
**Addendum to the General Manager's Report and
Recommendation on**

Rates and Services

***Addendum No. 1
May 18, 2011***

A Sacramento Municipal Utility District Publication

Addendum No. 1 to the General Manager's Report and
Recommendation on Rates and Services

May 18, 2011

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For additional copies of this Addendum No. 1, or for information on issues included
in the General Manager's Report and Recommendation on Rates and Services, call
SMUD's Pricing Division at: (916) 732-6222.

ADDENDUM

ADDENDUM NUMBER 1, DATED MAY 18, 2011, TO THE GENERAL MANAGER'S REPORT AND RECOMMENDATION ON RATES AND SERVICES DATED APRIL 7, 2011

This Addendum No. 1 contains the following parts:

- I Changes to the General Manager's Report and Recommendation
- II Environmental Assessment of the Addendum
- III New and Revised Tariffs

I. Changes to the General Manager's Report and Recommendation

Overview

This Addendum No. 1 incorporates input from the Community Outreach meetings and SMUD's Board of Directors and presents the following options:

1. Revise the late fee proposal from an accruing 1.5% interest-based fee to a one time 1.5% penalty fee.
2. Add a new proposal to adopt a fee for recovering incremental costs related to customers opting out of a smart meter installation on their premise should the Board make a future decision to allow smart meter opt-outs.
3. Add a new proposal to provide a legacy Small Commercial Non-Demand and Small Commercial Demand rate schedule in the event installation of a meter capable of metering time of use periods is delayed.
4. Correct the proposed General Service Rate Schedule to add language relating to unmetered electricity.
5. Add a new proposal to remove from most general service rate schedules language relating to prorating of electricity usage charges.
6. Revise the Feed-In Tariff proposal to include an environmental assessment of the proposed changes to the Feed-In Tariff that was inadvertently omitted from the General Manager's Report and Recommendation.
7. Remove two rate options that allow customers on the proposed General Service Rate Schedule (GS) to migrate to other general service rate schedules.

1. Modify the Late Fee Proposal, Rule and Regulation 6 Billing

The General Manager's Report and Recommendation originally proposed a 1.5% late fee that was interest-based on all accrued unpaid balances of a customer's account. In this Addendum, the General Manager is recommending to change this to a 1.5% late penalty fee on the current due balance amount of the overdue bill. A penalty fee is only assessed once per overdue bill, not on all of the unpaid accrued balances of a customer's account.

Purpose

The modified late fee will impose a 1.5% penalty on the current amount due if SMUD does not receive the customer's full payment by the end of the third business day after the due date indicated on the customer bill. The 1.5% penalty is consistent with the amount allowable under Public Utilities Code §12811. Charges will not be levied on outstanding balances of \$10.00 or less.

Staff believes that a penalty-based late fee assures equitable treatment among all residential and commercial customers. In addition, an interest-based fee excludes government accounts that are late with payments, while a late fee penalty applies to all customers, including government entities. SMUD offers an installment plan to customers who cannot afford the full balance of a bill in one payment. Customers on an installment plan will not be subject to a late fee on the original bill.

Revenue Impact

Assuming no change in consumer behavior when presented with late fees, staff estimates the penalty late fee will generate approximately \$2.6 million in potential late fees annually. A late fee is expected to increase the total number of SMUD customers paying on time by 5 to 10%. The true amount of revenue generated will decline over time as more customers pay on time.

Recommendation

The General Manager recommends replacing the original proposed language of the new section J of Rule and Regulation 6 with the modified language shown below.

J. Late Payment Penalty

A one time late fee of 1.5 percent may be applied to the current amount due portion of a customer's bill if the customer's full payment is not received by the end of the third business day after the due date indicated on the customer bill. The total unpaid balance must be equal to or greater than \$10.00 before a late fee is applied.

2. Smart Meter Opt-Out Fee¹

The General Manager's Report and Recommendation originally did not include a smart meter opt-out component. In the future, the Board of Directors may determine that customers may opt out of SMUD's smart meter solution, provided that the opt-out customers cover the costs associated with an alternative metering solution. This Addendum proposes a smart meter opt-out fee which will go into effect only if the Board of Directors determines to allow customers to opt-out of radio frequency (RF) smart meters.

Purpose

Should the SMUD Board of Directors decide to allow customers to opt-out of the installation of RF smart meters, customers will pay an up-front fee to cover the costs associated with the installation of the alternate metering solution, and related administrative costs. In addition, Customers will pay an ongoing monthly cost-based fee to recover added expenses borne by SMUD for any incremental metering, meter reading, billing and related costs. Should SMUD decide to implement these fees, the fees would be posted on SMUD's website, and updated annually. Customers may also lose access to some rate options and customer programs and services available only through the smart meters.

Revenue Impact

The recommended proposal will result in no overall net revenue impact and simply allows SMUD to recover from the customer all relevant costs incurred in providing the opt-out service and does not result in other customers subsidizing the alternative metering solution for the opt-out customers.

Recommendations

Adopt upfront and monthly fees that would be implemented should the SMUD Board of Directors decide to permit customers to opt-out of the smart meter solution. Allow SMUD staff to modify the fees as the metering, billing, and other related costs associated with customers who opt-out of the use of SMUD's smart meters change. The fees will be posted on SMUD's website.

3. Legacy General Service Rate Schedule (GS-LEG)²

The General Manager's Report and Recommendation introduces changes to the Small Commercial Non-Demand Metered Rate (GSN) and the Small Commercial Demand Metered Rate (GSS). These changes implement a time-of-use (TOU) rate design and are dependent on the customer having a meter capable of metering time of use periods installed at their premise. In the event that a small commercial meter capable of metering TOU periods has not yet been installed on a small commercial customer's premise, the General Manager also proposes creating a Legacy General Service Rate Schedule that retains the existing GSN and GSS rates as they were in

¹ The proposed changes are consistent with pre-existing legislation action by the Board of Directors as evidenced by Strategic Direction (SD-2), Competitive Rates, last revised January 21, 2010 (See Strategic Directions Section of the General Manager's Report and Recommendation). The proposed changes are intended to improve the relative cost of recovery from customers in this group and to better align with SMUD's costs of providing services.

effect on January 1, 2011. This schedule would apply to GSN and GSS customers after January 1, 2012 that do not yet have a meter capable of metering time of use periods installed. Once a meter capable of metering time of use periods is installed the customer will immediately revert to service under the then applicable GSN or GSS tariff schedule and rates.

Purpose

If a small commercial customer does not have a meter capable of metering time of use periods installed on their premise, SMUD will not be able to bill the customer on the new TOU rates. To preserve SMUD's ability to charge these customers for electrical service, the General Manager proposes adopting a Legacy General Service Rate Schedule. This Legacy General Service Rate Schedule will only be available to small commercial customers who do not have a meter capable of metering time of use periods installed on their premise. Once customers have a meter capable of metering time of use periods installed on their premise, they will immediately revert to service under the then applicable tariff schedule and rates for GSN and GSS customers.

The legacy rate schedule retains all of the existing rates, terms and conditions that are in effect as of January 1, 2011. A small commercial customer without a meter capable of metering time of use periods who is on the existing general service rate schedule will not experience any changes when the customer migrates to the Legacy General Service Rate Schedule.

Revenue Impact

The overall result of the proposed Legacy General Service Rate Schedule will not increase or decrease SMUD system revenue.

Recommendations

Adopt the proposed Legacy General Service Rate Schedule (GS-LEG) to be effective on January 1, 2012. This schedule does not need to be adopted if the Board of Directors does not approve the general service proposals in the General Manager's Report and Recommendation. This schedule will be eliminated when all GSN and GSS customers placed on the schedule as of January 1, 2012 have a meter capable of metering time of use periods. No additional GSN or GSS customers will be placed on the schedule after January 1, 2012 and the schedule will be closed to all customers who have a meter capable of metering time of use periods.

² The proposed changes are consistent with pre-existing legislation action by the Board of Directors as evidenced by Strategic Direction (SD-2), Competitive Rates, last revised January 21, 2010 (See Strategic Directions Section of the General Manager's Report and Recommendation). The proposed changes are intended to improve the relative cost of recovery from customers in this rate group and to better align with SMUD's costs of providing services.

