

RESOLUTION NO. 12297

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA
DECLARING AS A PUBLIC RECORD
PROPOSED TITLES AND SCHEDULES OF TERMS, RATES, FEES AND CHARGES
FOR CITY-OWNED ELECTRIC UTILITIES**

BE IT RESOLVED by the City Council of the City of Mesa, Maricopa County, State of Arizona, as follows:

Section 1: That the following Titles and Schedules of Terms, Rates, Fees and Charges for City-Owned Electric Utilities, true and correct copies of which are attached hereto as exhibits and incorporated herein by reference, are declared to be public records pursuant to A.R.S. §9-801, *et seq.*, three copies of which shall be filed in the Office of the City Clerk and kept available for public use and inspection.

<u>TITLE</u>	<u>SCHEDULE NO.</u>
Residential Service	E1.1
Residential Service – Economy	E1.11
Residential Service – Electric Vehicle Rate	E1EV
Non-Residential Service	E3.1, E7.1, E7.2, E8.1, E9.1
Downtown Small Business Attraction Electric Rate Schedule	E3.6D
Non-Residential – Customer Retention/Economic Development	E3.6
Self Generation Standby Service	E3.8, E7.8, E7.81, E8.8, E9.8
Interdepartmental Electric Service	E6.1, E6.2

Additions to the text in the attachments are shown in bold, and underline: **Abc**

Deletions to the text in the attachments are shown in strike-outs: ~~Abc~~

PASSED AND ADOPTED by the City Council of the City of Mesa, Arizona, this 18th day of November, 2024.

ATTEST:

APPROVED

City Clerk

Mayor

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to a Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (120/240 or 120/208 as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for monthly billing cycles commencing on and after the Effective Date.

RESIDENTIAL SERVICE – E1.1

APPLICATION

To all electric service required for residential purposes in individual private dwellings and in individually metered apartments, when such service is supplied at one Point of Delivery and measured through one meter.

MONTHLY BILL PER METER

		MAY/OCTOBER		NOVEMBER/APRIL
<u>Electric System Service Charge:</u>		\$16.75 \$19.50		\$16.75 \$19.50
<u>Usage Charge (\$/kWh):</u>	0 – 1,200 kWh	\$0.05231	0 – 800 kWh	\$0.04317
	> 1,200 kWh	\$0.05027	> 800 kWh	\$0.02502 \$0.03478
<u>Minimum:</u>		\$16.75 \$19.50		\$16.75 \$19.50

ADJUSTMENTS

1. An Electric Energy Supply Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.
3. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.

THREE-PHASE SERVICE

Three-phase service is furnished under the City standards. Three-phase service is required for motors with an individual rated capacity of 3 hp. or larger.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to eligible customers who would otherwise receive service under Schedule E1.1, at single or three-phase, approximately sixty Hertz, and at one standard voltage (120/240 or 120/208 as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for the billing of utilities for monthly billing cycles commencing on and after the Effective Date.

RESIDENTIAL SERVICE – ECONOMY – E1.11

APPLICATION

To eligible customers for electric service required for their residential purposes in either individual private dwellings or in individually metered apartments, when such service is supplied at one Point of Delivery and measured through one meter.

ELIGIBILITY

Subject to approval by the Mesa Electric Utility, customers must satisfy the following conditions to be and remain eligible to receive service under this Schedule:

