

Applicability

This Schedule is applicable to electric service provided to governmental end-use customers that preschedule electricity deliveries with the District and have an average monthly water pumping demand of more than 1,000 kilowatts. Each eligible customer who chooses to take service under this Schedule is required to enter into a contract with the Modesto Irrigation District ("District") prior to being served under this Schedule. The customer shall not sell, exchange or otherwise provide to any other person or entity electric energy obtained under this Rate.

Character of Service

Alternating current at a frequency of 60 Hertz, 230,000 volts, delivered at a point on the power grid owned or controlled by the District or to which the District has receipt or delivery capability. If necessary, power shall be scheduled for delivery by the District to another electric utility. Such utility shall maintain a 24-hour per day power dispatch center.

No ancillary services are provided to the customer receiving service under this Rate Schedule.

Territory Served

The entire area within the Modesto Irrigation District electric service boundary or any other area within the zone known as "NP15" and served by Modesto Irrigation District pursuant to the laws of the State of California and the District's Rules and Regulations for Electric Service.

Rates

The total amount of a customer's bill, (excluding City Utility Tax and State Surcharge), will be the sum of the following.

1. Power Supply Charge

1.1 Default Option

The Default Option price for power supply shall apply for all billing months except those for which the customer opts to lock-in the Fixed Forward Price Option. The Default Option shall be determined as follows:

$$\text{Price}_{\text{month}} = \left(\sum_{1}^n \text{NP15}_i \times \text{Load}_i / \sum_{1}^n \text{Load}_i \right) * 1.0375 + 0.50/\text{MWh} + \text{CAISO Fees}$$

where: NP15_i (\$/MWh) is the price published for the location known as "NP15". Each hour's load shall be multiplied by the applicable price, on peak or off peak, for that hour. The hourly products of load times price shall be summed and the result divided by the total load for the month. The District shall select the publication source for the "NP15" price that the District feels is most available and best represents the wholesale market.

CAISO Fees (\$/MWh) include, but are not limited to, grid management, wheeling out, unaccounted for energy, and neutrality charges assessed by the California Independent System Operator or its successor. These CAISO fees will be added to the price on a pass-through basis only if, and to the extent which, the District must pay CAISO fees to serve the customer.

Load_i (MW) is the customer's actual load for any hour.

1.2 Fixed Forward Price Option

Upon request, the District shall prepare an offer for Fixed Forward Prices for a designated quantity and term. The customer shall have the option to accept or reject such offer(s) without any obligation. This option may be selected for any billing month, or combination of months, in the term of the rate contract, up to one year ahead of such Lock-in Date. In order to be effective, the selection of this option must be received by the District no later than the twentieth (20th) day of the month preceding the first month to which the option will apply, and the customer must nominate the monthly quantity to which the option will be applied. Once the customer has locked-in to the Fixed Forward Price Option for any month, the customer cannot change back to the Default Option. The Fixed Forward Price Option shall be based on a written offer from the District.

2. Customer Service Charge

The Customer Service Charge shall be \$ 550 per month.

3. Interruption Credit

The customer's bill will be credited in the amount of \$100/MWh when load is interrupted by the District. In addition, there will be no Power Supply Charges for hours during Interruption Periods or immediately following Interruption Periods when the customer elects to remain shut down. The number of MWh for which the credit applies shall be the scheduled number of MWh that are

interrupted during the Interruption Period. There will be no credit for hours that the customer elects to remain shut down after an Interruption Period ends.

Special Provisions

1. 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.

2. Character of Service

The customer shall maintain a monthly load factor of 95% or greater during months for which the Fixed Forward Price Option is selected. The load factor requirement shall be waived by the District during periods of planned maintenance or planned changes to customer's pumping operations (provided customer provides a 30-day written notice of such planned maintenance or operational changes) and during periods when District outages occur. Under emergency conditions the District may, at its sole discretion, waive such 30-day written notice. The monthly load factor calculation will be based upon the contract quantity for each month, taking into account outage hours and/or changes to operations. If the customer fails to provide the 30-day notice of planned maintenance or operational changes and such failure is not waived by the District, or if the customer fails to meet the 95% load factor requirement because it has taken more power during peak periods and less power during off-peak periods, then, in the District's sole discretion, the customer will be billed for the greater amount of (a) power actually taken, or (b) power at the price agreed to, billed as though the customer's monthly load factor were 95%.

3. Interruption

a) Conditions for Interruption

On a day when the District anticipates that interruption may be desirable, the District will contact the customer by telephone. If the customer agrees to the possibility of being interrupted on that day, then that day shall be an Interruptible Day. The District shall have the right, but not the obligation, to require the customer to interrupt load for the duration of an Interruption Period for any reason on an Interruptible Day.

b) Notice of Interruption

The District shall give the customer not less than 10 minutes notice before interruption is required. The District shall also notify the customer at the end of the Interruption Period. This condition does not limit service curtailments pursuant to statewide emergency plans.

c) Interruption Period

An Interruption Period is the number of hours during which load is interrupted. The District shall notify the customer when the Interruption Period is complete. An Interruption Period shall be not less than four (4) hours.

d) Statewide Emergency Curtailments

Curtailments pursuant to statewide emergency plans are not Interruption Periods under this Rate Schedule. No Interruption Credit shall apply to statewide emergency curtailments.

4. Delivery Limit

Power deliveries under this Rate Schedule shall not exceed eight (8) MW.