4. General Service Flat Non-Demand Rate (GFN)

This Addendum corrects the proposed General Service Rate Schedule (GS) to include a reference to the General Service Flat Non-Demand Rate (GFN) that was inadvertently omitted from the General Manager's original proposed new and revised tariffs.

Revenue Impact

The recommended changes will have little to no impact on the GS or GFN price, resulting in no change to SMUD revenue.

Recommendation

Copy language, as modified below, from Rule and Regulation 6 and insert as a new section in General Service Rate Schedule (GS):

III. Non-Demand Non-Metered Rate

*Where the monthly consumption of electricity is consistently small or can be predetermined with reasonable accuracy by reference to the capacity of equipment served and the hours of operations, SMUD may, with customer's consent, calculate electricity consumed in lieu of providing metering equipment. The calculated electricity consumption will be billed at the average of the **Non-Demand Metered Rate (GSN_T) annual** ~~winter season and summer season first tier~~ electricity usage charges.*

Small Commercial GFN

ALL MONTHS

Electricity Usage Charge (¢ per kWh) – all kWh..... 12.51¢

Remaining sections of General Service Rate Schedule (GS) will be renumbered.

5. No Proration of Electricity Usage Charges for Certain Rate Schedules³

The General Manager's original proposal did not include discussion of the smart meter's effect on SMUD's proration of electricity usage charges. This Addendum proposes to remove language in a number of rate schedules relating to the proration of electricity usage charges. The smart meter will provide sufficient data that SMUD will no longer need to apply proration.

Purpose

The smart meter is able to provide SMUD with accurate and timely reads that allow billing staff to no longer prorate electricity charges. Proration occurs when a customer's billing cycle crosses seasons or occurs during a period of a price increase.

³ The proposed changes are consistent with pre-existing legislation action by the Board of Directors as evidenced by Strategic Direction (SD-2), Competitive Rates, last revised January 21, 2010 (See Strategic Directions Section of the General Manager's Report and Recommendation). The proposed changes are intended to improve the relative cost of recovery from customers in this group and to better align with SMUD's costs of providing services.

Prior to implementing smart meters, billing staff did not have the means to bill based on daily usage. The smart meter allows billing staff to bill each day's electricity usage according to the rate in effect for that day.

Proration rules will remain unaffected for system infrastructure fixed charges. The Legacy General Service Rate Schedule will still retain all proration language because accounts on this rate schedule are not equipped with a smart meter that measures usage in daily increments.

Revenue Impact

The overall result of no longer prorating electricity usage charges on smart meter accounts is not expected to increase or decrease SMUD system revenue.

Recommendation

Remove proration language and adopt the revised general service (GS, GS-TOU1, GS-TOU2, GS-TOU3, GS-TDP) rate schedules.

6. Feed-In Tariff Environmental Assessment

The General Manager's Report and Recommendation originally did not contain an environmental assessment of the proposed changes to the Feed-In Tariff. This Addendum simply includes an environmental assessment and is not recommending any new changes to the proposal made in the General Manager's Report and Recommendation.

Purpose

All items in the General Manager's Report and Recommendation are accompanied by an environmental assessment. The original proposed change to the Feed-In Tariff did not have an accompanying environmental assessment. This Addendum includes the necessary environmental assessment.

Revenue Impact

There is no revenue impact associated with this action because it is simply an environmental assessment and no Board action is required.

Recommendation

The Feed-In Tariff environmental assessment is contained in part II of this Addendum. No action by the Board is required.

7. Remove from the Proposed General Service Rate Schedule two Rate Options to migrate to other general service rate schedules⁴

The General Manager's proposed GS Rate Schedule incorporates time of use (TOU) rates for both the General Service Non-Demand Rate (GSN) and the General Service Demand Rate (GSS). Thus, this rate schedule no longer needs to provide rate options for customers to migrate to other general service rate schedules.

Purpose

This addendum proposes changes to the General Service Rate Schedule by removing the GS-TOU3 rate migration option to customers effective January 1, 2012. Customers who have previously migrated to a GS-TOU3 rate are grandfathered into the GS TOU3 rate until they default to the GSN_T or GSS_T rate.

This addendum also revises the plug-in electric vehicle (GS PEV) rate option in the proposed General Service Rate Schedule. This revision removes the GS-TOU2 rate migration option, but allows customers with charging location to take service under the applicable general service rate schedule.

Revenue Impact

The proposed changes will be revenue neutral for the SMUD system.

Recommendations

- 1) Remove the section named "Optional Time Based Pricing Plan" from the General Service rate schedule (GS) and applicable language in the Small General Service Time of Use rate schedule (GS-TOU3).
- 2) Adopt the following language to section named "Plug-in Electric Vehicle (PEV) Option" to remove the rate migration option for PEV customers as follows:

Owners of licensed commercial plug-in electric vehicles (PEV) and/or commercial battery electric or plug-in hybrid electric vehicles (PHEV) may choose to have a charging location be billed under ~~GSTOU2~~ *the applicable rate schedule, excluding the GFN rate*. The term PEV is meant to be inclusive of both Battery Electric Vehicle and Plug-in Hybrid Electric Vehicles.

⁴ The proposed changes are consistent with pre-existing legislation action by the Board of Directors as evidenced by Strategic Direction (SD-2), Competitive Rates, last revised January 21, 2010 (See Strategic Directions Section of the General Manager's Report and Recommendation). The proposed changes are intended to improve the relative cost of recovery from customers in this group and to better align with SMUD's costs of providing services.

II. Environmental Assessment to the Addendum No. 1

- 1.0 Section 21080(b)(8) of the California Public Resources Code and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) provide that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:
 - (1) meeting operating expenses, including employee wage rates and fringe benefits;
 - (2) purchasing or leasing supplies, equipment, or materials;
 - (3) meeting financial reserve needs and requirements;
 - (4) obtaining funds for capital projects necessary to maintain service within existing service areas; or
 - (5) obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter.
- 2.0 Section 15061(b)(3) of the CEQA Guidelines provides that where it can be said with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
- 3.0 The proposed action to change the late fee from an accruing 1.5% interest-based charge to a one time 1.5% penalty-based charge for all rate classes, is for the purposes set forth in (1) through (4) of Section 1.0 of the Environmental Assessment. Therefore, this rate action is exempt from the requirements of CEQA.
- 4.0 The proposed action to add a smart meter opt-out fee component is for the purposes set forth in (1) through (4) of Section 1.0 of the Environmental Assessment. Therefore, this rate action is exempt from the requirements of CEQA.
- 5.0 The proposed action to create a Legacy General Service Rate Schedule is for the purposes set forth in (1) through (4) of Section 1.0 of the Environmental Assessment. Therefore, this rate action is exempt from the requirements of CEQA.
- 6.0 It can be seen with certainty that there is no possibility inserting clarifying language and copying language from the General Service Flat Non-Demand Rate, may have a significant effect on the environment. Therefore, this proposed action is not subject to CEQA.
- 7.0 The proposed action to not prorate electricity usage charges under most general service rate schedules is for the purposes set forth in (1) through (4) of Section 1.0 of the Environmental Assessment. Therefore, this rate action is exempt from the requirements of CEQA.

- 8.0 It can be seen with certainty that there is no possibility adding clarifying language in the Feed-In Tariff in conjunction with the effort to clarify Rule and Regulation 21 governing interconnection requirements, may have a significant effect on the environment. Therefore, this proposed action is not subject to CEQA.
- 9.0 The proposed action to remove the GS TOU and modify the GS PEV rate options from the proposed GS Rate Schedule and remove applicable rate migration language in the GS-TOU3 rate schedule is for the purposes set forth in (1) through (4) of Section 1.0 of the Environmental Assessment. Therefore, this rate action is exempt from the requirements of CEQA.

III. New and Revised Tariffs

Billing, Payment of Bills and Credit

Rule and Regulation 6

A. Billing Period

Customer bills will normally be rendered for scheduled billing periods of approximately one month. Bills for electric service will be based upon meter readings or upon estimates as provided in section B hereof.