1. The electric utility account must be in the eligible customer's name, and that customer of record must be a full time permanent resident at the dwelling where service is supplied.
2. Customer of record must complete and submit the City's application; completed applications are subject to approval by City and must include all requested information, including household size. Information is subject to verification by City.
3. Eligible customers will be provided service under this Schedule for 12 months. Annual recertification will be required for the eligibility of rates under this Schedule (if available) to continue.
4. Eligibility of service under this Schedule is limited to customers of record with total verified household income (income from all sources) at or below thirty-four thousand dollars (\$34,000.00) annually, which amount shall be further adjusted annually from January 2023 by an escalation factor equal to the changes in the U.S. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), calculated in a manner consistent with the Cost-of-Living Adjustment by the United States Social Security Administration.
5. The Mesa Electric Utility may include consideration of household size in relation to income as well as U.S. Department of Health and Human Services (HHS) federal poverty level guidelines and U.S. Department of Housing and Urban Development (HUD) Fair Market Rents and Income Limits data to determine whether customers receive service under this Schedule. Consideration may also be made for customers who require life support, are disabled, or have other vulnerabilities.
6. Any customer no longer deemed eligible for service under this Schedule shall be billed, beginning the first month after ineligibility, at E1.1.

MONTHLY BILL PER METER

		JULY, AUGUST, SEPTEMBER
<u>Electric System Service Charge:</u>		\$0.00
<u>Usage Charge (\$/kWh):</u>	0-80 kWh	\$0.0000
	81-1,200 kWh	\$0.05231
	> 1,200 kWh	\$0.05027
<u>Minimum:</u>		\$0.00
		MAY, JUNE or OCTOBER
<u>Electric System Service Charge:</u>		\$16.75 \$19.50
<u>Usage Charge (\$/kWh):</u>	0-1,200 kWh	\$0.05231
	> 1,200 kWh	\$0.05027
<u>Minimum:</u>		\$16.75 \$19.50

		NOVEMBER through APRIL
<u>Electric System Service Charge:</u>		\$16.75 <u>\$19.50</u>
<u>Usage Charge (\$/kWh):</u>	0-800 kWh	\$0.04317
	>800 kWh	\$0.02502 <u>\$0.03478</u>
<u>Minimum:</u>		\$16.75 <u>\$19.50</u>

ADJUSTMENTS

1. An Electric Energy Supply Cost Adjustment Factor ("EECAF") shall be added to all bills based on the cost of purchased, electric power and its delivery to the City's electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.

THREE-PHASE SERVICE

Three-phase service is furnished under the City standards. Three-phase service is required for motors with an individual rated capacity of 3 hp. or larger.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

City of Mesa
Mesa, Arizona

Residential Service – Electric Vehicle Rate
Effective Date ~~02/01/24~~ **TBD**
Ordinance No. ~~5832~~ **TBD**
Supersedes Schedule Effective ~~01/01/23~~ **02/01/24**

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to a Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (120/240 or 120/208 as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for monthly billing cycles commencing on and after the Effective Date.

RESIDENTIAL SERVICE – ELECTRIC VEHICLE RATE - E1EV

APPLICATION

Service under this rate plan is applicable for residential purposes in individual private dwellings and in individually metered apartments, when such service is supplied at one Point of Delivery and measured through one meter. Service under this rate plan excludes resale, sub-metering and standby uses.

AVAILABILITY

Participation in this rate plan is subject to meter equipment availability and the presence of required smart meter proprietary communications in the neighborhood. Customers must have a qualified Battery Electric Vehicle (BEV) or Plug-in Hybrid Electric Vehicle (PHEV), as determined in the City's sole discretion.

MONTHLY BILL PER METER

	WEEKDAY TIME OF DAY	WEEKEND TIME OF DAY	NOVEMBER through APRIL \$16.75 \$19.50
<u>Electric System Service Charge:</u>			
<u>Usage Charge (\$/kWh):</u>			
On-Peak:	5:00AM through 8:59AM 5:00PM through 8:59PM		\$0.0443
Off-Peak:	9:00AM through 4:59PM 9:00PM through 10:59PM	5:00AM through 10:59PM	\$0.0222
Super Off-Peak:	11:00PM through 4:59AM	11:00PM through 4:59AM	\$0.0055
<u>Minimum:</u>			\$16.75 \$19.50

