering.

11. Rules and Regulations

Service under this Schedule is subject to the District's Rules and Regulations for Electric Service as they may be amended from time to time.