B. Metering for Billing Purposes and Use of Estimated Consumption

Readings of two or more meters will not be combined for billing purposes unless the convenience of the District is served thereby.

Where the monthly consumption of electricity is consistently small or can be predetermined with reasonable accuracy by reference to the capacity of equipment served and the hours of operations, District may, with customer's consent, calculate electricity consumed in lieu of providing metering equipment. The calculated electricity consumption will be billed at the average of the Non-Demand Metered Rate (GSN_T) annual electricity usage charges. (Rate Category GFN).

Where metering equipment fails or an accurate meter reading is not obtained, the District may estimate demand or energy, or both, for the period of service involved and use such estimates in computing a bill, in accordance with Rule and Regulation 17.

C. Payment of Bills

All customer bills are payable upon presentation to the customer. Payment shall be made at the office of the District, at any of the pay stations that the District may designate, or to any of its duly authorized collectors. Customer bills that remain unpaid 19 days from the date of issuance will be regarded as delinquent. The District may thereafter discontinue service for unpaid electric service bills in accordance with Rule and Regulation 11 or take such other appropriate action as may be necessary. Payments are first applied to all electric service bill amounts owing and then to non-electric bill amounts. Special bills or bills rendered to persons discontinuing service or vacating the premises shall be paid on presentation.

D. Payment of Delinquent Bills Required Before Service is Supplied

Service may be refused or discontinued pursuant to Rule and Regulation 11 until all unpaid charges for electric service to applicant at all locations have been paid or have otherwise been discharged, or have been barred by the statute of limitations, except that residential service may not be refused or discontinued because of nonpayment of bills for other classes of service or non-electric bill amounts.

E. Establishment of Credit

Residential customers:

Residential credit will be deemed established without benefit of a cash deposit, pursuant to Rule and Regulation 3, Section A, until such time as the customer fails to maintain credit to the District's satisfaction.

Commercial customers may:

1. Furnish a bond satisfactory to the District, or
2. Pay a cash deposit, or
3. Provide evidence of previous commercial utility service in the exact same name with either the District or another gas or electric utility within the last 12 months where credit was established and maintained within the District's criteria. If such evidence is not supplied within ten days of the service start date or if the District determines that it is not accurate, the District can require a deposit as a condition of further service.

F. Maintenance of Credit

A customer's credit may be deemed to be no longer maintained to the District's satisfaction if such customer has two or more delinquent bill payments during the last 12 months, has been disconnected for non-payment, has two returned checks, a default on an installment, or an unpaid closed account. Identification information, including social security numbers, of customers with delinquent accounts may be reported to credit reporting agencies as part of the customary collection practice.

A customer receiving service may be required to re-establish credit in the event conditions of service or conditions affecting the customer's credit have materially changed.

(Continued)

Billing, Payment of Bills and Credit Rule and Regulation 6

G. Deposit Required Where Credit Not Established or Maintained

Where a customer or an applicant for service does not satisfactorily establish and maintain credit in accordance with Sections E and F, a deposit may be required as security for the payment of bills. The District may, in accordance with Rule and Regulation 11, discontinue service if customer fails to make such deposit as requested by the District. The amount of such deposit for residential and commercial customers shall be the greater of 1) twice the highest estimated monthly bill or twice the highest actual customer bill, or 2) twice the average residential class monthly bill for the preceding three years, rounded to the nearest \$10, as determined and set annually by the District.

H. Deposit Retention and Interest

Deposits will normally be held for a minimum of 12 months for residential and non-residential classes of service. Deposits will be credited to the customer's account at the end of the deposit period, or earlier, at the District's option, if customer has maintained credit to the District's satisfaction as outlined in Section F.

Interest will be credited to the customer's account on an annual basis for an active deposit. The deposit must be active for 180 calendar days before interest is paid. Interest is prorated based on the interest rate(s) in effect from the effective date of the deposit or the last interest paid date, whichever comes later, to the review date. The interest rate will be adjusted each February, May, August, and November to the nearest full percentage interest rate below the average Six month US Treasury Bill yield for the previous three months.

Upon termination of service, the District will return the deposit and any accrued interest less the amount of any unpaid charges. Interest on deposits will be paid on the date of the return of the deposit or on the date of its application to the customer's account.

I. Dishonored Payments

When checks or electronic funds transfers are received as payment for electric bills, deposits or other charges, and are subsequently dishonored or rejected by the bank, the District may require a fee in addition to redemption of the amount of the original check or electronic funds transfer. Dishonored payments and related charges must be redeemed and paid immediately or the District may thereafter discontinue service in accordance with Rule and Regulation 11 or take other appropriate action as necessary. The District will set the fee for dishonored payments annually based on average costs.

J. Late Payment Charge

A one time late fee of 1.5 percent may be applied to the current amount due portion of a customer's bill if the customer's full payment is not received by the end of the third business day after the due date indicated on the customer bill. The total unpaid balance must be equal to or greater than \$10.00 before a late fee is applied.

K. Delinquent Accounts

In the event a District representative must make a field call to effect collection of a delinquent electric service bill, deposit or other charges, the customer may be required to pay a field service charge in addition to the delinquent amount. Service may be discontinued pursuant to Rule and Regulation 11 if this charge is not paid at the time of collection. Upon restoration of a service disconnected for non-payment, the past due amount, in addition to any other related charges, must be paid in cash, money order, cashier's check, or credit card only. The District reserves the right to consider other payment methods as deemed appropriate. The District will annually set the charge for field service on delinquent accounts based on average costs.

L. Subordination Fee

The cost of subordination will be charged to the property owner for each subordination required in a real estate transaction where the District has a recorded UCC.1 filing resulting from a District energy efficiency loan. The subordination fee will be established to recover SMUD's average cost of subordination and may be revised from time to time to reflect changes in subordination costs.

M. On-line Check Writing Fee

When a customer, for payment of any bill owed the District, requests an on-line check a transaction fee will be required for each check for online check writing based on average costs.

(End)

General Service Rate Schedule GS

I. Applicability

This schedule applies to non-residential general service accounts with billing demand that does not exceed 300 kW for 3 or more consecutive months. General Service customers include commercial, industrial or non-agricultural irrigation pumping accounts who take single or 3-phase service at nominal voltages designated by SMUD as available at the customer premise.

II. Non-Demand Metered Rates

This rate applies to general service customers having a demand of 20 kW or less. Whenever use of energy by non-demand metered general service customers is 7,300 kWh or more for 3 consecutive months or whenever, in SMUD's judgment, the demand will exceed 20 kW, a demand meter will be installed and the customer will be billed on the applicable demand metered rate. The customer will be billed on the demand-metered rate until the demand falls below 21 kW and energy is less than 7,300 kWh for 12 consecutive months before being returned to the GSN_T rate.

Small Commercial GSN_T

SUMMER SEASON - JUNE 1 through SEPTEMBER 30

System Infrastructure Fixed Charge per month.....	\$12.00
Time of Use Electricity Usage Charges (see section IV)	
On-Peak ¢/kWh.....	28.37¢
Off-Peak ¢/kWh	10.50¢

ALL OTHER MONTHS - OCTOBER 1 through MAY 31

System Infrastructure Fixed Charge per month.....	\$12.00
Electricity Usage Charge - ¢/kWh for all kWh	12.40¢

III. Non-Demand Non-Metered Rate

Where the monthly consumption of electricity is consistently small or can be predetermined with reasonable accuracy by reference to the capacity of equipment served and the hours of operations, SMUD may, with customer's consent, calculate electricity consumed in lieu of providing metering equipment. The calculated electricity consumption will be billed at the average of the Non-Demand Metered Rate (GSN_T) annual electricity usage charges.

Small Commercial GFN

ALL MONTHS

Electricity Usage Charge (¢ per kWh) – all kWh.....	12.51¢
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IV. Demand Metered Rates

This rate applies to general service customers having a demand of 21 kW or more and whereby a demand meter is installed. The demand for any month will be the maximum 15-minute kW delivery during the month. The customer will be billed on the demand-metered rate until the demand falls below 21 kW and energy is less than 7,300 kWh for 12 consecutive months before being returned to the GSN_T rate.

