

RESOLUTION NO. 11-08-06

WHEREAS, on April 7, 2011, the General Manager submitted to this Board of Directors the “General Manager's Report and Recommendation on Rates and Services, *Small Commercial and Residential Rate Restructuring and Changes to Miscellaneous Charges and Fees, and the SmartSacramento® Pricing Pilot – Volumes 1 and 2*” (“Report and Recommendation”), which Report and Recommendation is incorporated by reference herein and made a part hereof; and

WHEREAS, on May 18, 2011, the General Manager submitted to this Board of Directors “Addendum No. 1 to the “General Manager's Report and Recommendation on Rates and Services, *Small Commercial and Residential Rate Restructuring and Changes to Miscellaneous Charges and Fees - Volumes 1 and 2*” (“Addendum No. 1”), which Addendum No. 1 is incorporated by reference herein and made a part hereof; and

WHEREAS, on June 16, 2011, the General Manager submitted to this Board of Directors “Addendum No. 2 to the General Manager's Report and Recommendation on Rates and Services, *Small Commercial and Residential Rate Restructuring and Changes to Miscellaneous Charges and Fees – Volumes 1 and 2*” (“Addendum No. 2”), which Addendum No. 2 is incorporated by reference herein and made part hereof; and

WHEREAS, by Resolution 11-04-06, adopted April 7, 2011, a preliminary public hearing on the Report and Recommendation was scheduled for May 5, 2011 at 6:00 p.m. and a public hearing on the Report and Recommendation was scheduled for

June 16, 2011 at 9:00 a.m., in the auditorium of SMUD's headquarters office building;
and

WHEREAS, by Addendum No. 1, the public hearing set for June 16, 2011 was rescheduled for July 21, 2011 at 9:00 a.m. in the auditorium of SMUD's main office building; and

WHEREAS, notice of said hearings were duly published, the hearings were held at the aforementioned times and place, and all interested persons were given an opportunity to comment and submit testimony; and

WHEREAS, SMUD conducted approximately 70 public outreach meetings and three public workshops on May 18, May 24 and June 30, 2011, to receive and respond to customer comments and questions; and

WHEREAS, pursuant to SMUD Ordinance No. 91-1, this resolution was duly introduced on July 21, 2011 by this Board of Directors to be circulated for a minimum of ten days for public review, input and comment; and

WHEREAS, the Report and Recommendation and Addenda Nos. 1 and 2, set forth in detail the factors that have necessitated the proposed rate action, including the following:

1. reflecting the cost of energy when it is used; and
2. reducing electricity use during SMUD's on-peak period; and
3. modifying the small commercial rate structures to more closely align with the large commercial rate structures; and
4. equitably allocating costs across and within customer classes; and

WHEREAS, the Report and Recommendation and Addenda Nos. 1 and 2 are consistent with and will further the Board of Directors' strategic directives including:

- encouraging energy efficiency; and
- promoting the development of renewable energy resources; and
- equitably allocating costs across and within customer classes; and

WHEREAS, the Report and Recommendation and Addenda Nos. 1 and 2 propose to meet the targets for specific actions while maintaining overall SMUD revenue neutrality as these rate actions are not intended to increase or decrease SMUD system revenue; and

WHEREAS, this Board of Directors has carefully considered the Report and Recommendation and Addenda Nos. 1 and 2, and public comment and input from community meetings, public rate workshops, and the noticed public hearings; and

WHEREAS, this Board of Directors finds that the proposed action is reasonable and in the best interests of the public and SMUD's customer-owners; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. SMALL COMMERCIAL: Effective January 1, 2012, small commercial rates, (GSN_T is <21 kW, GSS_T is 21-299 kW) shall have a summer season of June through September. The tier structure shall be eliminated. The GSS_T site infrastructure charge will apply to all kW. The summer rate shall change to a time-of-use (TOU) rate with on-peak on weekdays starting at 3:00 p.m. and ending at 6:00 p.m., excluding July 4th and Labor Day. All other summer hours are off-peak. The

winter price shall be a flat rate. The system infrastructure fixed charge for the GSN_T rate shall be increased from \$8.25 to \$12.00. The system infrastructure fixed charge for the GSS_T rate shall increase from \$20.50 to \$22.00.

In the years 2014 through 2017, the system infrastructure fixed charge for the GSN_T rate shall be increased by \$2.00 annually on January 1 and kWh charges will be modified to offset the increase. The General Manager, or his or her designee, is authorized to make minimal increases or decreases to the amount of the kWh offset to ensure that the scheduled system infrastructure fixed charge increase is revenue-neutral for SMUD.

Revisions to the rates as described above are detailed in the attached General Service Rate Schedule (GS).

Section 2. RESIDENTIAL: Effective January 1, 2012, all residential rates shall have a four month summer season of June through September. For electric space heat customers, a Spring/Fall period shall be created for the months of April, May, October, and November. This electric space heat Spring/Fall period shall have its own distinct usage allowances. Pricing for standard gas heat and electric heat rates shall be reduced in all seasons. Winter pricing for the closed electric space heat customers shall not decrease and new prices shall be created for the Spring/Fall period. The system infrastructure fixed charge for all residential rates, with the exception of the Energy Assistance Program Rate (EAPR) and the TOU option 2 rate, shall be increased to \$10.00.

In the years 2013 through 2017, the system infrastructure fixed charge shall be increased by \$2.00 for residential non-EAPR customers and \$1.00 for

residential EAPR customers annually on January 1. With the exception of the closed electric winter rates, kWh charges will be modified to offset the fixed charge increases. The General Manager, or his or her designee, is authorized to make minimal increases or decreases to the amount of the kWh offset to ensure that the scheduled system infrastructure fixed charge increase is revenue-neutral for the District.

Revisions to the rates as described above are detailed in the attached Residential Service and EAPR Schedules (R and EAPR).

Section 3. RESIDENTIAL EAPR: Effective January 1, 2012, the system infrastructure fixed charge shall be fixed at \$3.50 for residential EAPR (low income) customers. The number of kilowatt-hours discounted under EAPR shall be limited to 600 kWh above the rate's Base Usage allowance. For usage that exceeds the Base Usage allowance plus 600 kWh, the EAPR customer shall be charged at the applicable Base-Plus rate.

Revisions to the rates as described above are detailed in the attached Residential Service and EAPR Rate Schedules (R and EAPR).

Section 4. SMALL COMMERCIAL EAPR: Effective January 1, 2012, the system infrastructure fixed charge for GSS_T customers on EAPR will increase by \$1.50.

Effective January 1, 2014 and annually thereafter to 2017, the system infrastructure fixed charge for GSN_T customers on EAPR will increase by \$2.00.

Revisions to the rates as described above are detailed in the attached General Service and EAPR Rate Schedules (GS and EAPR).

Section 5. DISTRIBUTION WHEELING SERVICE (DWS): Effective

August 5, 2011 a Distribution Wheeling tariff shall be available to enable third party local merchant projects to wheel power across SMUD's distribution system to access SMUD's transmission system. Service shall be available at 12 kV, 21 kV or 69 kV and priced by voltage level. DWS customers must also take service under SMUD's Open Access Transmission Tariff (OATT) to transmit their power outside the SMUD system.

The DWS rate schedule as described above is detailed in the attached Distribution Wheeling Rate Schedule (DWS).

Section 6. GENERAL SERVICE FLAT NON-DEMAND RATE (GFN):

Effective January 1, 2012, modify the tariff language to base the rate on the average of the GSN_T rate annual electricity usage charge rather than seasonal GSN rates and copy the language for the GFN rate from Rule and Regulation 6 and insert it as a new section in Rate Schedule GS. The GFN rate's system infrastructure fixed charge is equal to the GSN_T rate's system infrastructure fixed charge.

Revisions to the rates as described above are detailed in the attached General Service Rate Schedule (GS) and Rule and Regulation 6.

Section 7. COMMUNITY SOLAR PROGRAM: Effective January 1,

2012, remove the published charges for this voluntary program from the rate schedules and allow SMUD staff to modify these charges as costs change and post the revised charges on SMUD's website. Modify the program to a fixed fee and set the initial monthly flat fees at \$5.00 and \$9.00.

Revisions to the rates as described above are detailed in the attached Residential Service, General Service, General Service Temperature Dependent Pricing,

Large General Service TOU, Medium General Service TOU, Small General Service TOU, and Agricultural Service Rate Schedules (R, GS, GS-TDP, GS-TOU1, GS-TOU2, GS-TOU3 and AG).

Section 8. PV PIONEER GREEN FEE: Effective January 1, 2012, remove the published charges from the Residential rate schedule and allow SMUD staff to modify these charges as costs change and post revised charges on SMUD's website.

Revisions to the rates as described above are detailed in the attached Residential Service Rate Schedule (R).

Section 9. ELECTRICITY USAGE SURCHARGES: Effective January 1, 2012, consolidate the solar surcharge language and the Hydro Generation Adjustment (HGA) language in one place on each rate schedule.

Revisions to the rates as described above are detailed in the attached Agricultural Service, Energy Assistance Program, General Service, General Service Temperature Dependent Pricing, Large General Service TOU, Medium General Service TOU, Small General Service TOU, Outdoor Night Lighting Service, Residential Service, Street Lighting Service, Traffic Control Intersection Lighting Service, Traffic Signal Service Rate Schedules (AG, EAPR, GS, GS-TDP, GS-TOU1, GS-TOU2, GS-TOU3, NLGT, R, SLS, TC ILS and TSS).

Section 10. CLARIFY SERVICE VOLTAGE DEFINITIONS: Effective January 1, 2012, modify the language in the "Service Voltage Definition" section of each rate schedule and Rule and Regulation.

Revisions as described above are detailed in the attached Agricultural Service, General Service, General Service Temperature Dependent Pricing, Large

General Service TOU, Medium General Service TOU, Small General Service TOU Rate Schedules (AG, GS, GS-TDP, GS-TOU1, GS-TOU2 and GS-TOU3) and Rule and Regulation 2.

Section 11. CLARIFY RATE CHARGE DEFINITIONS: Effective January 1, 2012, modify the Rate Charges definitions in Rule and Regulation 1 to eliminate obsolete charges and reflect new clarifying names of existing charges.

Revisions described above are detailed the attached Agricultural Service, Energy Assistance Program, General Service, General Service Temperature Dependent Pricing, Large General Service TOU, Medium General Service TOU, Small General Service TOU, Medical Equipment Discount Program, Outdoor Night Lighting Service, Net Metering for Qualifying Facilities, Residential Service, Street Lighting Service and Traffic Control Intersection Lighting Service Rate Schedules (AG, EAPR, GS, GS-TDP, GS-TOU1, GS-TOU2, GS-TOU3, MED, NLGT, NM, R, SLS and TC ILS) and Rules and Regulations 1, 2, 4, 6, 14, and 16.