	WEEKDAY TIME OF DAY	WEEKEND TIME OF DAY	MAY, JUNE, SEPTEMBER or OCTOBER \$16.75 \$19.50
<u>Electric System Service Charge:</u>			
<u>Usage Charge (\$/kWh):</u>			
On Peak:	2:00PM through 7:59PM		\$0.1605
Off Peak:	5:00AM through 1:59PM 8:00PM through 10:59PM	5:00AM through 10:59PM	\$0.0232
Super Off Peak:	11:00PM through 4:59AM	11:00PM through 4:59AM	\$0.0073
<u>Minimum:</u>			\$16.75 \$19.50

	WEEKDAY TIME OF DAY	WEEKEND TIME OF DAY	JULY or AUGUST
<u>Electric System Service Charge:</u>			\$16.75 <u>\$19.50</u>
<u>Usage Charge (\$/kWh):</u>			
On Peak:	2:00PM through 7:59PM		\$0.1931
Off Peak:	5:00AM through 1:59PM	5:00AM through 10:59PM	\$0.0237
	8:00PM through 10:59PM		
Super Off Peak:	11:00PM through 4:59AM	11:00PM through 4:59AM	\$0.0076
<u>Minimum:</u>			\$16.75 <u>\$19.50</u>

ADJUSTMENTS

1. An Electric Energy Supply Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.
3. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.

THREE-PHASE SERVICE

Three-phase service is furnished under the City standards. Three-phase service is required for motors with an individual rated capacity of 3 hp. or larger.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (7200/12470, 2400/4160, 480, 277/480, 120/240 or 120/208 volts as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for the billing of utilities for the monthly billing cycles commencing on and after the Effective Date.

NON-RESIDENTIAL SERVICE – E3.1 NON-RESIDENTIAL SERVICE – Public Authorities

Hospitals – E7.1
Federal – E7.2
State & Local Govts – E8.1
Schools - Non-Residential Service – E9.1

APPLICATION

To all electric service required for any purpose, where no schedule specifically applicable to the customer's classification is provided, and when such service is supplied at one Point of Delivery and measured through one meter.

MONTHLY BILL PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
		\$0.04591	\$0.04591	\$0.03916	\$0.03916
	15,001 - 75,000 kWh	\$0.04866	\$0.04866	\$0.03994	\$0.03994
	> 75,000 kWh	\$0.02901	\$0.02901	\$0.02060	\$0.02060
<u>Demand Charge: (\$/kW)</u>					
<u>Generation</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$3.52	\$3.52	\$3.20	\$3.20
<u>Distribution</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$0.3968	\$0.3968	\$0.1150	\$0.1150
<u>Minimum:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74

The City may require special service agreements for unusual or large loads as provided for in the Terms and Conditions.

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
Determination of kW - (Billing Demand)
The average kW supplied during the 30-minute period of maximum use during the month, as determined from readings of the meter.
3. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.
4. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three-phase service is required for motors of an individual rated capacity of 3 hp. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

DOWNTOWN SMALL BUSINESS ATTRACTION ELECTRIC RATE SCHEDULE – E3.6D

APPLICATION

These rates are applicable to new Non-Residential service for the billing of utilities commencing on and after the Effective Date for Customers meeting the Eligibility Criteria.

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately Sixty (60) Hertz, and at one standard voltage (7200/12470, 2400/4160, 277/480, 120/240, or 120/208 volts) as may be selected by the Customer, subject to satisfaction and eligibility criteria set forth herein.

PURPOSE

The purpose of this schedule is to attract new non- residential City electric customers to Downtown Mesa, which also generates increased economic activity in Downtown Mesa.

MONTHLY BILLING CYCLE PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
		\$0.04591	\$0.04591	\$0.03916	\$0.03916
	15,001 - 75,000 kWh	\$0.04866	\$0.04866	\$0.03994	\$0.03994
	> 75,000 kWh	\$0.02901	\$0.02901	\$0.02060	\$0.02060
<u>Demand Charge: (\$/kW)</u>					
<u>Generation</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$3.52	\$3.52	\$3.20	\$3.20
<u>Distribution</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$0.3968	\$0.3968	\$0.1150	\$0.1150
<u>Minimum:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74

Charges are subject to discount as set forth in the Adjustments Section.