Small Commercial Demand-Metered Service GSS_T

SUMMER SEASON - JUNE 1 through SEPTEMBER 30

System Infrastructure Fixed Charge per month.....	\$22.00
Site Infrastructure Charge per 12 month maximum kW or installed capacity	\$6.80
Time of Use Electricity Usage Charges (see section IV)	
On-Peak ¢/kWh.....	23.36¢
Off-Peak ¢/kWh	8.10¢

General Service Rate Schedule GS

ALL OTHER MONTHS - OCTOBER 1 through MAY 31

System Infrastructure Fixed Charge per month.....	\$22.00
Site Infrastructure Charge per 12 month maximum kW or installed capacity	\$6.80
Electricity Usage Charge – ¢/kWh for all kWh.....	9.16¢

V. Summer Time of Use Billing Periods (June 1 – September 30)

On-Peak Hours: Summer weekdays between 3:00 p.m. and 6:00 p.m., exclusive of July 4th and Labor Day holidays.
Off-Peak Hours: All other summer hours.

VI. Electricity Usage Surcharges

The following surcharges will apply to all kWh used per month subject to the conditions detailed in the following Tariff sheets:

Solar Surcharge, established to comply with state regulation, creates a fund for encouraging customer-owned solar power generation. See Tariff Sheet No. 1-SB-1 for further details, including current surcharge amount.

Hydro Generation Adjustment (HGA) will only apply when low levels of precipitation adversely affect SMUD's hydroelectric production. See Tariff Sheets No. 1-HGA-1-2 for further information on how the HGA is calculated and when it applies.

VII. Discontinuance of Service

Any customer resuming service within 12 months after discontinuing service will be required to pay the Site Infrastructure Charges and System Infrastructure Fixed Charges that would have been billed if service had not been discontinued, except when a customer agrees to lock out service during the full period of June through September. The Site Infrastructure Charges and System Infrastructure Fixed Charges will be waived during each of those months.

VIII. Rate Option Menu

(A) Energy Assistance Program for Non-Profit Agencies

Please see Sheet No. 1-EAPR-1 for details on the Energy Assistance Program.

(B) Standby Service Option

This option is for general service customers who operate, in whole or in part, customer-owned generator(s) on their premises and where 1) the output connects to SMUD's electrical system and 2) SMUD must stand ready to provide backup or maintenance service to replace the generator(s).

Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)	Secondary	Primary	Sub-transmission
	\$6.25	\$4.95	\$2.50

"Contract Capacity" is a fixed kilowatt value determined by the rating of the generator unit. In addition to the standby service charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include System Infrastructure Fixed Charges and Site Infrastructure Charges, as well as Electricity Usage and Maximum Demand Charges for District-provided power.

(C) Plug-in Electric Vehicle (PEV) Option

Owners of licensed commercial plug-in electric vehicles (PEV) and/or commercial battery electric or plug-in hybrid electric vehicles (PHEV) may choose to have a charging location be billed under the applicable rate schedule, excluding the GFN rate. The term PEV is meant to be inclusive of both Battery Electric Vehicle and Plug-in Hybrid Electric Vehicles.

General Service Rate Schedule GS

(D) Green Pricing Options

1. SMUD Community Solar Option

Under this premium service option, customers elect to contribute monthly payments towards the installation of a photoelectric system at a selected community locale. See the SMUD website for further information on monthly contribution options and currently identified projects.

2. SMUD Renewable Energy Option

Customers electing this premium power service will receive an additional charge for monthly energy of no less than 1/2¢ and no greater than 2¢ per kWh. SMUD may offer up to 3 premium rate options representing various blends of renewable resources within the 1/2¢ to 2¢ range. The actual prices will be published each November and will be based on the expected above market cost of renewable resources for the upcoming year. Participation will be limited to the amount of resources that SMUD is able to secure below the 2¢ premium limit.

(E) Implementation of Energy Efficiency Program or Installation of New Solar/Photovoltaic Systems

Customers who implement a District-sponsored Energy Efficiency program or a District-approved solar/photovoltaic system to offset their on-site energy usage may request a reset of their 12-month historical demand upon completion of the project.

(F) Net Metering for Solar Electric, Wind Turbine, and Biomass Generation Facilities

Please see Sheet No. 1-NM-1 for details on the Net Metering option.

IX. Special Metering Charge

For customers who purchase and install communications hardware and software to transfer energy load data from their meter/recorder to a personal computer, SMUD will charge a monthly service fee to cover maintenance, software support and the annual licensing fee.

X. Conditions

(A) Type of Electric Service

SMUD will provide customers on this Rate Schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

(B) Service Voltage Definition

Customers on this Rate Schedule may only apply for Secondary Service Voltage as defined below. Customers seeking an alternate class of voltage service must comply with the criteria listed below and apply under the applicable Rate Schedule.

1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Sub-transmission".

2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

3. Sub-transmission Service Voltage

This sub-transmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

General Service Rate Schedule GS

(C) Power Factor Adjustment

Accounts on a demand rate may be subject to a power factor adjustment. SMUD, at its option, may place Volt ampere-reactive (VAR) metering equipment to record reactive power conditions. Effective January 1, 1998, when a customer's monthly power factor falls below 95% leading or lagging, the following billing adjustment will apply

$$\text{Electricity Usage} \times \$0.0098 \times \left(\frac{95\%}{\text{Power Factor}} - 1 \right)$$

Electricity Usage = the total monthly kWh for the account

Power Factor = the lesser of the customer's monthly power factor or 95%

Customers that contract with SMUD for power factor corrections will have the power factor adjustment waived for the portion that is covered under the contract.

The fee for correction per KVAR\$0.2588

KVAR = maximum 12 month KVAR in excess of 33% of kW.

(D) Billing

Meter reading for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

PRORATION OF CHARGES

The System Infrastructure Fixed Charge and Site Infrastructure Charge will be prorated during non-standard billing periods. The following table shows the basis for the proration during these circumstances.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days
Bill period is longer than 34 days	

(End)

General Service

Rate Schedule GS-LEG *(Closed to new customers)*

I. Applicability

This schedule is applicable to single or 3 phase service, delivered at such nominal voltage as the customer selects from among those which SMUD designates are available at the customer's premises, for general service customers including commercial, industrial, including non-agricultural irrigation pumping and other non-residential customers. This schedule is applicable to customer accounts with billing demands that do not exceed 300 kW for 3 or more consecutive months.

Only customers who qualify for Rate Schedule GS but who are using a meter not capable of metering time of use periods can take service under this rate schedule. Upon installation of a meter that is capable of metering time of use periods, the customer will immediately revert to service under Rate Schedule GS.

This rate schedule is closed to new customers effective January 1, 2012.

II. Non-Demand Metered Rates

This rate is for general service customers having a demand of 20 kW or less. Whenever use of energy by non-demand metered general service customers is 7,300 kWh or more for 3 consecutive months or whenever, in SMUD's judgment, the demand will exceed 20 kW, a demand meter will be installed and the customer will be billed on the applicable demand metered rate. The customer will be billed on the demand-metered rate until the demand falls below 21 kW and energy is less than 7,300 kWh for 12 consecutive months before being returned to the GSN rate.

Small Commercial GSN

	Summer May 1 – Oct. 31	Winter Nov. 1 – Apr. 30
System Infrastructure Fixed Charge per month or portion thereof	\$8.25	\$8.25
Electricity Usage Charge (¢ per kWh) – all kWh	12.71¢	12.30¢

III. Demand Metered Rates

This rate is for general service customers having a demand of 21 kW or more and whereby a demand meter is installed. The demand for any month will be the maximum 15-minute kW delivery during the month. The customer will be billed on the demand-metered rate until the demand falls below 21 kW and energy is less than 7,300 kWh for 12 consecutive months before being returned to the GSN rate.