Section 12. NET METERING SURPLUS COMPENSATION VALUE: Effective August 5, 2011, modify the Net Metering Compensation Value calculation and the current Net Metering Surplus Compensation Value to include cost components inadvertently excluded from the previous calculation.

Revisions to the rates as described above are detailed in the attached Net Metering for Qualifying Facilities Rate Schedule (NM).

Section 13. EXPAND NET METERING ELIGIBILITY: Effective August 5, 2011, expand the eligibility of net metering of generation facilities to up to 3 megawatts in size.

Revisions as described above are detailed in the attached Net Metering for Qualifying Facilities Rate Schedule (NM).

Section 14. CLARIFY NET METERING BILLING PRACTICES: Effective August 5, 2011, modify Net Metering Compensation language to address customers' issues with ambiguity in the current description of billing practices. The new language specifies that energy credits for net power generation will only offset billed electricity usage charges. Other billing component charges will remain fully payable, including the System Infrastructure Fixed Charge, the Site Infrastructure Charge, the Maximum Demand Charge, and miscellaneous taxes, surcharges and fees.

Revisions as described above are detailed in the attached Net Metering for Qualifying Facilities Rate Schedule (NM).

Section 15. STATUTORY LIMIT ON NET METERED GENERATION: Effective August 5, 2011, adopt the California Public Utilities Code §2827(c)(1) limit of 5 percent of the utility's aggregate customer peak demand for the total net metered capacity.

Revisions as described above are detailed in the attached Net Metering for Qualifying Facilities Rate Schedule (NM).

Section 16. FEED-IN TARIFF (FIT): Effective August 5, 2011, modify the FIT to be consistent with the clarification language in Rule and Regulation 21 governing interconnection requirements.

The General Manager, or his or her designee, is authorized to modify FIT procedures as necessary from time to time.

Revisions as described above are detailed in the attached FIT.

Section 17. RULE AND REGULATION 6 – Payment of Bill and Credit:

Effective January 1, 2012, modify Rule and Regulation 6 to add a 1.5 percent late penalty fee to apply 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 at least ten dollars before the late payment is applied.

Revisions as described above are detailed in the attached Rule and Regulation 6.

Section 18. RULE AND REGULATION 6 – Calculation and Pricing of Unmetered Energy: Effective January 1, 2012, modify Rule and Regulation 6 to strike out the reference to an average rate based on seasonal tiers and replace it with the reference to annual charges.

Revisions as described above are detailed in the attached Rule and Regulation 6.

Section 19. RULE AND REGULATION 21: Effective August 5, 2011, delete section C and D from this Rule and Regulation to allow the General Manager greater flexibility in changing interconnection requirements as new technologies and standards are developed. The interconnection requirements will be incorporated into existing Policies and Procedures and be available on the SMUD website.

Revisions as described above are detailed in the attached Rule and Regulation 21.

Section 20. FEE FOR SMART METER OPT-OUT: Adopt upfront and monthly fees that would be implemented should this Board of Directors in the future

authorizes customers to opt-out of the smart meter solution. The upfront and monthly fees are intended to cover the costs of the installation of alternative metering solutions, meter reading, billing, and related administrative costs.

Authorize the General Manager, or his or her designee, to modify the fees from time to time as the metering, billing, and other related costs associated with customer smart meter opt-out change. The language and fees will be incorporated in Rates Policy and Procedure 9-03, "Special Metering Charges" and posted on SMUD's website.

Section 21. LEGACY GENERAL SERVICE RATE SCHEDULE: Effective January 1, 2012, adopt the Legacy General Service Rate Schedule for small commercial customers whose TOU meter has not been installed on their premise as of January 1, 2012. When the TOU meter is installed the customer will migrate to the appropriate TOU rate. This rate schedule is closed to new customers.

The Legacy General Service Rate is detailed in the attached General Service Legacy Rate Schedule (GS-LEG).

Section 22. REMOVE PRORATION LANGUAGE: Effective January 1, 2012, remove proration language for energy usage from General Service rate schedules and adopt the revised General Service, General Service Temperature Dependent Pricing, Large General Service TOU, Medium General Service TOU, Small General Service TOU rate schedules (GS, GS-TDP, GS-TOU1, GS-TOU2 and GS-TOU3) as attached.

Section 23. REMOVE OPTIONAL TOU LANGUAGE FROM THE GENERAL SERVICE RATE SCHEDULE: Effective January 1, 2012 remove the section

entitled “Optional Time-of-Use Rates” from the General Service rate schedule (GS) and remove the corresponding language from the “Applicability” section of the Small General Service TOU rate schedule (GS-TOU3) as attached.

Section 24. COMMERCIAL ELECTRIC VEHICLE RATE: Effective January 1, 2012, revise language in the section of the GS rate schedule entitled “Plug-in Electric Vehicle (PEV) Option” to remove the rate migration option for PEV customers.

The revised Plug-in Electric Vehicle (PEV) Option is detailed in the attached General Service Rate Schedule (GS).

Section 25. RESIDENTIAL SMARTSACRAMENTO® PRICING PILOT TOU: Effective January 1, 2012, adopt the proposed experimental SmartSacramento® Pricing Pilot TOU rate shown in the attached Residential Service and EAPR Schedules, for the SmartSacramento® study participants and other residential customers on related pilot projects.

The SmartSacramento® Pricing Pilot TOU rate shall be implemented during the summer months of June through September in both 2012 and 2013. Rates for the non-summer months shall revert to the applicable standard tariffs.

The rate as described above is detailed in the attached Residential Service and EAPR Rate Schedules (R and EAPR).

Section 26. RESIDENTIAL SMARTSACRAMENTO® PRICING PILOT CRITICAL-PEAK PRICING (CPP): Effective January 1, 2012, adopt the proposed experimental SmartSacramento® Pricing Pilot CPP rate for the SmartSacramento® study participants and other residential customers on related pilot projects.

The SmartSacramento® Pricing Pilot CPP rate shall be implemented during the summer months of June through September in both 2012 and 2013. The rate for the non-summer months shall revert to the applicable standard tariffs.

The rates as described above are detailed in the attached Residential Service and EAPR Rate Schedules (R and EAPR).

Section 27. RESIDENTIAL SMARTSACRAMENTO® PRICING PILOT COMBINED TOU AND CRITICAL-PEAK PRICING (TOU/CPP) RATE: Effective January 1, 2012, adopt the proposed experimental SmartSacramento® Pricing Pilot Combined TOU/CPP rate for the SmartSacramento® study participants and other residential customers on related pilot projects.

The SmartSacramento® Pricing Pilot Combined TOU/CPP rate shall be implemented during the summer months of June through September in both 2012 and 2013. The rate for the non-summer months shall revert to the applicable standard tariffs.

The rates as described above are detailed in the attached Residential Service and EAPR Rate Schedules (R and EAPR).

Section 28. Environmental Assessment

1.0 Section 21080(b)(8) of the California Public Resource Code and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) provide, in relevant part, 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 purposes set forth in (A) through (D) below,

and that a public agency shall incorporate written findings in the record in any proceeding in which an exemption is claimed setting forth with specificity the basis for the claim for exemption:

- (A) meeting operating expenses, including employee wage rates and fringe benefits,
- (B) purchasing or leasing supplies, equipment, or materials,
- (C) meeting financial reserve needs and requirements, or
- (D) obtaining funds for capital projects necessary to maintain service within existing service areas, or

2.0 This Board of Directors finds and declares:

- (a) That revenue from this proposed rate action is intended to among other things: meet operating expenses, that reflect the cost of energy when it is used; reduce electricity used during SMUD's on-peak period; modify small commercial rate structures to more closely align with the large commercial rate structures; and equitably allocate costs across and within customer classes.
- (b) That all revenue produced by each and every one of the rate actions set forth in this Resolution will exclusively be used for purposes permitted by Sections 21080(b)(8)(A) through (D) of the California Public Resource Code, and that no amount of revenue obtained from these rate actions will be used for any other purpose. Therefore, all of the foregoing rate actions are exempt from CEQA.

(c) The above findings are based on information set forth in the Report and Recommendation and Addenda Nos. 1 and 2.

3.0. Section 15061(b)(3) of the CEQA Guidelines provides that, “[w]here it can be seen with certainty that there is no possibility that [an] activity ... may have a significant effect on the environment, the activity is not subject to CEQA.”

This Board of Directors finds and declares that it can be said with certainty that there is no possibility that non-revenue producing actions, including changes to the Rate Schedules and Rules and Regulations, set forth in this Resolution will cause a substantial, or potentially substantial, adverse change in the environment. This finding is based upon information contained in the Report and Recommendation and Addenda Nos. 1 and 2.

Section 29. The revised Rate Schedules and Rules and Regulations referenced in this Resolution are attached and incorporated as **Attachment I.**

Section 30. The extent there is a discrepancy between this Resolution and the revised Rate Schedules and Rules and Regulations attached hereto, the revised Rate Schedules and Rules and Regulations shall control.

Adopted: August 4, 2011

| | | | | |
|---------------------------|-----|----|---------|--------|
| INTRODUCED: DIRECTOR CARR | | | | |
| SECONDED: DIRECTOR SLATON | | | | |
| DIRECTOR | AYE | NO | ABSTAIN | ABSENT |
| TAYLOR | X | | | |
| BUI-THOMPSON | | | | X |
| POSNER | | | | X |
| SHIROMA | X | | | |
| KERTH | X | | | |
| CARR | X | | | |
| SLATON | X | | | |

Agricultural Service Rate Schedule AG

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 pumping loads where a preponderance of the load is devoted to agricultural purposes, farm lighting, feed choppers, milking machines, heating for incubators, brooders and other farm uses; to drainage pumping loads where a preponderance of the area drained is agricultural; and to irrigation pumping loads for non-agricultural purposes where the entire loads, except for minor incidental uses are devoted to such pumping. This schedule is applicable to customer accounts with billing demands that do not exceed 300 kW for 3 or more consecutive months.

