

RESOLUTION NO. _____

**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 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 – Standard Offer	E1.1
Residential Service – Direct Access	E1.5
Pilot Program: Residential Service – Economy	E1.11
Non-Residential Service – Standard Offer	E3.1, E7.1, E7.2, E8.1, E9.1
Downtown Small Business Attraction Electric Rate Schedule	E3.6D
Non-Residential Service – Direct Access	E3.5
Non-Residential – Customer Retention/Economic Development	E3.6
Renewable Energy Service Rider	RESR

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 13th day of January, 2020.

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 – STANDARD OFFER - 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>	\$11.75 \$12.00	\$11.75 \$12.00
<u>Usage Charge (\$/kWh):</u>	0 – 1,200 kWh \$0.05128	800 kWh \$0.03765
	> 1,200 kWh \$0.04822	800 kWh \$0.01633
<u>Minimum:</u>	\$11.75 \$12.00	\$11.75 \$12.00

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.
- ~~2.3.~~ **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-SO: Terms and Conditions for Standard Offer and Direct Access Services.
See Schedule TC-DA: Terms and Conditions for Direct Access Services.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

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).

RESIDENTIAL SERVICE – DIRECT ACCESS - E1.5

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>Customer Charge:</u>		\$11.75 \$12.00		\$11.75 \$12.00
<u>Energy Charge: (\$/kWh) Distribution</u>	0 – 1,200 kWh	\$0.05128	800 kWh	\$0.03765
	> 1,200 kWh	\$0.04822	800 kWh	\$0.01633
<u>Minimum:</u>		\$11.75 \$12.00		\$11.75 \$12.00

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 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-SO: Terms and Conditions for Standard Offer and Direct Access Services.
See Schedule TC-DA: Terms and Conditions for Direct Access Services.
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.

PILOT PROGRAM: 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 availability and 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 for the Pilot Program; completed applications are subject to approval by City and must include all requested information. 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. As this service is a Pilot Program, there is no guarantee of continued eligibility or availability and there will be limits on the number of customers who may participate.
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 twenty seven thousand dollars (\$27,000.00) annually.
5. The Mesa Electric Utility may include consideration of household size in relation to income as well as federal poverty guidelines to determine whether customers receive service under this Schedule. Preference will 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	\$0.05128
	> 1,200 kWh	\$0.04822
<u>Minimum:</u>		\$0.00
		MAY, JUNE or OCTOBER
<u>Electric System Service Charge:</u>		\$11.75 \$12.00
<u>Usage Charge (\$/kWh):</u>	0–1,200 kWh	\$0.05128
	> 1,200 kWh	\$0.04822
<u>Minimum:</u>		\$11.75 \$12.00

		NOVEMBER through APRIL
<u>Electric System Service Charge:</u>		\$11.75 \$12.00
<u>Usage Charge (\$/kWh):</u>	0-800 kWh	\$0.03765
	>800 kWh	\$0.01633
<u>Minimum:</u>		\$11.75 \$12.00

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-SO: Terms and Conditions for Standard Offer and Direct Access Services.

See Schedule TC-DA: Terms and Conditions for Direct Access Services.

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 ~~with the August 2016 billing cycles~~ **on and after the Effective Date.**

NON-RESIDENTIAL SERVICE – STANDARD OFFER – E3.1

NON-RESIDENTIAL SERVICE – STANDARD OFFER- 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>		\$6.22 \$7.22	\$12.24 \$13.24	\$6.22 \$7.22	\$12.24 \$13.24
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04125	\$0.04125	\$0.03692	\$0.03692
	> 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>		\$6.22 \$7.22	\$12.24 \$13.24	\$6.22 \$7.22	\$12.24 \$13.24

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. Subject to possible adjustments in the form of credits applied based on a percentage of the total reduction of electric consumption by each residential customer during the summer months from June 1 through October 31 under the conservation credit program when offered by the city.
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.**

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-SO: Terms and Conditions for Standard Offer and Direct Access Services.

See Schedule TC-DA: Terms and Conditions for Direct Access Services.

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 ~~with the August 2017 billing cycle and to Customers meeting the following Eligibility Criteria~~ **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>		\$6.22 \$7.22	\$12.24 \$13.24	\$6.22 \$7.22	\$12.24 \$13.24
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04125	\$0.04125	\$0.03692	\$0.03692
	> 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>		\$6.22 \$13.24	\$12.24 \$13.24	\$6.22 \$7.22	\$12.24 \$13.24

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.

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-SO: Terms and Conditions for Standard Offer and Direct Access Services.

See Schedule TC-DA: Terms and Conditions for Direct Access Services.