Small Commercial Demand-Metered Service GSS

	Summer May 1 – Oct. 31	Winter Nov. 1 – Apr. 30
System Infrastructure Fixed Charge per month or portion thereof	\$20.50	\$20.50
Site Infrastructure Charge per 12 month maximum kW or installed capacity		
First 20 kW	No Charge	No Charge
Additional kW per month	\$6.80	\$6.80
Electricity Usage Charge (¢ per kWh)		
First 7,300 kWh per month	12.67¢	11.48¢
Additional kWh per month	9.76¢	9.15¢

IV. Electricity Usage Surcharges

The following surcharges will apply to all kWh used per month subject to the conditions detailed in the following Tariff sheets:

Solar Surcharge, established to comply with state regulation, creates a fund for encouraging customer-owned solar power generation. See Tariff Sheet No. 1-SB-1 for further details, including current surcharge amount.

Hydro Generation Adjustment (HGA) will only apply when low levels of precipitation adversely affect SMUD's hydroelectric production. See Tariff Sheets No. 1-HGA-1-2 for further information on how the HGA is calculated and when it applies.

V. Optional Time Based Pricing Plan

Commercial and industrial demand metered customers below 300 kW may choose to be served under the small commercial Time of Use rate schedule (GS-TOU3). Transfers from "Time of Use" rate schedules may not be made more than 1 time in a 4-month period. Customers cannot return to Time of Use service for 12 months.

VI. Discontinuance of Service

Any customer resuming service within 12 months after discontinuing service will be required to pay the facilities charges and service charges that would have been billed if service had not been discontinued, except when a customer agrees to lock out service during the full period of June through September. The facilities charge and service charge will be waived during each of those months.

General Service

Rate Schedule GS-LEG *(Closed to new customers)*

VII. Rate Option Menu

(A) Energy Assistance Program for Non-Profit Agencies

Please see Sheet No. 1-EAPR-1 for details on the Energy Assistance Program.

(B) Standby Service Option

This option is for general service customers who operate, in whole or in part, customer-owned generator(s) on their premises and where 1) the output connects to SMUD's electrical system, and 2) SMUD must stand ready to provide backup or maintenance service to replace the generator(s).

Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)	Secondary	Primary	69kV
	\$6.25	\$4.95	\$2.50

"Contract Capacity" is a fixed kilowatt value determined by the rating of the generator unit. In addition to the standby service charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include customer and facility charges, as well as demand and energy charges for District-provided power.

(C) Plug-in Electric Vehicle (PEV) Option

Owners of licensed commercial plug-in electric vehicles (PEV) and/or commercial battery electric or plug-in hybrid electric vehicles (PHEV) may choose to have a charging location be billed under GSTOU2. The term PEV is meant to be inclusive of both Battery Electric Vehicle and Plug-in Hybrid Electric Vehicles.

(D) Green Pricing Options

1. SMUD Community Solar Option

Under this premium service option, customers elect to contribute monthly payments towards the installation of a photoelectric system at a selected community locale. See the SMUD website for further information on monthly contribution options and currently identified projects.

2. SMUD Renewable Energy Option

Customers electing this premium power service will receive an additional charge for monthly energy of no less than 1/2¢ and no greater than 2¢ per kWh. SMUD may offer up to 3 premium rate options representing various blends of renewable resources within the 1/2¢ to 2¢ range. The actual prices will be published each November and will be based on the expected above market cost of renewable resources for the upcoming year. Participation will be limited to the amount of resources that SMUD is able to secure below the 2¢ premium limit.

(E) Implementation of Energy Efficiency Program or Installation of New Solar/Photovoltaic Systems

Customers who implement a District-sponsored Energy Efficiency program or a District-approved solar/photovoltaic system to offset their on-site energy usage may request a reset of their 12-month historical demand upon completion of the project.

(F) Net Metering for Solar Electric, Wind Turbine, and Biomass Generation Facilities

Please see Sheet No. 1-NM-1 for details on the Net Metering option

VII. Special Metering Charge

For customers who purchase and install communications hardware and software to transfer energy load data from their meter/recorder to a personal computer, SMUD will charge a monthly service fee to cover maintenance, software support and the annual licensing fee.

IX. Conditions

(A) Type of Electric Service

Firm Service

Standard service where SMUD provides a continuous and sufficient supply of electricity.

(B) Service Voltage Definition

Customers on this Rate Schedule may only apply for Secondary Service Voltage as defined below. Customers seeking an alternate class of voltage service must comply with the criteria listed below and apply under the applicable Rate Schedule.

1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Sub-transmission".

2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

General Service

Rate Schedule GS-LEG (*Closed to new customers*)

3. Sub-transmission Service Voltage

This sub-transmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

(C) Power Factor Adjustment

Accounts on a demand rate may be subject to a power factor adjustment. SMUD, at its option, may place VAR metering equipment to record reactive power conditions. Effective January 1, 1998, when a customer's monthly power factor falls below 95% leading or lagging, the following billing adjustment will apply

$$\text{Electricity Usage} \times \$0.0098 \times \left(\frac{95\%}{\text{Power Factor}} - 1 \right)$$

Electricity Usage = the total monthly kWh for the account

Power Factor = the lesser of the customer's monthly power factor or 95%

Customers that contract with SMUD for power factor corrections will have the power factor adjustment waived for the portion that is covered under the contract.

The fee for correction per KVAR\$0.2588

KVAR = maximum 12 month KVAR in excess of 33% of kW.

(D) Billing

Meter reading for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

PRORATION OF CHARGES

The Electricity Usage allowances, System Infrastructure Fixed Charge and Site Infrastructure Charge will be prorated during non-standard billing periods and when the billing period spans more than one season. The following table shows the basis for the proration during these circumstances.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days
Bill period is longer than 34 days	
Seasons overlap within bill period	Relationship between the length of the billing period and the number of days that fall within the respective season.

(End)

General Service

Temperature-Dependent Pricing/Economic Retention

Rate Schedule GS-TDP *(Closed to new customers)*

I. Applicability

This rate schedule is closed to new participants effective January 1, 1998.

Applicable to single or three-phase service, delivered at Sub-transmission voltage level. This schedule was available to new or existing commercial or industrial customers. The rate paid by the customer shall vary depending on the maximum forecasted temperature during the summer season (June through September). The District is utilizing temperature-dependent pricing as an additional rate option for economic retention. Retaining existing customers benefits the entire District by retaining the customer's contribution to the District's fixed costs.

To be eligible for this schedule, customers must have met the following requirements:

- (1) certify to the District that serving their load has become competitive as shown through evidence of viable competitive energy sources from relocation, self-generation, cogeneration, etc.;
- (2) verify that electricity costs are at least 10% of their variable production costs;
- (3) agree to remain a full-requirements District customer for a minimum period of five (5) years. If the customer chooses to bypass the District before the five (5) year period has expired, the customer shall reimburse the District for all cumulative savings received under the temperature-dependent pricing rate compared to the standard rate. The customer may elect to terminate District service after four (4) years, with a one (1) year advance notification, without penalty.

Participation in the temperature-dependent pricing rate shall be at the sole discretion of the District. Customers taking service under this rate schedule must agree to remain on the rate for a minimum of four (4) consecutive months.

Service under this schedule is subject to availability of equipment necessary to monitor hourly loads and communicate maximum forecasted temperatures.

II. Firm Service Rate

	Rate Category: Voltage Level:	GDT 99 Sub-transmission
WINTER SEASON		
System Infrastructure Fixed Charge		\$256.10
Site Infrastructure Charge (per 12 months max kW or installed capacity)		\$0.50
Electricity Usage Charge		
On-Peak Period ¢/kWh		8.83¢
Off-peak period ¢/kWh		6.34¢
SUMMER SEASON		
System Infrastructure Fixed Charge		\$256.10
Site Infrastructure Charge (per 12 months max kW or installed capacity)		\$0.50
TDP Maximum Demand Charge (\$/kW):		
Per kW of maximum demand during Super-Peak Period		
per day if forecasted daily maximum temperature (T) for the		
following day is:		
"Heat Storm"	if T >= 100° for 2 or more consecutive days; or	\$5.10
"Extremely Hot"	if T >= 100° for a single day; or	\$4.85
"Very Hot"	if 100° > T > 95°; or	\$0.90
"Hot"	if 95° >= T > 90°; or	No Charge
"Moderate/Mild"	if T <= 90°	No Charge
Electricity Usage Charge (¢ per kWh):		
Super-Peak ¢/kWh		12.03¢
On-Peak ¢/kWh		10.57¢
Off-Peak ¢/kWh		7.99¢

The TDP Maximum Demand Charge varies depending on the forecasted maximum temperature, based on a mutually agreed upon weather forecast source for the Sacramento area, for the following day.