II. Non-Demand Metered Rates

This rate is for general service customers having a demand of 30 kW or less. Whenever use of electricity by non-demand metered general service customers is 12,000 kWh or more for 3 consecutive months or whenever, in SMUD's judgment, the demand will exceed 30 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 31 kW and energy is less than 8,750 kWh for 12 consecutive months before being returned to the ASN rate.

| Small Agricultural Service ASN | Summer | Winter |
|--|---------------|---------------|
| System Infrastructure Fixed Charge per month | \$9.90 | \$9.90 |
| Electricity Usage Charge (¢ per kWh) – all kWh | 11.98¢ | 10.95¢ |

III. Demand Metered Rates

This rate is for general service customers having a demand of 31 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 31 kW and energy is less than 8,750 kWh for 12 consecutive months before being returned to the ASN rate.

| Large Agricultural Demand-Metered Service ASD | Summer | Winter |
|--|---------------|---------------|
| System Infrastructure Fixed Charge per month | \$22.90 | \$22.90 |
| Site Infrastructure Charge per 12 month maximum kW or installed capacity | | |
| First 30 kW | No Charge | No Charge |
| Additional kW per month | \$2.25 | \$2.25 |
| Electricity Usage Charge (¢ per kWh) | | |
| First 8,750 kWh per month | 11.61¢ | 12.12¢ |
| Additional kWh per month | 8.40¢ | 9.50¢ |

IV. Optional Time Based Pricing Plans

This optional rate is for non-demand metered small agricultural customers and demand metered large agricultural customers. Transfers to the agricultural TOU schedule must remain in effect for at least 4 months. Customers cannot return to service under this schedule for 12 months. Service under this schedule is subject to meter availability.

| Small Agricultural Time of Use Service AON | Summer | Winter |
|---|-------------------|-------------------|
| System Infrastructure Fixed Charge per month | \$13.20 | \$13.20 |
| Electricity Usage Charge (¢ per kWh) | | |
| On-peak period | 18.25¢ | 12.59¢ |
| Off-peak period | 9.81¢ | 10.73¢ |
| Large Agricultural Time of Use Service AOD | Summer | Winter |
| System Infrastructure Fixed Charge per month | \$79.65 | \$79.65 |
| Maximum Demand Charge (\$ per kW) | \$3.15 | \$2.25 |
| Electricity Usage Charge (¢ per kWh) | | |
| On-peak period | 19.40¢ | 12.54¢ |
| Off-peak period | 10.34¢ | 10.64¢ |

Agricultural Service Rate Schedule AG

V. 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.

VI. 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 Charge and System Infrastructure Fixed Charge will be waived during each of those months.

VII. Rate Option Menu

(A) Standby Service Option

This option applies to 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.

(B) 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 cent and no greater than 2 cents per kWh. SMUD may offer up to 3 premium rate options representing various blends of renewable resources within the 1/2 cent to 2 cent 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 cent premium limit.

(C) 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/recorders to a personal computer, SMUD will charge a monthly service fee to cover maintenance, software support and the annual licensing fee.

VIII. 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.

Agricultural Service Rate Schedule AG

(B) Service Voltage Definition

The following defines the 3 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) Agricultural Time of Use Rate Periods

The following defines the time period definitions for the Agricultural time of use rates:

Agricultural Time of Use rate periods (Applicable to Rate Categories AON & AOD)

On-peak hours include the following:

WINTER SEASON - NOVEMBER 1 Through APRIL 30

Weekdays: Between 7:00 a.m. and 10:00 a.m. and 5:00 p.m. and 8:00 p.m.

SUMMER SEASON - MAY 1 Through OCTOBER 31

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

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

| <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 |

Agricultural Service Rate Schedule AG

(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 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)

Distribution Wheeling Service Rate Schedule DWS

I. Applicability

The District may, at its discretion, provide distribution wheeling service to Independent Power Producers and Cogenerators within SMUD territory, who establish a need for this service. Wheeling service requests will be evaluated on a case by case basis and may be limited by availability of distribution system capacity. This rate has been developed for wholesale power transactions and the District will not wheel non-District power to its retail customers under this rate.

This Schedule is available to entities owning generating facilities that meet the following conditions:

- The entity's generating facility is connected to SMUD's distribution system;
- The entity has a power purchase (offtake) agreement for the output of the generating facility with another entity than SMUD; and,
- Power delivery under the power purchase agreement occurs at a location outside of the SMUD system.

Under the service, the power from the associated generating facility will be wheeled (transferred) across SMUD's distribution system from the point of interconnection of SMUD's distribution system (Interconnection Point) to SMUD's bulk power system. Entities taking service under this tariff will also be required to take Transmission Wheeling Service from SMUD under the SMUD OATT.

Service under this schedule is on a first-come, first-served basis and is available unless the usage of these wheeling facilities would be detrimental to SMUD.

II. Territory

This Schedule is available for interconnection of the generating facility is to the SMUD distribution system, wherever that may occur within the SMUD service territory.

III. General Conditions

1. APPLICATION FOR SERVICE

Any entity requesting service under this tariff must submit an application for Distribution Wheeling Service. Application for such service can be located at www.smud.org.

2. REQUIRED SERVICE CONTRACT

The entity taking wheeling service under the tariff shall execute a Distribution Wheeling Agreement (DWA) in accordance with SMUD Policy and Procedure 8-05.

3. RESERVATION DEPOSIT

The entity requesting service under this tariff will be required to submit a deposit equal to one month of service under this tariff. The deposit will be refundable up until the time that the entity commits to service by execution of the DWA. Once the DWA is executed, the reservation deposit becomes a non-refundable payment for the first month of service under the tariff.

4. TERM

Applicant must specify, at the time of application, the date for start of the requested service. Applicant must also specify the duration that is requested for service. SMUD will accept applications for service up to 20 years.

5. APPLICATION UNDER SMUD'S OATT

Applicants must also make application for Transmission Service under SMUD's Open Access Transmission Tariff.

6. DEFINITIONS

The following definitions apply to this Schedule:

- a. Applicant: The entity requesting service under this tariff.
- b. Distribution Wheeling: The transfer of Merchant Generator power at 12 kV, 21 kV or 69 kV for delivery to a third party outside SMUD service territory.

Distribution Wheeling Service Rate Schedule DWS

7. ELECTRICAL INTERCONNECTION

Applicant must also make a request for interconnection that complies with SMUD's Rule 21 process for interconnection, and must meet the requirements of Rule 21, which includes executing an Interconnection Agreement with SMUD. Any resources **not** meeting the Rule 21 requirements will not be eligible for service under this Schedule.

8. METERING REQUIREMENTS

Distributed generation resources receiving service under this Schedule shall comply with all applicable rules in installing a meter appropriate for full output monitoring agreements, and which can be read daily by electronic means acceptable to SMUD. The customer shall be responsible for procuring and maintaining any communication link required by SMUD for retrieving meter data.

IV. Line Losses

Generators taking service under this tariff will be assessed a line loss factor. Line losses will be applied as the electricity transitions from one voltage level to another. The line losses by voltage level are as follows:

| <u>Voltage Level</u> | <u>Loss Factor</u> |
|----------------------|--------------------|
| 12/21kV | 4.06% |
| 69kV | 1.53% |

The District reserves the right to update the line loss factor annually on January 1.

Line losses will be applied to the amount of generated electricity that is measured at the point of interconnection between the Generator's facility and the District's electrical system.

V. Rates

| Distribution Wheeling Charge | <u>12/21 kV*</u> | <u>69 kV</u> |
|-------------------------------------|-------------------------|---------------------|
| \$/kW-month | \$5.829 | \$1.355 |

* includes all path charges to bulk power system

Residential and General Service Energy Assistance Program

I. Applicability

To customers receiving service under residential or general service rates who meet the eligibility requirements.

II. Qualification

To qualify for the Energy Assistance Program, the customer must complete an eligibility application approved by the District. Applications are provided and processed by the District's designated agent.

III. Discount for Residential Customers

Residential customers on this rate will receive a discount on their monthly system infrastructure fixed charge as detailed in 1-R-A. The applicable residential rate schedules are discounted as follows: 1) a discount of 35% is applied to the electricity usage charges for Base Usage 2) a discount of 30% is applied to usage charges for the kWh quantities in excess of Base Usage up to 600 kWh (discount ceiling). Any electricity usage above the discount ceiling will be charged the Base-Plus Usage rate based on the customer's billed residential rate category and the season.

IV. Time Based Pricing Plans

(A) SmartSacramento[®] Pricing Pilot EAPR Rates¹

(Rate Categories RSCH_E_CB, RSEH_E_CB, RSGH_E_CB, RWCH_E_CB, RWEH_E_CB, RWGH_E_CB)

Applicability

These rates will be offered only to selected participants for a limited trial period. They apply only during the summer season. Participants will revert to their otherwise applicable rates during the remaining months of the year.

SmartSacramento[®] Pricing Pilot Time of Use EAPR Rate (Summer Season Only)

| | |
|---|--------|
| System Infrastructure Fixed Charge per month..... | \$3.50 |
| On-Peak ¢/kWh..... | 20.00¢ |
| Off-Peak ¢/kWh: | |
| Off-Peak Base Usage per month | 5.50¢ |
| Off-Peak Base-Plus Usage per month | 11.62¢ |
| Off-Peak Non-Discounted Base-Plus Usage per month | 16.60¢ |

SmartSacramento[®] Pricing Pilot Critical Peak EAPR Rate (Summer Season Only)

| | |
|---|--------|
| System Infrastructure Fixed Charge per month..... | \$3.50 |
| Critical Peak ¢/kWh | 50.00¢ |
| Off-Peak ¢/kWh: | |
| Off-Peak Base Usage per month | 5.53¢ |
| Off-Peak Base-Plus Usage per month | 11.65¢ |
| Off-Peak Non-Discounted Base-Plus Usage per month | 16.65¢ |

SmartSacramento[®] Pricing Pilot Combined Time of Use and Critical Peak EAPR Rate (Summer Season Only)

| | |
|---|--------|
| System Infrastructure Fixed Charge per month..... | \$3.50 |
| Critical Peak ¢/kWh | 50.00¢ |
| On-Peak ¢/kWh..... | 20.00¢ |
| Off-Peak ¢/kWh: | |
| Off-Peak Base Usage per month | 4.68¢ |
| Off-Peak Base-Plus Usage per month | 9.87¢ |
| Off-Peak Non-Discounted Base-Plus Usage per month | 14.11¢ |

¹ ®A registered service mark of the Sacramento Municipal Utility District

Residential and General Service Energy Assistance Program

SmartSacramento[®] Pricing Pilot EAPR Billing Periods (June 1 – September 30 Summer Only)

| | |
|--|--|
| On-Peak Hours | Summer weekdays between 4:00 p.m. and 7:00 p.m., exclusive of Independence Day (July 4 th) and Labor Day holidays. |
| Critical Peak Hours | Up to twelve summer weekdays between 4:00 p.m. and 7:00 p.m., exclusive of Independence Day (July 4 th) and Labor Day holidays, announced by SMUD a day in advance as a critical peak event day. |
| Off-Peak Base Usage, Base-Plus Usage, and Non-Discounted Base-Plus Usage Hours | Usage in all other non-peak hours in accordance with the Summer Season Basic Residential EAPR Usage Quantities indicated in Section V above. |

V. 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.

VI. Eligibility for Residential Customers

To be eligible for the Energy Assistance Program the customer must meet the following requirements:

- The total gross household income must conform to the Government Income Guidelines as specified on the application,
- He/she cannot be claimed as a dependent on another person's income tax return, and
- The service address shown on the application is the customer's primary residence.