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 ~~the~~ their commitment through the 3 year period to meeting the eligibility criteria, ~~including promises to continue operating within the City of Mesa; to meet or increase their initial level of electric consumption; and to use reasonable efforts to increase the number of jobs that are part of their business operations within the City.~~
- (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) The customer becomes ineligible if it has less than two employees for a total of six months or more during any consecutive 12 month period.~~
- (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, ~~with~~ premises **must be** located inside the Central Business District and Town Center Redevelopment Area (CBD/TRA). ~~are eligible for this Schedule provided.~~ **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~~ **has** 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 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 ~~with the August 2016 billing cycles~~ **on and after the Effective Date.**

NON-RESIDENTIAL SERVICE – DIRECT ACCESS – E3.5

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>		\$6.22 \$7.22	\$12.24 \$13.24	\$6.22 \$7.22	\$12.24 \$13.24
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04125	\$0.04125	\$0.03692	\$0.03692
	> 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>		\$6.22 \$7.22	\$12.24 \$13.24	\$6.22 \$7.22	\$12.24 \$13.24

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. Subject to possible adjustments in the form of credits applied based on a percentage of the total reduction of electric consumption by each residential customer during the summer months from June 1 through October 31 under the conservation credit program when offered by the city.

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 hp. 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-SO: Terms and Conditions for Standard Offer and Direct Access Services.

See Schedule TC-DA: Terms and Conditions for Direct Access Services.

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 (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 with the August 2016 billing cycles 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>		\$6.22 <u>\$7.22</u>	\$12.24 <u>\$13.24</u>	\$6.22 <u>\$7.22</u>	\$12.24 <u>\$13.24</u>
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04125	\$0.04125	\$0.02000	\$0.02000
	> 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>		\$6.22 <u>\$7.22</u>	\$12.24 <u>\$13.24</u>	\$6.22 <u>\$7.22</u>	\$12.24 <u>\$13.24</u>

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.

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-SO: Terms and Conditions for Standard Offer and Direct Access Services.

See Schedule TC-DA: Terms and Conditions for Direct Access Services.

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.

RENEWABLE ENERGY SERVICE RIDER - RESR

APPLICATION

Available to Customers who are being served under Residential Electric Schedule No. E1.1, General Service Electric Schedule No. E3.1, and Other Public Authority Rate Schedules No. E7.1, E7.2, E8.1 and E9.1. All provisions of the Customer's current applicable rate schedule will apply in addition to this service rider.

DEFINITIONS

Renewable Energy: The combination of energy delivered to the Customer by Mesa plus a proportional amount of Renewable Energy Certificates (RECs) that are retired on Customer's behalf by Mesa. Renewable Energy can be sourced from biogas energy, biomass energy, hydropower energy, fuel cells (which use only fuel derived from another renewable source or use hydrogen generated from another renewable source), geothermal energy, landfill gas energy, solar energy, or wind energy. Renewable Energy may come from originally sourced, bundled RECs (RECs that are sold, delivered or purchased with the associated energy from the source renewable generation project) or from unbundled RECs (RECs that are sold, delivered, or purchased separately from the associated energy) at Mesa's discretion.

CONDITIONS

1. Customers may participate in the RESR to meet 25 percent, 50 percent, 75 percent or 100 percent of the Customer's annual kWh consumption (Elected Percentage).
2. New enrollment in the Renewable Energy Service Rider (RESR) shall be limited by Mesa at its sole discretion. On an annual basis, Renewable Energy purchased for all the Customers enrolled in the RESR may not exceed \$500,000.
3. If Mesa, at its sole discretion, continues offering the RESR into the following year, Mesa will extend an offer to the Customer to continue with the RESR, along with any changes to the RESR.

PROGRAM OPERATION

1. The standard RESR Enrollment Period shall be from April 1 to June 1. If successfully enrolled, City will account for Customer energy consumption based on the Elected Percentage as renewable energy for a term of one year beginning with the July billing cycle. Mesa reserves the right to open the RESR program for further enrollment at other times if deemed appropriate.
2. Mesa will estimate the amount of Renewable Energy that is to be purchased on behalf of participating Customer's based on a composite of historic data and the Elected Percentage. Mesa will make commercially reasonable efforts to secure Renewable Energy by purchasing, procuring or generating renewable supplies or retiring Renewable Energy Certificates (REC's) (either with or without associated energy) for a year equal to the calculated total of Customer Annual Renewable Energy demand under the RESR program. Participating Customers acknowledge that minor variances in the total amount of Renewable Energy from that calculated based on the composite Elected Percentage and demand of all RESR participants may occur, and that no representation is made as to the actual manner of generation of power and energy available from the municipal distribution system at any particular point in time.
3. A Customer may cancel service under this rider with no remaining obligations (i) after twelve billing cycles and (ii) by providing written notice to Mesa during the Enrollment Period.
 - i. If a Customer wishes to cancel service under this rider prior to twelve billing cycles and if the Customer Annual Renewable Energy that is remaining to be paid by the Customer for that year to date exceeds 100,000 kWh, the customer will be charged for all Renewable Energy above 100,000 kWh (Estimated Excess Remaining kWh) that it would have consumed in the year at the monthly RESR Premium Charge Rate (\$/kWh) multiplied by such Estimated Excess Remaining kWh. After receipt of such payment, cancellation shall become effective at the end of the billing cycle in which the notice for cancellation is received by Mesa.

MONTHLY BILL

For any Customer electing to participate in this rider, the monthly RESR Premium Charge shall be equal to the RESR Premium Charge Rate (\$0.01/kWh) multiplied by the customer's Elected Percentage multiplied by the customer's monthly billed kWh. The RESR Premium Charge shall be applied in addition to the Customer's other monthly bill charges and adjustments. The RESR Premium Charge shall not substitute for any other billing line items.