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Bills subject to further adjustment as follows: the EECAF electric supply cost adjustment factor addition, energy usage charge, demand usage charge and the electric system service charge for each bill for each month during the eligibility period shall be reduced by twenty five percent (25%). Taxes not subject to adjustment.
3. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
4. Determination of kW - (Billing Demand) = The average kW supplied during the 30-minute period of maximum use during the month, as determined from readings of the meter.
5. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three-phase service is required for motors of an individual rated capacity of 3 h.p. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.

City of Mesa Rules and Regulations – Utility Department – Electric Division.

Terms and Conditions for the Sale of Utilities

Additional Terms and Conditions:

- (i) Limited to three (3) consecutive years per eligible Customer.
- (ii) The Customer must sign a three-year agreement evidencing a commitment through the 3 year period to meeting the eligibility criteria.
- (iii) Customers may apply for the small business utility rate only within their first year of operation.
- (iv) Customers may only participate once.
- (v) Customers that do not maintain or increase their total average annual utility usage from their first year receiving the rate may be required to repay the City for the difference between this Schedule E3.6D and the otherwise applicable City electric rate schedule.
- (vi) The City may terminate, suspend or modify the rate for active and/or future participants should it serve the interests of the City.
- (vii) Customers may be required to obtain a financial instrument satisfactory to the City that protects the City from a default under the agreement and from the accumulation of delinquent and deficient charges of a Customer served under this Rate Schedule.
- (viii) Customers are required to provide employment verification each year beginning in year two (2) evidencing the employment of a minimum of two (2) full-time employees.
- (ix) If the customer experiences employee vacancies that cause it to employ less than the minimum number of employees needed to meet eligibility criteria at any given time, the customer is allowed no more than six months cumulative within a 12 month period to fill such vacancies.

ELIGIBILITY

Non-residential Customers (i) with a new customer number; (ii) with an existing customer number (but without electric service) moving to a new qualifying premise; (iii) receiving Mesa electric service and moving from an unqualified premise to a qualifying premise. To qualify, premises must be located inside the Central Business District and Town Center Redevelopment Area (CBD/TRA). Additionally, the Customer and premises must: (i) have an average total minimum actual or projected annual energy consumption of twelve thousand (12,000) kilowatt-hours (kWh) for up to the most recent twelve-month period and a maximum of eight hundred thousand (800,000) kWh for up to the most recent twelve-month period; (ii) have a single point of delivery within the CBD/TRA measured through one meter for the billing of each utility service; (iii) meets the definition of a small business as stated by the U.S. Small Business Administration; (iv) consists of a use consistent with Mesa's adopted form-based code or in a commercial or industrial zoned area where the form-based code does not apply; and (v) employs the equivalent of at least two (2) full-time employee (FTE) positions (subject to verification through unemployment tax and wage reporting or comparable records). Customers must also be current on all utility bills and any other amounts owed the City.

INELIGIBILITY OR LOSS OF ELIGIBILITY

Customers that become ineligible for service under this rate schedule will be served under the otherwise applicable City Electric rate schedule. As set forth in the Eligibility requirements, Customer may be responsible for payment of back charges under the otherwise applicable City Electric rate Schedule for service provided under this Schedule which becomes ineligible. In addition, (i) if the Customer's average electric use during the second year of the program or third year of the program is less than the Customer's average use the first year of the program, the Customer may be responsible for payment of the difference of consumption, and (ii) if the Customer experiences vacancies that cause it to employ less than the equal of two (2) full-time employees at any given time, the business is allowed no more than six months cumulative within a 12 month period to fill the vacancy or else be considered in violation of the agreement and may be responsible for payment of the difference of consumption.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately Sixty (60) Hertz, and at one standard voltage (7200/12470, 2400/4160, 277/480, 120/240, or 120/208 volts) as may be selected by the Customer, subject to availability and approval by the Mesa Energy Resources Department.