VII. Discount for Non-Profit Agency Customers

A discount of 15 percent of the electricity usage charge and site infrastructure charge each month is applied for general service customers directly served by the District, who are certified non-profit agencies that meet the eligibility criteria as outlined below.

The General Service GSN_T system infrastructure fixed charge will be set as detailed in 1-GS-A and will be applied each month for small commercial general service non-demand metered customers directly served by the District, who are certified non-profit agencies that meet the eligibility criteria as outlined below.

The General Service GSS_T system infrastructure fixed charge will be set at \$14.10 and will be applied each month for small commercial general service demand metered customers directly served by the District, who are certified non-profit agencies that meet the eligibility criteria as outlined below.

VIII. Eligibility for Non-Profit Agencies

Non-Profit agencies must apply directly to the District for the Energy Assistance Program. To qualify for this program, the District must directly serve an agency. In addition, the agency must be a certified non-profit public or private agency, defined by the Internal Revenue Service code as a charitable and/or educational organization that owns and operates residential unit(s) and whose residents meet the Energy Assistance Program income guidelines. An energy survey of the residential unit(s) is recommended at the time of being placed on this program and implementation of recommended cost effective energy efficiency measures is encouraged. The primary function shall be to provide a home (sleeping quarters) for low-income residents who would otherwise meet the residential Energy Assistance Program Rate guidelines defining low-income if permanently residing in a residence. Given that the primary function is provided by the non-profit agencies, associated facilities that provide daytime services for the homeless (e.g. personal hygiene facilities, laundry facilities, kitchen and/or dining facilities, etc.) may also qualify for the discount. At least 75 percent of the facility's square footage must be directly related to meeting these functions.

Residential and General Service Energy Assistance Program

IX. Verification of Eligibility

Upon request, each applicant shall provide proof, satisfactory to the District or its designated agent, that they meet the eligibility requirements. Failure to provide proof as requested will be considered just cause for denial to the Energy Assistance Program. It is the customer's responsibility to immediately notify the District or its designated agent when eligibility requirements change to the extent that the applicant no longer qualifies for this program. Applicants served under this program will be subject to annual review and/or verification. Any intent to defraud the District will result in rebilling of the applicant's bill and removal from the Energy Assistance Program. The District reserves the right to take appropriate legal action as warranted.

X. Application

The Energy Assistance Program option will become effective commencing with the beginning of the billing period in which the request is received and approved. Return to another rate option will be effective commencing with the beginning of the billing period in which the request is received or the cancellation date, if this enrollment in the Energy Assistance Program is terminated.

(End)

Feed-In Tariff for Distributed Generation (FIT)

I. Applicability

This Schedule is optional for customers who wish to sell to SMUD the power output from an eligible small-scale Distributed Generation Resource, with capacity of not more than 5 MW, as defined in the General Conditions section of this Schedule.

Service under this schedule is on a first-come, first-served basis until the combined rated generation capacity within SMUD's service territory reaches 100 MW. Feed-in Tariff procedures are available in SMUD Policy and Procedure 8-04 and are posted at smud.org.

SMUD's General Manager is authorized to develop, implement, and revise the Feed-in Tariff procedures from time to time.

II. Territory

This Schedule is available to the entire service territory.

III. General Conditions

1. REQUIRED CONTRACT

Distributed generation resources accepting service under the tariff shall execute a power purchase agreement (PPA) with SMUD.

2. DURATION OF TERM:

The tariff shall be offered for contract durations of 10-, 15- or 20-years at the option of the customer.

3. PARTICIPATION IN OTHER SMUD PROGRAMS

Customers taking service under this Schedule may not also obtain benefits from any of the following:

- a. A power purchase agreement with SMUD for deliveries from the same facility;
- b. Incentives from SMUD under customer programs implemented in compliance with SB 1 requirements or similar program; or
- c. The net metering option for energy deliveries from the same facility.

4. ENVIRONMENTAL ATTRIBUTES

A distributed generation resource accepting service under this tariff will deliver to SMUD both the electricity generated and any environmental attributes associated with that energy.

5. DEFINITIONS

The following definitions apply to this Schedule:

- a. *Eligible Renewable Generation Resource* – An electric generating facility as defined in Public Utilities Code Section 399.12 and California Public Resource Code Section 25741, as either code provision may be amended or supplemented from time to time.
- b. *Eligible Combined Heat and Power (CHP) Resource* – An electric generation facility that produces both electricity and thermal energy from a single fuel input. An eligible CHP system shall meet an emissions rate standard of 0.07 pounds of nitrogen oxides (NOx) per MWh. It must also meet a minimum efficiency of 60 percent, measured as useful energy output divided by fuel input at 100 percent of generator load.

An eligible CHP system that meets both these efficiency and NOx standards may take an emission credit at the rate of one megawatt-hour for each 3.4 million British thermal units of heat recovered. To remain eligible, the CHP system shall be adequately maintained and serviced to continue meeting or exceeding the efficiency and emissions standards during its operation.

6. ELECTRICAL INTERCONNECTION

Distributed generation resources receiving service under this Schedule shall be interconnected within SMUD's service territory and shall be required to comply with SMUD's Rule 21 process for interconnection. Any resources not meeting the Rule 21 requirements will **not** be eligible for service under this Schedule.

Feed-In Tariff for Distributed Generation (FIT)

7. METERING REQUIREMENTS

Distributed generation resources receiving service under this Schedule shall comply with all applicable rules in installing a meter appropriate for full buy/sell or excess sale agreements, and which can be read daily by electronic means acceptable to SMUD. The customer shall be responsible for procuring and maintaining any communication link required by SMUD for retrieving meter data.

IV. Distributed Generation Feed-In Tariff Cost Components

Under this Schedule, SMUD will pay the eligible distribution generator the applicable price for metered electricity delivered during the time periods specified for the chosen contract term and start year. The start year is the calendar year when actual commercial operation begins.

The FIT prices will be posted on the SMUD Web site (smud.org), with prices differentiated by

- Project start date;
- Contract term; and
- Time-of-delivery (TOD).

The FIT prices reflect SMUD's underlying marginal costs for procurement and delivery of comparable power during the specified terms and time periods.

For customers with CHP generation facilities, the FIT prices for electricity delivered to SMUD will be based on the following cost components:

- Market Energy Price including losses
- Ancillary Services
- Generation Capacity
- Transmission
- Sub-Transmission Capacity

For customers with eligible renewable generation facilities, the FIT prices for electricity delivered to SMUD will include the above cost components and the following additional premiums:

- Projected cost offsets associated with avoided greenhouse gas mitigation.
- Estimates of risk avoidance from future natural gas price increases.

The FIT prices shall be periodically, but not less frequently than one time per calendar year, reviewed and adjusted based on the criteria set forth above.

V. Time-of-Delivery Periods

The time periods in this Schedule correspond to the following definitions:

| Time of Delivery | Months | Super Peak | On Peak | Off Peak |
|------------------|---|---|--|-----------------|
| Summer | June - Sept | 2:00 to 8:00 p.m. Mon – Sat except holidays | 6:00 a.m. to 2:00 p.m. & 8:00 p.m. to 10:00 p.m. Mon - Sat except holidays | All other hours |
| Fall & Winter | Oct - Feb | | | |
| Spring | Mar - May | | | |
| Holidays | New Year's Day January 1 Memorial Day Last Monday in May Independence Day July 4 Labor Day 1 st Monday in September Thanksgiving Day 4 th Thursday in November Christmas Day December 25 | | | |

(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.

The prices in this section are subject to annual revisions in accordance with attachment 1-GS-A. Revisions will occur annually on January 1.

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 V) | |
| 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. The system infrastructure fixed charge for this rate will be the same as the Non-Demand Metered Rate system infrastructure fixed charge (GSN_T).

Small Commercial GFN

ALL MONTHS

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$12.00 |
| Electricity Usage Charge (¢ per kWh) – all kWh..... | 12.51¢ |

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 V) | |
| On-Peak ¢/kWh..... | 23.36¢ |
| Off-Peak ¢/kWh..... | 8.10¢ |

SACRAMENTO MUNICIPAL UTILITY DISTRICT

Resolution No. 11-08-xx adopted August 4, 2011

Sheet No. 1-GS-1

Effective: January 1, 2012

Edition: January 1, 2012

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)

Section II - Non-Demand Metered Rates

| Season | Rate | Charge | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------|-----------------------------|--|-------------|-------------|-------------|-------------|-------------|
| Summer | Small Commercial GSN_T | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Summer | Small Commercial GSN_T | On Peak \$/kWh Offset | \$ - | \$ (0.0022) | \$ (0.0022) | \$ (0.0023) | \$ (0.0023) |
| Summer | Small Commercial GSN_T | Off Peak \$/kWh Offset | \$ - | \$ (0.0022) | \$ (0.0022) | \$ (0.0023) | \$ (0.0023) |
| Winter | Small Commercial GSN_T | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Winter | Small Commercial GSN_T | Electricity Usage Charge \$/kWh Offset | \$ - | \$ (0.0022) | \$ (0.0022) | \$ (0.0023) | \$ (0.0023) |
| All Seasons | Small Commercial GSN_T EAPR | System Infrastructure Fixed Charge | \$ 5.10 | \$ 7.10 | \$ 9.10 | \$ 11.10 | \$ 13.10 |

- 1) All per kWh offsets are incremental
- 2) The months and dates of the Summer and Winter seasons are defined in Section II of 1-GS
- 3) The amount of the per kWh offset is subject to minimal increase or decrease to ensure that the scheduled System Infrastructure Fixed Charge increase is revenue-neutral for the Sacramento Municipal Utility District

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 | Winter |
|---|-----------------|------------------|
| | May 1 – Oct. 31 | 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 | Winter |
|--|-----------------|------------------|
| | May 1 – Oct. 31 | 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.

| 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 | |

(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.

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 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.

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 |
| 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 |

**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.

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.

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

(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 System Infrastructure Fixed Charges and Site Infrastructure Charges, as well as Electricity Usage and Maximum Demand 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/recorder 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.

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

(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 |

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

(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)

Residential Service Medical Equipment Discount Program

I. Applicability

To customers receiving service under residential rates who meet the eligibility requirements listed below.