MINIMUM DEMAND CHARGE DAY

A "Minimum Demand Charge Day" may be declared on days when the forecast maximum daily temperature is greater than 95°F and less than 50 percent of SMUD's available peaking resources are being utilized. On a "Minimum Demand Charge Day" the super-peak maximum demand charge shall be equal to the TDP maximum demand charge for a "Hot" day (No Charge).

General Service Temperature-Dependent Pricing/Economic Retention Rate Schedule GS-TDP *(Closed to new customers)*

III. Electricity Usage Surcharges

The following surcharges will apply to all kWh used per month subject to the conditions detailed in the following Tariff sheets:

Solar Surcharge, established to comply with state regulation, creates a fund for encouraging customer-owned solar power generation. See Tariff Sheet No. 1-SB-1 for further details, including current surcharge amount.

Hydro Generation Adjustment (HGA) will only apply when low levels of precipitation adversely affect SMUD's hydroelectric production. See Tariff Sheets No. 1-HGA-1-2 for further information on how the HGA is calculated and when it applies.

IV. Rate Option Menu

(A) Green Pricing Options

1. SMUD Community Solar Option

Under this premium service option, customers elect to contribute monthly payments towards the installation of a photoelectric system at a selected community locale. See the SMUD website for further information on monthly contribution options and currently identified projects.

2. SMUD Renewable Energy Option

Customers electing this premium power service will receive an additional charge for monthly energy of no less than 1¢ and no greater than 2¢ per kWh. SMUD may offer up to three premium rate options representing various blends of renewable resources within the 1/2¢ to 2¢ range. The actual prices will be published each November and will be based on the expected above market cost of renewable resources for the upcoming year. Participation will be limited to the amount of resources that SMUD is able to secure below the 2¢ premium limit.

V. Special Metering Charge

For customers who purchase and install communications hardware and software to transfer energy load data from their meter/recorders to a personal computer, the District will charge a monthly service fee to cover maintenance, software support and the annual licensing fee.

VI. Conditions

(A) Service Voltage Definition

1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Sub-transmission".

2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

3. Sub-transmission Service Voltage

This sub-transmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

(B) Power Factor Adjustment

Accounts with demands of 20 kW or greater may be subject to a power factor adjustment. The District, at its option, may place VAR metering equipment to record reactive power conditions. Effective January 1, 1998, when a customer's monthly power factor falls below 95% leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times \$0.0098 \times \left(\frac{95\%}{\text{Power Factor}} - 1 \right)$$

Electricity Usage = the total monthly kWh for the account

Power Factor = the lesser of the customer's monthly power factor or 95%

Customers that contract with SMUD for power factor corrections will have the power factor adjustment waived for the portion that is covered under the contract.

The fee for correction per KVAR\$0.2588

KVAR = maximum 12 month KVAR in excess of 33% of kW.

General Service Temperature-Dependent Pricing/Economic Retention Rate Schedule GS-TDP *(Closed to new customers)*

(C) Time of Use Billing Periods

Super-peak hours include the following:

SUMMER SEASON (ONLY) – JUNE 1 through SEPTEMBER 30
Weekdays: Between 2:00 p.m. and 8:00 p.m.

On-peak hours include the following:

SUMMER SEASON - JUNE 1 through SEPTEMBER 30
Weekdays: Between 12:00 noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.
WINTER SEASON - OCTOBER 1 Through MAY 31
Weekdays: Between 12:00 noon and 10:00 p.m.

Off-peak hours include all other hours not defined as super-peak or on-peak, including all day on weekends and the holidays in the following table:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1 st
Martin Luther King Jr.'s Birthday	January	Third Monday
Lincoln's Birthday	February	12th
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4th
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veteran's Day	November	11th
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25th

(D) Billing

Meter reading for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

The District will provide, install and maintain a load profile recorder at the customer's meter in order for the District to determine the customer's daily maximum demand. The customer shall provide a dedicated telephone line at the meter location in order for the District to read the recorder.

PRORATION OF CHARGES

The System Infrastructure Fixed Charge and Site Infrastructure Charge will be prorated during non-standard billing periods and when the billing period spans more than one season. The following table shows the basis for the proration during these circumstances.

<u>Billing Circumstance</u>	<u>Basis for Proration</u>
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days
Bill period is longer than 34 days	

(E) Notification of Minimum Demand Charge Day

It is the responsibility of the customer to communicate with the District to determine whether the SMUD system operator has declared a "Minimum Demand Charge Day." The District reserves the right to cancel a "Minimum Demand Charge Day" if necessary. Any such update will be provided to the customer no later than one hour prior to application of the TDP super-peak maximum demand charge.

(End)

Large General Service Time of Use Rate Schedule GS-TOU1

I. Applicability

Applicable to single or three phase service, delivered at such nominal voltage as the customer selects from among those which SMUD designates are available at the customer's premises. This schedule is mandatory for all commercial and industrial (C&I) customers whose monthly demand is 1,000 kW or over for three consecutive months during the preceding 12 months. Customers will remain on this rate schedule until their demand falls below 1000 kW for 12 consecutive months. Service under this schedule is subject to meter availability. The demand for any month will be the maximum 15-minute kW delivery during the month.

II. Firm Service Rate

	Rate Category Voltage Level	Large C&I GUS_L Secondary	Large C&I GUP_L Primary	Large C&I GUT_L Sub-transmission
Winter Season - October 1 through May 31				
System Infrastructure Fixed Charge - per month per meter		\$96.70	\$96.70	\$256.10
Site Infrastructure Charge (<i>per 12 months max kW or installed capacity</i>)		\$3.60	\$3.45	\$2.75
Electricity Usage Charge				
On-Peak ¢/kWh		9.64¢	9.17¢	8.83¢
Off-Peak ¢/kWh		7.64¢	7.15¢	6.99¢
Summer Season - June 1 through September 30				
System Infrastructure Fixed Charge - per month per meter		\$96.70	\$96.70	\$256.10
Site Infrastructure Charge (<i>per 12 months max kW or installed capacity</i>)		\$3.60	\$3.45	\$2.75
Electricity Usage Charge				
Super-Peak ¢/kWh		15.03¢	12.39¢	12.03¢
On-Peak ¢/kWh		12.01¢	11.29¢	10.57¢
Off-Peak ¢/kWh		9.60¢	8.76¢	8.63¢

III. Electricity Usage Surcharges

The following surcharges will apply to all kWh used per month subject to the conditions detailed in the following Tariff sheets:

Solar Surcharge, established to comply with state regulation, creates a fund for encouraging customer-owned solar power generation. See Tariff Sheet No. 1-SB-1 for further details, including current surcharge amount.

Hydro Generation Adjustment (HGA) will only apply when low levels of precipitation adversely affect SMUD's hydroelectric production. See Tariff Sheets No. 1-HGA-1-2 for further information on how the HGA is calculated and when it applies.

IV. Rate Option Menu

(A) Energy Assistance Program Rate (EAPR) for Non-Profit Agencies

Please see Sheet No. 1-EAPR-1 for details on the Energy Assistance Program Rate.

(B) Campus Rates

Campus billing is a condition whereby the customer is served from a common address or industrial campus and has several accounts or services entrances on the same contiguous campus. Campus billing provides for either hardwire or post metering combination of these accounts to a single load shape for billing purposes. This option would have the characteristics of avoiding multiple System Infrastructure Fixed Charges. The following criteria define the conditions under which campus rates would be granted:

1. Contiguous site.
2. Same legal entity buying and consuming the power at the site.
3. No sub-metering on campus to third parties.
4. Special facilities charges applied to recover additional meter/metering expense.
5. Single point of contact at the place of business both for billing and service questions.
6. All accounts served from a common rate and service voltage.
7. Use of parallel systems for shifting load between different rate offerings will be considered a violation of terms of this agreement. SMUD shall have the right to corrective billing on a single rate and full reimbursement of waived System Infrastructure Fixed Charges.
8. This type of service requires interval metering on each service entrance. Customers at the secondary service level will be required to pay the System Infrastructure Fixed Charge associated with primary service to account for additional costs to SMUD. A monthly service fee will be charged for the additional costs of multiple site metering.