PURPOSE

The purpose of this schedule is to provide a rate for the economic development or retention of large Non-Residential Customers.

NON-RESIDENTIAL - CUSTOMER RETENTION/ECONOMIC DEVELOPMENT – E3.6

APPLICATION

These rates are applicable to Non-Residential service for the billing of utilities commencing on and after the Effective Date and to Customers meeting the following Eligibility Criteria.

ELIGIBILITY- INITIAL TERM

1. Limited to five (5) consecutive years.
2. New and expanding Non-Residential Customers must satisfy the following conditions to be and remain eligible to receive service under this Schedule:
 - (i) Within a period of three (3) years from the date the rate is applied for new Customers, and two (2) years for expanding, existing Customers, the Customer must have a minimum projected annual energy consumption of two million four hundred thousand (2,400,000) kilowatt hours (kWh) based on meter readings at a single Premises; and
 - (ii) Either: (a) establish and maintain a number of jobs at the qualifying Premises equal to five (5) full time employees per one hundred (100) kilowatts (kW) of projected electric demand at the monthly average of the required annual minimum consumption level (subject to verification through unemployment tax and wage reporting or comparable records); or (b) make a minimum capital investment in property/facility improvements of five hundred thousand dollars (\$500,000) at the qualifying Premises (subject to initial verification through Maricopa County tax and assessment statements, building permits, or comparable records).
3. Customers that may reduce or eliminate their future consumption of electric energy and with a twelve (12) month or longer billing history at or above the minimum annual energy consumption level not meeting the Eligibility Criteria set forth in Section 2 above must satisfy the following conditions to be and remain eligible to receive service under this Schedule:
 - (i) Maintain or exceed the minimum annual energy consumption of two million four hundred thousand (2,400,000) kilowatt hours (kWh) based on meter readings at a single Premises; and
 - (ii) Enter into a five (5) year agreement, executed by the Customer and the City Manager or designee, which provides adequate assurance to City that Customer shall maintain its consumption at the required kWh throughout the five (5) years at the Premises; and
 - (iii) The initial term of service under this rate schedule and the five (5) year contract shall require the customer to obtain a financial instrument (Financial Instrument), satisfactory to the City that protects the City from a default under the agreement and from the accumulation of delinquent and deficient charges of a Customer served under this Rate Schedule
4. All Non-Residential Customers otherwise satisfying the Initial Term Eligibility requirements under this Schedule must also have no existing delinquencies relating to payment of City utility services.

ELIGIBILITY- RENEWAL TERM

Eligibility for Customers on this Rate Schedule E3.6 that may reduce or eliminate their future consumption of electric energy and desire to remain on this Schedule beyond the initial five (5) year term must satisfy the following conditions:

1. Customer has maintained and will continue to maintain an annual minimum energy consumption of two million four hundred thousand (2,400,000) kilowatt hours (kWh) at a single Premises, based on readings consolidated from no more than four (4) meters at that Premises; and
2. Customer shall enter into a one (1) year agreement, executed by the Customer and the City Manager or designee, which provides adequate assurance to City that Customer shall maintain its consumption at the required kWh through the renewal term; and
3. Customer has no existing delinquencies relating to payment of City utility services

INELIGIBILITY OR LOSS OF ELIGIBILITY

Customers that become ineligible for service under this rate schedule will be served under the otherwise applicable City Electric rate schedule. As set forth in the Eligibility requirements, Customer may be responsible for payment of back charges under the otherwise applicable City Electric rate Schedule for service provided under this Schedule which becomes ineligible.