II. Qualification

An application must be completed along with certification from a qualified health professional stating that a medical need exists. A current definition of “qualified health professional” is posted on www.smud.org.

III. Discount

A maximum discount of \$15 per month will be applied to the electricity usage portion of the bill.

IV. Medical Equipment Device

A medical equipment device, for purposes of these rates, is defined as a qualifying medical device requiring utility-supplied electricity for its operation that is regularly required for mobility or to sustain the life of a person residing in a residential dwelling. Qualified devices change frequently as technology changes. A current list of qualified devices and medical conditions is posted on www.smud.org.

V. Medical Equipment Discount and Energy Assistance Program Rate

Qualified residential customers on both the Medical Equipment Discount and the Energy Assistance Program Rate receive both discounts: a \$15 MED discount and the EAPR discount as detailed in tariff sheet 1-EAPR-1-3. The system infrastructure fixed charge is \$3.50.

VI. Eligibility

To qualify for the medical equipment discount the customer must certify in writing that the customer or a full-time resident in the customer's home:

- Is dependent on a qualifying medical equipment device used in the home or
- Has a medical condition with special electric space heating needs or air conditioning needs.

VII. Application

The Medical Equipment Discount Program option will be effective commencing with the beginning of the billing period in which the request is received and approved. Return to another rate option will be effective commencing with the beginning of the billing period in which the request is received or the cancellation date, if enrollment in the Medical Equipment Discount Program is terminated.

VIII. Request for Additional Discount

If this discount does not meet a household's medical-electricity needs, customers may contact SMUD to discuss additional assistance.

(End)

Outdoor Night Lighting Service Rate Schedule NLGT

I. Applicability

To District-owned and maintained outdoor overhead lighting service where Street Lighting Service Rate Schedule SLS does not apply.

Service furnished under this schedule may be discontinued at any location where the District's overhead distribution facilities are relocated or converted to underground distribution facilities.

II. Character of Service

A current schedule of District-approved fixtures and lamps eligible for service under this rate will be maintained by the District. Lamps shall be supported on District-owned poles that are used to carry distribution system circuits used for other District purposes, and shall be at locations approved by the District.

III. Rate

The monthly charge for electricity and switching will be based on the connected load served in watts multiplied by 2.37¢
The manufacturer's rating in watts (including all auxiliary equipment) will be used as connected load.

There will be a separate monthly charge for installation and maintenance of each fixture (including lamps, refractors, ballasts, photocells and other typical support equipment). These charges are based upon the installation of street lighting fixtures of a design specified by the District and mounted by means of varying length brackets affixed to existing wood poles that are used to carry distribution system circuits. The District will keep a listing of approved fixtures and lamps with nominal ratings and the corresponding monthly maintenance charge. The District retains the right to modify the listing of approved fixtures and lamps to accommodate changing technology or other business needs criteria. The list of acceptable lamp and fixture types, and their accompanying monthly charge, will be available on the District's Web site or will be furnished upon request. This list will be reviewed annually and updated as appropriate.

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. Billing

Where new facilities are required to service an applicant under this rate, the District may require a contract for service for a period of not to exceed three years.

PRORATION OF CHARGES

The monthly 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 | |

VI. Lamp Servicing and Relocations

Upon receipt of notice from customer of failure of light to operate as scheduled, the District will, within a reasonable period of time, make the necessary repairs.

The District will, at customer's request, relocate existing outdoor lighting service equipment, provided the customer reimburses the District for the relocation cost.

(End)

Net Metering for Qualifying Facilities (NM) Solar Electric, Wind Turbine and Biomass

I. Applicability

The net metering option applies to residential, commercial/industrial, and agricultural customers who have a solar or wind electrical generation facility, a hybrid system of both, or a biomass facility with a capacity of not more than 3,000 kilowatts. The facility must be located on the customer's premises, operate in parallel with SMUD's transmission and distribution facilities, and must be intended primarily to offset part or all of the customer's own electrical requirements. The customer must meet all requirements of Rule 21.

Application for this rate schedule is on a first-come, first-served basis, until the total rated generating capacity of customers taking service under this tariff exceeds five (5) percent of SMUD's aggregate customer peak demand. Once the total rated generation capacity reaches five (5) percent of SMUD's aggregate customer peak demand, this rate schedule is closed to new customers.

II. Metering

(A) Residential and Small Commercial ≤ 20 kW; Agricultural Customers ≤ 30 kW

SMUD will pay for and install, at no cost to the customer, a single meter capable of registering the flow of electricity in both directions, or an equivalent means of metering.

(B) Large Commercial > 20 kW; Agricultural Customers > 30 kW

SMUD will pay for and install a single meter, or an equivalent means of metering, capable of registering the flow of electricity in both directions. The customer may be required to pay the cost differential between standard metering and bi-directional metering.

III. Standby Charges

Customers who qualify for Net Metering are exempt from standby charges on that portion of their load.

IV. Payments

Residential, Small Commercial and Agricultural Customers as defined in Section II (A) of this sheet may pay monthly or annually for the net electricity consumed, but must pay monthly any billed non-electricity charges. For all other customers, the net balance of all moneys owed must be paid on each monthly billing cycle. If, in any regular billing month, the electricity supplied by SMUD is less than the electricity supplied to SMUD by the customer's system, the customer will receive retail-valued electricity credits for the excess electricity supplied to SMUD. The retail-valued electricity credits will carry over to the following billing period until the end of the settlement period. Retail-valued electricity credits will only be credited against electricity usage charges. Non-electricity usage charges, which must be paid monthly, include the system infrastructure fixed charge, maximum demand charge, site infrastructure charge, program fees, surcharges and taxes.

V. Settlement Method

All customers who qualify for the net metering option shall have a twelve (12) month settlement period that begins on the effective date of the customer's net metering agreement or upon SMUD's receipt of the customer's net surplus generation election form. At the end of the customer's twelve (12) month settlement period, any unused accumulated monthly retail electricity credits will be zeroed out.

(A) Annual Net Surplus Generation

At the end of a customer's twelve (12) month settlement period, SMUD shall calculate the amount of net surplus generation over the twelve (12) month period. If the customer has net surplus generation, SMUD will, at the customer's election, either a) provide a monetary credit for the net surplus generation to be paid out to the customer or b) roll over the net annual surplus kWh into the next twelve (12) month period. Monetary value for each net surplus generated kWh shall be calculated based on the following calculation:

The dollar per kWh surplus compensation value will be calculated using the most recently published SMUD budget to determine the expected avoided generation and production-related costs divided by the forecasted annual energy sales.

For each kWh purchased under this annual net surplus generation method, the ownership of the associated renewable electricity credit will transfer from the customer to SMUD. The net surplus monetary value shall be calculated annually. This net surplus monetary value will remain in effect for the duration of the fiscal year used for the calculation of the customer's net surplus generation. The value shall be published on SMUD's website by December 20 prior to the year the value is in effect.

(B) Opt-Out of Annual Net Surplus Generation

Customers may elect to opt out of receiving compensation or monetary credit for their net surplus generation over their twelve (12) month settlement period. Customers who elect to opt out will not receive any form of compensation nor credit for net surplus generation delivered to SMUD. Such customers will be allowed to retain any associated renewable electricity credits produced by their net surplus generation.

(End)

Residential Service Rate Schedule R

I. Applicability

This schedule applies to single and three-phase service for the following types of residential premises: 1. Individually-metered residences including single-family homes, flats, apartments and condominiums, 2. General farm service where the meter also serves the residence, or additional meters on a farm where the electricity consumed is solely for domestic purposes and 3. Master-metered service to a multi-family accommodation or a mobile home park which are sub-metered to all individual mobile homes or single-family units.

II. Basic Rates

The prices in this section are subject to annual revisions in accordance with attachment 1-R-A. Revisions will occur annually on January 1.

WINTER SEASON – DECEMBER 1 through MARCH 31

Standard Rate (Rate Categories RSEH, RWEH, RSGH, RWGH)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Electricity Usage Charge: | |
| Base Usage per month ¢/kWh..... | 9.38¢ |
| Base-Plus Usage per month ¢/kWh..... | 17.65¢ |

Electric Space Heat Rate * (CLOSED) (Rate Categories RSCH, RWCH)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Electricity Usage Charge: | |
| Base Usage per month ¢/kWh..... | 7.57¢ |
| Base-Plus Usage per month ¢/kWh..... | 14.43¢ |

SPRING AND FALL SEASONS – APRIL 1 – MAY 31, And OCTOBER 1 – NOVEMBER 30

Standard Rate (Rate Categories RSEH, RWEH, RSGH, RWGH)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Electricity Usage Charge: | |
| Base Usage per month ¢/kWh..... | 9.38¢ |
| Base-Plus Usage per month ¢/kWh..... | 17.65¢ |

Electric Space Heat Rate * (CLOSED) (Rate Categories RSCH, RWCH)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Electricity Usage Charge: | |
| Base Usage per month ¢/kWh..... | 8.49¢ |
| Base-Plus Usage per month ¢/kWh..... | 15.35¢ |

SUMMER SEASON – JUNE 1 through SEPTEMBER 30

Standard Rate (Rate Categories RSEH, RWEH, RSCH, RWCH, RSGH, RWGH)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Electricity Usage Charge: | |
| Base Usage per month ¢/kWh..... | 10.16¢ |
| Base-Plus Usage per month ¢/kWh..... | 18.30¢ |

*The Winter Season (CLOSED) Electric Space Heat Rate is no longer available to new installations of electric space heat equipment, effective May 1, 1996. Any new occupant to a current premise with (CLOSED) Rate Categories RSCH, RTC, or RWCH will be placed on the Standard Rate (Rate Categories RSEH, RWEH) or on the Time of Use Rate (Rate Category RTE) if applicable, upon application for service. New occupants and new customers installing electric space heat equipment (Rate Categories RSEH, RWEH) shall be entitled to the Base Usage and Base-Plus Usage Quantities for Electric Space Heat and billed the Standard Rate.