Large General Service Time of Use Rate Schedule GS-TOU1

(C) Standby Service Option

This option is for general service customers who operate, in whole or in part, customer-owned generator(s) on their premises and where 1) the output connects to SMUD's electrical system, and 2) SMUD must stand ready to provide backup or maintenance service to replace the generator(s).

Standby Service Charge (\$/kW of Contract Capacity per month)	Secondary	Primary	Sub-transmission
	\$6.25	\$4.95	\$2.50

"Contract Capacity" is a fixed kilowatt value determined by the rating of the generator unit. In addition to the standby service charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include System Infrastructure Fixed Charges and Site Infrastructure Charges, as well as Electricity Usage and Maximum Demand Charges for District-provided power.

(D) Economic Development Rate Option

This option is applicable to full service customers with load in excess of 299 kW who create a minimum of 50 new jobs and add load at a new or expanded site. For existing customers, only the additional load will qualify for the discount. Eligibility for this discount is limited to customers with Standard Industrial Classifications (SIC) 2000-3999 Manufacturing, 4800-4899 Communications, 7300-7499 Business Services and 8700-8799 Professional Services or the equivalent new NAICS codes. Qualified customers must agree to be a full service customer for five years. Qualified customers will receive a reduction of the System Infrastructure Fixed Charge, Maximum Demand Charge, Site Infrastructure Charge and Electricity Usage components of their bill, based on the table below.

Economic Development Discount				
Year 1	Year 2	Year 3	Year 4	Year 5
5%	3%	1%	0%	0%

(E) Green Pricing Options

1. SMUD Community Solar Option

Under this premium service option, customers elect to contribute monthly payments towards the installation of a photoelectric system at a selected community locale. See the SMUD website for further information on monthly contribution options and currently identified projects.

2. SMUD Renewable Energy Option

Customers electing this premium power service will receive an additional charge for monthly energy of no less than 1/2¢ and no greater than 2¢ per kWh. SMUD may offer up to three premium rate options representing various blends of renewable resources within the 1/2¢ to 2¢ range. The actual prices will be published each November and will be based on the expected above market cost of renewable resources for the upcoming year. Participation will be limited to the amount of resources that SMUD is able to secure below the 2¢ premium limit.

(F) Implementation of Energy Efficiency Program or Installation of New Solar Photovoltaic Systems

Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic system to offset their on-site energy consumption may request a reset of their 12-month historical demand upon completion of the project.

(G) Net Metering for Solar Electric, Wind Turbine, and Biomass Generation Facilities

Please see Sheet No. 1-NM-1 for details on the Net Metering option.

V. Special Metering Charge

For customers who purchase and install communications hardware and software to transfer energy load data from their meter/recorders to a personal computer, SMUD will charge a monthly service fee to recover maintenance, software support costs and the annual licensing fee.

VI. Conditions

(A) Type of Electric Service

SMUD will provide customers on this Rate Schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

Large General Service Time of Use Rate Schedule GS-TOU1

(B) Service Voltage Definition

The following defines the three voltage classes available. The rate shall be determined by the voltage level at which service is taken according to the following:

1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Sub-transmission".

2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

3. Sub-transmission Service Voltage

This sub-transmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

(C) Power Factor Adjustment

Accounts with demands of 20 kW or greater may be subject to a power factor adjustment. SMUD, at its option, may place VAR metering equipment to record reactive power conditions. Effective January 1, 1998, when a customer's monthly power factor falls below 95% leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times \$0.0098 \times \left(\frac{95\%}{\text{Power Factor}} - 1 \right)$$

Electricity Usage = the total monthly kWh for the account • *Power Factor* = the lesser of the customer's monthly power factor or 95%

Customers that contract with SMUD for power factor corrections will have the power factor adjustment waived for the portion that is covered under the contract.

The fee for correction per KVAR\$0.2588
KVAR = maximum 12 month KVAR in excess of 33% of kW.

(D) Time of Use Billing Periods

Super-peak hours include the following:

SUMMER SEASON (ONLY) – JUNE 1 through SEPTEMBER 30
Weekdays: Between 2:00 p.m. and 8:00 p.m.

On-peak hours include the following:

WINTER SEASON - OCTOBER 1 through MAY 31
Weekdays: Between 12:00 noon and 10:00 P.M.

SUMMER SEASON - JUNE 1 through SEPTEMBER 30

Weekdays: Between 12:00 noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.

Off-peak hours include all other hours not defined as super-peak or on-peak, including all day on weekends and the holidays in the following table:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1 st
Martin Luther King Jr.'s Birthday	January	Third Monday
Lincoln's Birthday	February	12th
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4th
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veteran's Day	November	11th
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25th

**Large General Service
Time of Use
Rate Schedule GS-TOU1**

(E) Billing

Meter reading for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

PRORATION OF CHARGES

The System Infrastructure Fixed Charge and Site Infrastructure Charge will be prorated during non-standard billing periods and when the billing period spans more than one season. The following table shows the basis for the proration during these circumstances.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days
Bill period is longer than 34 days	

(End)

Medium General Service Time of Use Rate Schedule GS-TOU2

I. Applicability

Applicable to single or three phase service, delivered at such nominal voltage as the customer selects from among those which SMUD designates are available at the customer's premises. This schedule is mandatory for all commercial and industrial (C&I) customers whose monthly demand is 500 to 999 kW for three consecutive months. Customers will remain on this rate schedule until their demand falls below 500 kW for 12 consecutive months. The demand for any month will be the maximum 15-minute kW delivery during the month. Service under this schedule is subject to meter availability.

II. Firm Service Rate

Rate Category Voltage Level	Medium GUS_M Secondary	Medium GUP_M Primary	Medium GUT_M Sub-transmission
Winter Season - October 1 Through May 31			
System Infrastructure Fixed Charge - per month per meter	\$96.70	\$96.70	\$256.10
Site Infrastructure Charge (<i>per 12 months max kW or installed capacity</i>)	\$2.55	\$2.25	\$1.85
Electricity Usage Charge			
On-Peak ¢/kWh	9.19¢	8.69¢	8.37¢
Off-Peak ¢/kWh	7.28¢	6.89¢	6.75¢
Summer Season - June 1 Through September 30			
System Infrastructure Fixed Charge - Per month per meter	\$96.70	\$96.70	\$256.10
Site Infrastructure Charge (<i>per 12 months max kW or installed capacity</i>)	\$2.55	\$2.25	\$1.85
Maximum Demand Charge (<i>\$/monthly super peak max kW</i>)	\$6.25	\$5.75	\$0.00
Electricity Usage Charge			
Super-Peak ¢/kWh	17.44¢	16.60¢	16.12¢
On-Peak ¢/kWh	12.01¢	11.58¢	10.85¢
Off-Peak ¢/kWh	9.24¢	8.80¢	8.66¢

III. Electricity Usage Surcharges

The following surcharges will apply to all kWh used per month subject to the conditions detailed in the following Tariff sheets:

Solar Surcharge, established to comply with state regulation, creates a fund for encouraging customer-owned solar power generation. See Tariff Sheet No. 1-SB-1 for further details, including current surcharge amount.

Hydro Generation Adjustment (HGA) will only apply when low levels of precipitation adversely affect SMUD's hydroelectric production. See Tariff Sheets No. 1-HGA-1-2 for further information on how the HGA is calculated and when it applies.

IV. Rate Option Menu

(A) Energy Assistance Program Rate (EAPR) for Non-Profit Agencies

Please see Sheet No. 1-EAPR-1 for details on the Energy Assistance Program.