MONTHLY BILLING CYCLE PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
		\$0.04591	\$0.04591	\$0.02121	\$0.02121
	15,001 - 75,000 kWh	<u>\$0.04866</u>	<u>\$0.04866</u>	<u>\$0.02163</u>	<u>\$0.02163</u>
	> 75,000 kWh	\$0.01900	\$0.01900	\$0.00800	\$0.00800
<u>Demand Charge: (\$/kW)</u>					
<u>Generation</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$3.52	\$3.52	\$3.20	\$3.20
<u>Distribution</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$0.3968	\$0.3968	\$0.1150	\$0.1150
<u>Minimum:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
3. Determination of kW (Billing Demand) = The average kW supplied during the 30 minute period of maximum use during the month, as determined from reading of the meter.
1. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three phase service is required for motors of an individual rated capacity of 3 h.p. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.

City of Mesa Rules and Regulations- Utility Department- Electric Division.

Terms and Conditions for the Sale of Utilities

Other Terms and Conditions.

1. Billing under this Rate Schedule E 3.6 shall continue to be administered in the same fashion as the Rate Schedule previously applicable to the Customer.
2. Term of Rate Applicability:
This rate schedule may apply to electric service for an initial term not to exceed five (5) years. Upon termination of service under this rate schedule, the requirement for any Financial Instrument required under this rate schedule may also terminate.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (7200/12470, 2400/4160, 480, 277/480, 120/240 or 120/208 volts as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for the billing of utilities for the monthly billing cycles commencing on and after the Effective Date.

SELF GENERATION STANDBY SERVICE – E3.8

SELF GENERATION STANDBY SERVICE- Public Authorities

Hospitals – E7.8
Federal – E7.81
State & Local Govts – E8.8
Schools - Non-Residential Service – E9.8

APPLICATION

To all electric service required for any purpose, when such service is supplied at one Point of Delivery and measured through one meter where: i) the Customer is generating or is expected to generate more than fifty percent of its annual electric energy consumption through an electric generation system of any source, and ii) the Customer's generation source is greater than 50 kW.

MONTHLY BILL PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$14.72 \$19.72	\$20.74 \$25.74	\$14.72 \$19.72	\$20.74 \$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
		\$0.04591	\$0.04591	\$0.03916	\$0.03916
	15,001 - 75,000 kWh	<u>\$0.04866</u>	<u>\$0.04866</u>	<u>\$0.03994</u>	<u>\$0.03994</u>
	> 75,000 kWh	\$0.02901	\$0.02901	\$0.02060	\$0.02060
<u>Facility Charge: (\$/kW of</u>					
<u>Demand Determinant)</u>		\$6.670	\$6.670	\$6.670	\$6.670

The City may require service agreements as provided for in the Terms and Conditions.

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor ("EECAF") shall be added to all bills based on the cost of purchased, electric power and its delivery to the City's electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
3. Customer's Demand Determinant shall be the greater of (i) the Contractual Demand Determinant as set forth in Customer's Line Extension Agreement or Standby Service Agreement or (ii) the highest average kW supplied during the 30-minute period of maximum use during the prior 12 month period, as determined from readings of the meter.
4. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.
5. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer's Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer's expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three-phase service is required for motors of an individual rated capacity of 3 hp. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

INTERDEPARTMENTAL ELECTRIC SERVICE – E6.1, E6.2

APPLICATION

To all interdepartmental electric service required for any purpose, where no schedule specifically applicable to the customer's classification is provided, and when such service is supplied at one Point of Delivery and measured through one meter. These rates are applicable for the billing of utilities for the billing cycles commencing on and after the Effective Date.

MONTHLY BILL PER METER

Electric Sales – Without Demand Meter (E6.1):

Energy Charge: \$0.07140 per kWh for all kWh

Electric Sales – With Demand Meter (E6.2):

	first 220 kWkW over 10 kWkW ,	
<u>Demand Charge:</u>	plus	\$2.50 / kWkW
	all additional kWkW	\$1.17 / kWkW
<u>Energy Charge:</u>	first 4000 kWh, plus	\$0.06863 /kWh
	all additional kWh	\$0.02815 \$0.02942 /kWh

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Less any taxes or impositions not applicable to the City