Residential Service Rate Schedule R

III. Base Usage and Base-Plus Usage Quantities

WINTER SEASON – DECEMBER 1 through MARCH 31 (Kilowatt-hours per month)

| Rate Category | Standard Heat | | Electric Heat | |
|-----------------|---------------|----------------------|---------------|----------------------------|
| | RSGH | RWGH (with Wells) | RSEH, RSCH | RWEH, RWCH (with Wells) |
| Base Usage | 0 – 620 | 0 – 920 | 0 – 1,120 | 0 – 1,420 |
| Base-Plus Usage | > 620 | > 920 | > 1,120 | > 1,420 |

SPRING AND FALL SEASONS – APRIL 1– MAY 31 and OCTOBER 1 – NOVEMBER 30 (Kilowatt-hours per month)

| Rate Category | Standard Heat | | Electric Heat | |
|-----------------|---------------|----------------------|---------------|----------------------------|
| | RSGH | RWGH (with Wells) | RSEH, RSCH | RWEH, RWCH (with Wells) |
| Base Usage | 0 – 620 | 0 – 920 | 0 – 800 | 0 – 1,100 |
| Base-Plus Usage | > 620 | > 920 | > 800 | > 1,100 |

SUMMER SEASON – JUNE 1 through SEPTEMBER 30 (Kilowatt-hours per month)

| Rate Category | RSEH, RSCH, RSGH | RWEH, RWCH, RWGH (with Wells) |
|-----------------|------------------|----------------------------------|
| Base Usage | 0 – 700 | 0 – 1,000 |
| Base-Plus Usage | > 700 | > 1,000 |

IV. Optional Medical Equipment Discount and Energy Assistance Programs

Refer to the following Tariff Sheets for details on eligibility and discounts on these programs:

Medical Equipment Discount Program (Rate Categories with suffix “_L”). See Sheet No. 1–MED–1.

Energy Assistance Program (Rate Categories with suffix “_E”). See Sheet No. 1–EAPR–1.

Joint Participation in Medical Equipment Discount and Energy Assistance Programs (Rate Categories with suffix “_EL”). See Sheet No. 1–MED–1.

V. Time Based Pricing Plans

(A) Option 1 Time of Use Rate (Rate Categories RTE, RTC, RTG)

WINTER SEASON – OCTOBER 1 through MAY 31

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| On-Peak ¢/kWh..... | 11.20¢ |
| Off-Peak ¢/kWh..... | 10.37¢ |

SUMMER SEASON – JUNE 1 through SEPTEMBER 30

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| On-Peak ¢/kWh..... | 24.41¢ |
| Off-Peak ¢/kWh..... | 11.51¢ |

Option 1 Time of Use Billing Periods

| | |
|-----------------------|--|
| Winter Season On-Peak | Weekdays between 7:00 a.m. and 10:00 a.m., and 5:00 p.m. and 8:00 p.m. |
| Summer Season On-Peak | Weekdays between 2:00 p.m. and 8:00 p.m. |
| Off-Peak | All other hours, including holidays shown in Section (D) |

Option 1 Time of Use Trial Billing

SACRAMENTO MUNICIPAL UTILITY DISTRICT

Resolution No. 11-08-xx adopted August 4, 2011

Sheet No. 1-R-2

Effective: January 1, 2012

Edition: January 1, 2012

Residential Service Rate Schedule R

Residential customers shall be entitled to a 12-month trial period for Option 1 Time of Use in which the customer shall receive a credit (after 12 months of billing on the Option 1 Time of Use) for the accumulated difference, if applicable, between the Standard Rate and the Option 1 Time of Use, after which either the Standard Rate or the Option 1 Time of Use Rate must be selected. If the Option 1 Time of Use Rate is selected, customers subsequently requesting a transfer from the Option 1 Time of Use Rate to the Standard Rate may not return to the Option 1 Time of Use Rate for a 12-month period.

(B) Option 2 Time of Use (Rate Categories RTE5, RTC5, RTG5)

WINTER SEASON – OCTOBER 1 through MAY 31

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$11.40 |
| On-Peak ¢/kWh..... | 10.97¢ |
| Off-Peak ¢/kWh..... | 10.07¢ |

SUMMER SEASON – JUNE 1 through SEPTEMBER 30

| | |
|--|---------|
| System Infrastructure Fixed Charge per month | \$11.40 |
| Super-Peak ¢/kWh | 24.24¢ |
| On-Peak ¢/kWh..... | 16.14¢ |
| Off-Peak ¢/kWh..... | 9.97¢ |

Option 2 Time of Use Billing Periods

| | |
|------------------------------|--|
| Winter Season On-Peak | Weekdays between 12:00 noon and 10:00 p.m. |
| Summer Season On-Peak | Weekdays between 12:00 noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m. |
| Summer Super-Peak | Weekdays between 2:00 p.m. and 8:00 p.m. |
| Off-Peak | All other hours, including holidays shown in Section (D). |

(C) **SmartSacramento[®] Pricing Pilot Rates¹** (Rate Categories RSCH_CB, RSEH_CB, RSGH_CB, RWCH_CB, RWEH_CB, RWGH_CB)

Applicability

These rates will be offered only to selected participants for a limited trial period. They apply only during the summer season. Participants will revert to their otherwise applicable rates during the remaining months of the year.

SmartSacramento[®] Pricing Pilot Time of Use Rate (Summer Season Only)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| On-Peak ¢/kWh..... | 27.00¢ |
| Off-Peak ¢/kWh: | |
| Off-Peak Base Usage per month | 8.46¢ |
| Off-Peak Base-Plus Usage per month | 16.60¢ |

SmartSacramento[®] Pricing Pilot Critical Peak Rate (Summer Season Only)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Critical Peak ¢/kWh | 75.00¢ |
| Off-Peak ¢/kWh: | |
| Off-Peak Base Usage per month | 8.51¢ |
| Off-Peak Base-Plus Usage per month | 16.65¢ |

SmartSacramento[®] Pricing Pilot Combined Time of Use and Critical Peak Rate (Summer Season Only)

| | |
|---|---------|
| System Infrastructure Fixed Charge per month..... | \$10.00 |
| Critical Peak ¢/kWh | 75.00¢ |
| On-Peak ¢/kWh..... | 27.00¢ |
| Off-Peak ¢/kWh: | |
| Off-Peak Base Usage per month | 7.21¢ |
| Off-Peak Base-Plus Usage per month | 14.11¢ |

¹ ® A registered service mark of the Sacramento Municipal Utility District

Residential Service Rate Schedule R

SmartSacramento[®] Pricing Pilot Billing Periods (June 1 – September 30 Summer Only)

| | |
|--------------------------------|--|
| On-Peak Hours | Summer weekdays between 4:00 p.m. and 7:00 p.m., exclusive of July 4 th and Labor Day holidays. |
| Critical Peak Hours | Up to twelve summer weekdays between 4:00 p.m. and 7:00 p.m., exclusive of July 4 th and Labor Day holidays, announced by SMUD a day in advance as a critical peak event day. |
| Off-Peak Base Usage Hours | Usage in all other non-peak hours up to 700 kWh for standard customers and 1,000 kWh for customers with domestic wells. |
| Off-Peak Base-Plus Usage Hours | Usage in non-peak hours beyond 700 kWh of Off-Peak Base Usage for standard customers and beyond 1,000 kWh of Off-Peak Base Usage for customers with domestic wells |

(D) Time Based Pricing Plans Billing Holidays

Off-peak pricing in the Time Based Pricing Plans shall apply during the following holidays:

| <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 |

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. Rate Option Menu

(A) Residential Thermal Energy Storage Option (Rate Category RTT) (CLOSED)

Residential customers who are equipped with a Residential Thermal Energy Storage (RTES) system *or* who may qualify by meeting the load criteria established for RTES including the lockout of space-conditioning compressors during the on-peak period, and who are billed on the Option 1 Time of Use Rate shall be entitled to a credit as follows:

| | |
|------------------------------------|--------|
| Winter off-peak credit ¢/kWh | -2.43¢ |
| Summer on-peak credit ¢/kWh | -5.85¢ |
| Summer off-peak credit ¢/kWh..... | -2.71¢ |

Rate Category RTT will no longer be available to new occupants as well as new installations of RTES systems, or other qualifying equipment effective June 1, 1997. At the time of application for service, new occupants of a current premise with (CLOSED) Rate Category RTT will be placed on the Option 1 Time of Use rate (Rate Category RTE) and will be informed of other rate options available to them.

(B) Standby Service Option

This option applies to residential customers who operate, in whole or in part, privately-owned generator(s) with a contract capacity (combined nameplate rating) less than 100 kW on their premises, and are connected to SMUD's electrical system requiring SMUD to standby ready to provide backup or maintenance service to replace the generator(s).

Residential Service Rate Schedule R

Charges for Standby Service are as follows:

Standby Charge (January 1 through December 31)

Based on contract capacity per month \$/kW\$6.25

Electricity Usage:

All energy provided to the customer by SMUD will be billed at the applicable electricity usage charges under the Basic Rate or an optional rate under the Time Based Pricing Plans.

The Standby Service charge will be waived for qualifying net metered generation. See Sheet No. 1–NM–1 for further details.

(C) Plug-in Electric Vehicle (PEV) Option (Rate Category RTEV)

This option is for residential customers who own licensed passenger electric vehicles and/or passenger battery electric and plug-in hybrid electric vehicles, and take service for the vehicle charging under the optional Option 1 Time of Use Rate upon proof of vehicle registration. The term PEV is meant to be inclusive of both battery, plug-in, and plug-in hybrid electric vehicles.

This option requires installation of a time of use meter on the charging location and will be billed under the Option 1 Time of Use Rate with a credit on the off-peak electricity usage charges as follows:

Winter off-peak energy credit ¢/kWh -2.43¢
Summer off-peak energy credit ¢/kWh -2.71¢

The System Infrastructure Fixed Charge will be waived. The Time of Use meter will be a sub-meter to the premise's main meter unless the customer, at his own expense, elects to have installed a separate panel and meter. When sub-metered, the Residential Time-of-Use Electric Vehicle (Rate Category RTEV) rate is not available to customers whose premise load is billed on the Option 2 Time of Use Rate.

(D) Residential PV Pioneer Green Fee

This option applies to residential customers who participate in SMUD's "PV Pioneer Project." Participation in the "PV Pioneer Project" shall be at the sole discretion of SMUD.

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

This option applies to customers who have a solar or other renewable power generator on their premise. Refer to Sheet No. 1–NM–1 for further details.

(F) Residential Three-phase Service Option

This option applies to customers located in areas where three-phase service is available. SMUD shall charge a monthly Special Facilities fee of \$38.95 to cover the additional costs for providing this service.

(G) 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 monthly electricity usage charge of no less than 1/2 cent and no greater than 2 cents per kWh. SMUD may offer up to three premium rate options representing various blends of renewable resources within the 1/2 cent to 2 cent 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 cent premium limit.