(B) Campus Rates

Campus billing is a condition whereby the customer is served from a common address or industrial campus and has several accounts or services entrances on the same contiguous campus. Campus billing provides for either hardwire or post metering combination of these accounts to a single load shape for billing purposes. This option would have the characteristics of avoiding multiple System Infrastructure Fixed Charges. The following criteria define the conditions under which campus rates would be granted:

1. Contiguous site.
2. Same legal entity buying and consuming the power at the site.
3. No sub-metering on campus to third parties.
4. Special facilities charges applied to recover additional meter/metering expense.
5. Single point of contact at the place of business both for billing and service questions.
6. All accounts served from a common rate and service voltage.
7. Use of parallel systems for shifting load between different rate offerings will be considered a violation of terms of this agreement. SMUD shall have the right to corrective billing on a single rate and full reimbursement of waived System Infrastructure Fixed Charges.
8. This type of service requires interval metering on each service entrance. Customers at the secondary service level will be required to pay the System Infrastructure Fixed Charge associated with primary service to account for additional costs to SMUD. A monthly service fee will be charged for the additional costs of multiple site metering.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

Resolution No. 11-07-xx adopted July 21, 2011

Sheet No. 1-GS-TOU2-1
Effective: **January 1, 2012**
Edition: **January 1, 2012**

Medium General Service Time of Use Rate Schedule GS-TOU2

(C) Standby Service Option

This option is for general service customers who operate, in whole or in part, customer-owned generator(s) on their premises and where 1) the output connects to SMUD's electrical system, and 2) SMUD must stand ready to provide backup or maintenance service to replace the generator(s).

Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)	Secondary	Primary	Sub-transmission
	\$6.25	\$4.95	\$2.50

"Contract Capacity" is a fixed kilowatt value determined by the rating of the generator unit. In addition to the standby service charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include customer and facility charges, as well as Maximum Demand and Electricity Usage Charges for SMUD-provided power.

(D) Economic Development Rate Option

This option is applicable to full service customers with load in excess of 299 kW who create a minimum of 50 new jobs and add load at a new or expanded site. For existing customers, only the additional load will qualify for the discount. Eligibility for this discount is limited to customers with Standard Industrial Classifications (SIC) 2000-3999 Manufacturing, 4800-4899 Communications, 7300-7499 Business Services and 8700-8799 Professional Services or the equivalent new NAICS codes. Qualified customers must agree to be a full service customer for five years. Qualified customers will receive a reduction of the System Infrastructure Fixed Charge, Maximum Demand Charge, Site Infrastructure Charge and Electricity Usage components of their bill, based on the table below.

Economic Development Discount				
Year 1	Year 2	Year 3	Year 4	Year 5
5%	3%	1%	0%	0%

(E) Green Pricing Options

1. SMUD Community Solar Option

Under this premium service option, customers elect to contribute monthly payments towards the installation of a photovoltaic system at a selected community locale. See the SMUD website for further information on monthly contribution options and currently identified projects.

2. SMUD Renewable Energy Option

Customers electing this premium power service will receive an additional charge for monthly energy of no less than 1/2¢ and no greater than 2¢ per kWh. SMUD may offer up to three premium rate options representing various blends of renewable resources within the 1/2¢ to 2¢ range. The actual prices will be published each November and will be based on the expected above market cost of renewable resources for the upcoming year. Participation will be limited to the amount of resources that SMUD is able to secure below the 2¢ premium limit.

(F) Implementation of Energy Efficiency Program or Installation of New Solar Photovoltaic Systems

Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic system to offset their on-site energy consumption may request a reset of their 12-month historical demand upon completion of the project.

(G) Net Metering for Solar Electric, Wind Turbine, and Biomass Generation Facilities

Please see Sheet No. 1-NM-1 for details on the Net Metering option.

V. Special Metering Charge

For customers who purchase and install communications hardware and software to transfer energy load data from their meter/recorders to a personal computer, SMUD will charge a monthly service fee to recover maintenance, software support costs and the annual licensing fee.

VI. Conditions

(A) Type of Electric Service

SMUD will provide customers on this Rate Schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

Medium General Service Time of Use Rate Schedule GS-TOU2

(B) Service Voltage Definition

The following defines the three voltage classes available. The rate shall be determined by the voltage level at which service is taken according to the following:

1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Sub-transmission".

2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

3. Sub-transmission Service Voltage

This sub-transmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

(C) Power Factor Adjustment

Accounts with demands of 20 kW or greater may be subject to a power factor adjustment. SMUD, at its option, may place VAR metering equipment to record reactive power conditions. Effective January 1, 1998, when a customer's monthly power factor falls below 95% leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times \$0.0098 \times \left(\frac{95\%}{\text{Power Factor}} - 1 \right)$$

Electricity Usage = the total monthly kWh for the account

Power Factor = the lesser of the customer's monthly power factor or 95%

Customers that contract with SMUD for power factor corrections will have the power factor adjustment waived for the portion that is covered under the contract.

The fee for correction per KVAR\$0.2588

KVAR = maximum 12 month KVAR in excess of 33% of kW.

(D) Time of Use Billing Periods

Super-peak hours include the following:

SUMMER SEASON (ONLY) - JUNE 1 through SEPTEMBER 30

Weekdays: Between 2:00 pm. and 8:00 p.m.

On-peak hours include the following:

SUMMER SEASON - JUNE 1 through SEPTEMBER 30

Weekdays: Between 12:00 noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.

WINTER SEASON - OCTOBER 1 through MAY 31

Weekdays: Between 12:00 noon and 10:00 p.m.

Off-peak hours include all other hours not defined as super-peak or on-peak, including all day on weekends and the holidays in the following table:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1 st
Martin Luther King Jr.'s Birthday	January	Third Monday
Lincoln's Birthday	February	12th
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Memorial Day	May	Last Monday
Independence Day	July	4th
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veteran's Day	November	11th
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25th

**Medium General Service
Time of Use
Rate Schedule GS-TOU2**

(E) Billing

Meter reading for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

PRORATION OF CHARGES

The System Infrastructure Fixed Charge and Site Infrastructure Charge will be prorated during non-standard billing periods and when the billing period spans more than one season. The following table shows the basis for the proration during these circumstances.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days
Bill period is longer than 34 days	

(End)

Small General Service Time of Use Commercial Rate Schedule GS-TOU3

I. Applicability

Applicable to single or three phase service, delivered at such nominal voltage as the customer selects from among those which SMUD designates are available at the customer's premises. This schedule is mandatory for all commercial and industrial (C&I) customers whose monthly demand is 300-499 kW for three consecutive months and for all customers previously served at the primary level on Rate Schedule GS. Customers taking service at the secondary level will remain on this rate schedule until their demand falls below 300 kW for 12 consecutive months.

II. Firm Service Rate

Rate Category	Small GUS_S Secondary	Small GUP_S Primary
Winter Season - October 1 through May 31		
System Infrastructure Fixed Charge - per month per meter	\$96.70	\$96.70
Site Infrastructure Charge (<i>per 12 months max kW or installed capacity</i>)	\$3.40	\$3.05
Electricity Usage Charge		
On-peak ¢/kWh	9.33¢	8.81¢
Off-peak ¢/kWh	7.40¢	7.00¢
Summer Season - June 1 through September 30		
System Infrastructure Fixed Charge - per month per meter	\$96.70	\$96.70
Site Infrastructure Charge (<i>per 12 months max kW or installed capacity</i>)	\$3.40	\$3.05
Maximum Demand Charge (<i>\$/monthly super peak max kW</i>)	\$6.85	\$6.25
Electricity Usage Charge		
Super-peak ¢/kWh	17.96¢	17.09¢
On-peak ¢/kWh	12.27¢	11.82¢
Off-peak ¢/kWh	9.75¢	9.28¢

III. Electricity Usage Surcharges

The following surcharges will apply to all kWh used per month subject to the conditions detailed in the following Tariff sheets:

Solar Surcharge, established to comply with state regulation, creates a fund for encouraging customer-owned solar power generation. See Tariff Sheet No. 1-SB-1 for further details, including current surcharge amount.

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Small General Service Time of Use Commercial Rate Schedule GS-TOU3

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Small General Service Time of Use Commercial Rate Schedule GS-TOU3

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