3. Flat Fee Options:

Customers may opt to support SMUD renewable energy purchases through one of the following monthly fees:

Green Fee flat charge per month 100% option\$6.00
Green Fee flat charge per month 50% option\$3.00

Residential Service Rate Schedule R

VIII. Special Metering Charge

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

IX. Conditions for Eligibility

(A) Electric Space Heat Eligibility (Rate Categories RSEH, RSCH, RWEH, RWCH)

Residential customers with electric space heating may qualify for an additional 500 kWh in Base Usage allowance during the winter season and an added 180 kWh in Base Usage allowance during the spring and fall seasons. To be eligible, the customer's electric space heating system must be the sole source of domestic space heating installed at the metered premise, except in the case of renewable heating sources, noted in criteria 4 listed below. In addition the electric space heating system must meet one of the following eligibility criteria:

1. An electric space heating system that qualified under the Closed Electric Heat rate before May 1, 1996, **or**
2. A heat pump, including any unit with electric resistance backup, **or**
3. An electric resistance heating system that was installed prior to September 1, 1980, **or**
4. An electric resistance heating system used to supplement a geo-thermal, solar or other renewable fuel heating system.

Non-renewable sources of space heat systems that do **not** qualify for the added residential electric space heat Base Usage allowances include:

- Fossil fuels such as natural gas, propane, gasoline and oil;
- Wood and pelletized fuels.

(B) Domestic Well Eligibility (Rate Categories RWGH, RWEH, RWCH)

Residential customers who own and operate a well that is their sole source of domestic water, are eligible for an additional 300 kWh of monthly Base Usage quantity on the residential meter serving the well.

(C) Master-Metered Multifamily Accommodation and Mobile Home Park Billing (Rate Category RSMM)

The master-metered customer's electricity consumption will be billed under the Base Usage and Base-Plus Usage Quantities using the ratio of the number of occupied single-family accommodations with Electric or Standard Space Heat to the total number of occupied single-family accommodations. The billing calculation will include applicable discounts to the Base Usage Charge and System Infrastructure Fixed Charge for qualifying energy assistance and medical equipment discount program participants. The customer must advise SMUD within 15 days following any change in the number of occupied single-family accommodations wired for electric service and/or any change in the number of qualifying medical equipment discount and/or energy assistance program participants, and/or new occupants of the existing premises with Rate Categories RSCH or RWCH.

X. Billing Proration of Charges

The Base Usage and Base-Plus Usage allowances 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. The monthly System Infrastructure Fixed Charge will not be prorated, regardless of the number of days in the billing period or the spanning of multiple seasons.

| 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)

Section II - Basic Rates

| Season | Rate | Charge | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------|-----------------------------------|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Winter | Standard Rate | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Winter | Standard Rate | Base Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Winter | Standard Rate | Base-Plus Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Winter | Electric Space Heat Rate (Closed) | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Winter | Electric Space Heat Rate (Closed) | Base Usage \$/kWh Offset | \$ - | \$ - | \$ - | \$ - | \$ - |
| Winter | Electric Space Heat Rate (Closed) | Base-Plus Usage \$/kWh Offset | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | |
| Spring & Fall | Standard Rate | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Spring & Fall | Standard Rate | Base Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Spring & Fall | Standard Rate | Base-Plus Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Spring & Fall | Electric Space Heat Rate (Closed) | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Spring & Fall | Electric Space Heat Rate (Closed) | Base Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Spring & Fall | Electric Space Heat Rate (Closed) | Base-Plus Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| | | | | | | | |
| Summer | Standard Rate | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Summer | Standard Rate | Base Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Summer | Standard Rate | Base-Plus Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Summer | Electric Space Heat Rate (Closed) | System Infrastructure Fixed Charge | \$ 12.00 | \$ 14.00 | \$ 16.00 | \$ 18.00 | \$ 20.00 |
| Summer | Electric Space Heat Rate (Closed) | Base Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| Summer | Electric Space Heat Rate (Closed) | Base-Plus Usage \$/kWh Offset | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) | \$ (0.0029) |
| | | | | | | | |
| All Seasons | Energy Assistance Program | System Infrastructure Fixed Charge | \$ 4.50 | \$ 5.50 | \$ 6.50 | \$ 7.50 | \$ 8.50 |

1) All per kWh offsets are incremental

2) The months and dates of the Summer, Winter, Spring & Fall seasons are defined in Section II of 1-R

3) The amount of the per kWh offset is subject to minimal increase or decrease to ensure that the scheduled System Infrastructure Fixed Charge increase is revenue-neutral for the Sacramento Municipal Utility District

Street Lighting Service Rate Schedule SLS

Customer-owned and maintained — Rate Category SL_COM
Customer-owned and maintained, metered — Rate Category SL_COM_M
Customer-owned, District-maintained — Rate Category SL_CODM
District-owned and maintained — Rate Category SL_DOM

I. Applicability

To outdoor lighting service facilities for:

1. Streets, highways, and bridges
2. Public parks
3. Elementary schools, secondary schools, and colleges

II. Character of Service

Alternating current; frequency of approximately 60 hertz; single phase; at voltages specified by SMUD. Lamps shall be controlled to burn from dusk to dawn each night so as to give approximately 4,000 hours of lighting service annually.

III. Billing

Billing periods for nonstandard lengths will be billed as follows:

1. Service connected for 15 or more days during a billing period will be billed for a full month's service.
2. Service connected for 1-14 days during a billing period will not be billed for such partial month's service.
3. Service discontinued for 15 or more days during a billing period will not be billed for such partial month's service.
4. Service discontinued for 1-14 days during a billing period will be billed for a full month's service.

IV. Customer-owned and maintained — Rate Category SL_COM

Where the customer owns and maintains the street lighting equipment, SMUD will furnish electricity and switching. The monthly charge will be based on the connected load served in watts multiplied by 2.37¢
The manufacturer's rating in watts (including all auxiliary equipment) will be used as connected load.

When a customer requests that SMUD finance as well as install street lighting equipment, provisions of Rule and Regulation 2 apply.

V. Customer-owned and maintained, metered — Rate Category SL_COM_M

Where the customer owns and maintains the street lighting equipment, to **operate solely during dusk to dawn hours**, and requests metered electricity, SMUD will furnish a meter, electricity and switching and the charges will be as follows:

System Infrastructure Fixed Charge per month or portion thereof \$8.25
Electricity Usage (¢ per kWh) - all kWh 7.11¢

VI. Customer-owned, District-maintained — Rate Category SL_CODM

Where the customer owns the street lighting equipment and desires SMUD to supply electricity and switching and, in addition, provide for the lamp servicing and maintenance, such service will be rendered for lamps and fixtures of sizes and types as indicated on a District maintained list of approved equipment.

The monthly charge for electricity usage and switching will be based on the connected load served in watts multiplied by 2.37¢
The manufacturer's rating in watts (including all auxiliary equipment) will be used as connected load.

There will be a separate monthly charge for maintaining each fixture and/or lamp. SMUD will maintain a list of acceptable lamps and fixture types with nominal ratings and the corresponding monthly maintenance charge. SMUD retains the right to modify the list of acceptable lamps and fixtures with nominal ratings and the corresponding monthly maintenance charge. SMUD retains the right to modify the list of acceptable lamps and fixtures to accommodate changing technology or other business needs criteria. The list of acceptable lamp and fixture types, and their accompanying monthly charge, will be available on SMUD's Web site or will be furnished upon request. This list will be reviewed annually and updated as appropriate.

This service is restricted to SMUD-approved locations.

When a customer requests that SMUD finance as well as install street lighting equipment provisions of Rule and Regulation 2 apply.

Street Lighting Service Rate Schedule SLS

VI. District-owned and maintained — Rate Category SL_DOM

Where the customer wishes SMUD to install, operate and maintain the entire street lighting system, such service will be provided with fixtures and lamps of sizes and types as approved by SMUD. A current schedule of District-approved fixtures and lamps eligible for service under this rate will be maintained by SMUD.

The monthly charge for electricity usage and switching
will be based on the connected load served in watts multiplied by 2.37¢
The manufacturer's rating in watts (including all auxiliary equipment)
will be used as connected load.

There will be a separate monthly charge for installation and maintenance of each fixture (including lamps, refractors, ballasts, photo cells and other typical support equipment). These charges are based upon the installation of street lighting fixtures of a design specified by SMUD and mounted by means of varying length brackets affixed to existing wood poles that are used to carry distribution system circuits. SMUD will maintain a list of acceptable lamps and fixture types with nominal ratings and the corresponding monthly maintenance charge. SMUD retains the right to modify the list of acceptable lamps and fixtures to accommodate changing technology or other business needs criteria. The list of acceptable lamp and fixture types, and their accompanying monthly charge, will be available on SMUD's Web site or will be furnished upon request. This list will be reviewed annually and updated as appropriate.

When additional or alternative facilities are installed upon a customer's request, additional monthly charges will be made per the list of acceptable facilities, which will be available on SMUD's Web site or will be furnished upon request. This list will be reviewed annually and updated as appropriate.

RELOCATIONS AND CHANGES

District will, at customer's request, relocate existing equipment provided customer reimburses District for net expense to District incurred in connection therewith, including appropriate engineering and general expense.

District will, at customer's request, replace existing equipment with new equipment prior to expiration of the existing equipment's service life, provided customer pays to SMUD an amount equal to the unrecovered cost, less salvage value, of the existing equipment to be retired and executes a five-year contract for service effective with installation of such new equipment.

NEW SERVICE

New service will be for an initial contract term of five years effective with installation of the service. If service is terminated before the contract term, customer will be responsible for an amount equal to the unrecovered cost, less salvage value, of the equipment installed.

VII. 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.

(End)

Traffic Control Intersection Lighting Service Rate Schedule TC ILS

I. Applicability

To electric service for pedestrian and vehicular traffic signal units, together with related control devices and associated intersection lighting where the mounting, standards, control supports, signal equipment, and luminaires are owned and maintained by the customer.

II. Character of Service

Alternating current; frequency of approximately 60 hertz; single phase; at secondary voltages specified by the District; and at service points mutually agreed upon between the customer and the District. Lamps for intersection lighting shall be controlled to burn from dusk to dawn each night so as to give approximately 4,000 hours of lighting service annually.

III. Rate (Rate Category TS_F, TS)

System Infrastructure Fixed Charge:

For metering point per month or portion thereof

\$3.15 per month

Plus

Electricity Usage Charge:

All kWh per month

8.90¢ per kWh

IV. Billing

For billing periods of less than 27 days or more than 34 days, System Infrastructure Fixed Charges will be prorated on the basis of the relationship between the length of the billing period and 30 days. No pro-ratio will be made on first-time billing when the total period of service is less than 30 days.

V. 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.

(End)

Traffic Signal Service Rate Schedule TSS (Closed)

I. Applicability

To electric service for pedestrian and vehicular traffic signal units, together with related control devices where the mounting standards, control supports, and signal equipment are owned and maintained by the customer.

II. Character of Service

Alternating current; frequency of approximately 60 hertz; single phase; at secondary voltages specified by the District.

III. Rate (Rate Category SL_TSF)

| | Monthly Charges |
|---|-----------------|
| For units not larger than 70 watts of connected load and not exceeding three lamps per unit, the monthly charge per unit per month: | \$3.50 |
| For units larger than 70 watts of connected load and not exceeding three lamps per unit, the monthly charge per lamp per watt the total charge per month being not less than | 1.97¢ \$3.50 |

IV. Billing Provisions

1. CONNECTED LOAD

"Connected load" as used in this rate shall be the sum of the capacities of all of the customer's equipment that may be operated from the District's lines at the same time.

2. BILLING PERIODS OF NONSTANDARD LENGTH

Billing periods of nonstandard length will be billed as follows:

- Service connected for 15 or more days during a billing period will be billed for a full month's service.
- Service connected for 1-14 days during a billing period will not be billed for such partial month's service.
- Service discontinued for 15 or more days during a billing period will not be billed for such partial month's service.
- Service discontinued for 1-14 days during a billing period will be billed for a full month's service.

V. Future Applications

No additional service will be provided by the District under Rate Schedule TSS. Upon notification by the District and installation of metering facilities, individual accounts will be transferred from Rate Schedule TSS to Rate Schedule TC ILS.

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.

(End)

Definitions

Rule and Regulation 1

Applicant

A person, corporation, or agency in whose name service is rendered for a particular account as evidenced by the signature on the application, by contract or by verbal request for service. In the absence of a signed instrument, a customer will be identified by the receipt and payment of bills regularly issued in the name of the person, corporation, or agency, regardless of the identity of the actual user(s) of the service.

Connected Load

The sum of the rated capacities of all of the customer's equipment that can be simultaneously served by electricity supplied by the District.

Customer

The person, corporation or agency in whose name service is rendered for a particular account as evidenced by the signature on the application, contract or verbal request for service. In the absence of a signed instrument, a customer shall be identified by the receipt of bills regularly issued in the name of the person, corporation or agency or the actual user(s) of the service.

Customer-owned Generation

An electric generator, owned by the customer, interconnected with, and operated in parallel with, the District's facilities.

Heat Pump

A unit for space conditioning which is capable of heating by refrigeration and which may or may not include the capability for cooling. Heat pumps may utilize auxiliary resistance heating to the extent required by standard design techniques.

Power Factor

Power factor is the percent of total power delivery (KVA) which does useful work. For billing purposes, power factor is defined as the ratio of active power (KW) to apparent power (KVA). The formula to determine power factor is:

$$\text{Power Factor} = \frac{\text{KW}}{\text{KVA}}$$

where: $\text{KVA}^2 = \text{KVAR}^2 + \text{KW}^2$ KW = maximum monthly billing demand KVAR = maximum monthly billing KVAR demand

Power Theft

Energy Theft – The use or receipt of the direct benefit of all or a portion of electrical service with knowledge of, or reason to believe that, a diversion, tampering, or unauthorized connection existed at the time of the use or that the use or receipt was without the authorization or consent of the District.

Diversion – To change the intended course of electricity without the authorization or consent of the District.

Tampering – To rearrange, injure, alter, interfere with, or otherwise prevent from performing normal or customary function, any property owned by the District for the purpose of providing utility services.

Unauthorized Connection – To make, or cause to be made, any connection or reconnection with property owned or used by the District to provide utility service without the authorization or consent of the District.

Unauthorized Use – Unauthorized use is defined as the use of electricity in noncompliance with the District's normal billing practices or applicable law. It includes, but is not limited to meter tampering, unauthorized connection or reconnection, theft, fraud, and intentional use of electricity whereby the District is denied full compensation for electric service provided.

Rate Charges

Charges in the rates may include the following:

System Infrastructure Fixed Charge – That portion of the charge for service which is a fixed amount without regard to connected load, maximum demand, or electricity usage in accordance with the rate.

Site Infrastructure Charge – That portion of the charge which applies to site-related distribution facilities.

Maximum Demand Charge – That portion of the charge which varies with the billing demand in accordance with the rate.

Electricity Usage Charge – That portion of the charge for service which varies with the quantity of electricity consumed in accordance with the rate.

Standby Charge – That portion of the charge for standby service which is a fixed amount based on the maximum load the District stands ready to supply in accordance with the rate.

Rating of Installations

Such ratings shall be established by the higher of the manufacturer's name-plate rating or actual test, at the option of the District.

Resistance Heating

Any apparatus employing the resistance of conductors to transform electric energy into heat.

(End)

SACRAMENTO MUNICIPAL UTILITY DISTRICT

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

Sheet No. 2-01-1
Effective: January 1, 2012
Edition: January 1, 2012

Service Conditions Rule and Regulation 2

A. Description of Service

1. Subject to conditions listed below, single-phase or three-phase service will be supplied as required by the customer in accordance with appropriate rates.
 - a. Voltage supplied will be designated by the District.
 - b. Single-phase service will not be supplied to customers whose panel capacity exceeds 100 kVA.
 - c. Three-phase service will not be supplied to motor loads of less than 7-1/2 kW, except where three-phase secondary facilities are available at applicant's service location, or where applicant for three-phase service contributes the net estimated installed cost of such facilities (exclusive of meter and service) or such part of the net estimated installed costs as the District may consider equitable.
2. Alternating current service of approximately 60 hertz frequency will be supplied at the following nominal voltages:

| <u>Secondary Voltages</u> | | <u>Primary Voltages</u> | <u>Sub-Transmission</u> |
|---------------------------|--------------------|-------------------------|-------------------------|
| <u>Single-Phase</u> | <u>Three-Phase</u> | <u>Three-Phase</u> | <u>Three-Phase</u> |
| 120 | 208Y/120 | 12,000Δ | 69,000Δ |
| 120/240 | 240Δ/120 | 20,800Δ | |
| 208Y/120 | 480Y | 20,800Y/12,000 | |
| | 480Y/277 | | |
| | 4160Δ | | |

3. The District will endeavor to maintain its frequency and its service voltage within reasonable limits, but does not guarantee same.

B. General Conditions

1. INTERFERENCE WITH QUALITY OF SERVICE
If in the District's opinion there is an interference with the quality of service supplied to neighboring customers, resulting from the customer's noncompliance with any of the provisions of this rule, the District may require the customer to provide at his own expense such special or additional equipment as is required, or District may provide such equipment if customer pays the net estimated installed cost of such equipment. In lieu of payment of such estimated net cost, the customer may, at District's option, execute a contract providing for the rental of such equipment under terms and conditions satisfactory to the District. If customer refuses to rent, or to provide his own corrective equipment, or to reimburse the District for the cost of such additional or special equipment as is required to eliminate interference with the quality of service to neighboring customers resulting from his operations, District may refuse or discontinue his service.
2. PHASE BALANCING
Where three-wire single-phase, or three-wire three-phase, or four-wire combination single-phase and three-phase service is supplied, the load must be balanced as nearly as practicable between the two sides or several phases, respectively. In no case is the load on one side of a three-wire single-phase service to be greater than twice that on the other, or the load on any one phase of a three-phase star service greater than twice that on the other phase.
3. CLEAR WORKING SPACE AT ELECTRICAL EQUIPMENT
 - a) For the safe operation and maintenance of high voltage electrical equipment, an eight (8) foot clear area must be maintained in front of all operable sections of the equipment.
 - b) Corrective Action: Customer or owner shall, at the customer's or owner's expense, either correct the access or clearance infractions or pay the District its total estimated cost to correct the access or clearance or to relocate its facilities to a new location which is acceptable to the District. Customer or owner shall also be responsible for the expense to relocate any equipment which customer or owner owns and maintains. Failure to comply with corrective measures within a reasonable time may result in discontinuance of service.

C. Special Conditions

1. VOLTAGE CONTROL WITHIN SPECIAL LIMITS
Where customer desires voltage control within unusually close limits, the District may require customer to provide at his own expense such special or additional equipment as required, or the District may provide such equipment if customer pays the net estimated installed cost of such equipment.
2. WELDERS
District will serve, at the applicable rate and without additional compensation, welding equipment of the limited input type which conforms to the standards of the National Electrical Manufacturers Association (NEMA), and which has a maximum input (primary) current rating not exceeding 12 amperes at 120 volts or 50 amperes at 208 or 240 volts.

Service Conditions Rule and Regulation 2

Welding equipment which does not meet the standards of NEMA, or which exceeds in input rating 12 amperes at 120 volts or 50 amperes at 208 or 240 volts, will also be served at the applicable rate without additional charge, provided that service to such welders has no detrimental effect on service to neighboring customers.

3. MOTOR GENERATOR SETS AND RECTIFIERS

Motor generator sets and rectifiers shall be considered as power apparatus and shall be rated, for the purpose of determining charges, on the manufacturer's input rating of the set or, at District's option, by actual test.

4. MOTOR PROTECTIVE DEVICES

All motor installations shall have protective apparatus or construction within the motor to accomplish equivalent protection as follows:

- a. Motors that cannot be safely subjected to full-rated voltage at starting shall be provided with a device to insure that on failure of voltage, such motors will be disconnected from the line.
- b. Suitable overload and over-current running protection shall be provided for each motor so as to disconnect the motor from the line to protect it from damage caused by overheating.
- c. Phase reversal and open-phase protection is recommended on all three-phase installations and is required for such installations involving elevators, hoists, and similar equipment to disconnect motors from the line in the event of phase reversal or opening of one phase.

5. MOTOR STARTING LIMITATIONS

a. Single-phase

- (1) Automatically controlled, single-phase motorized equipment (except as provided in paragraphs (2) and (3) below) shall be equipped with motors having locked-rotor currents not in excess of the following:

- (a) 50 amperes at 120 volts
- (b) 80 amperes at 208 volts
- (c) 100 amperes at 240 volts

- (2) Manually controlled, single-phase motorized equipment (except as provided in paragraph (3) below) shall be equipped with motors having locked-rotor currents not in excess of the following:

- (a) 100 amperes at 120 volts
- (b) 160 amperes at 208 volts
- (c) 200 amperes at 240 volts

Room air conditioners, because of their long operating cycles and infrequent starts, even though automatically controlled, will be governed by the limitations of this paragraph.

- (3) Motors having locked-rotor currents in excess of those allowed by paragraphs (1) and (2) above may be permitted upon written approval of the District.

b. Three-phase

- (1) Automatically controlled three-phase motors shall comply with all applicable NEMA (National Electrical Manufacturers Association) electrical standards and shall have maximum locked-rotor currents not in excess of the following:

- (a) 777 amperes at 208 volts
- (b) 673 amperes at 240 volts
- (c) 337 amperes at 480 volts

Maximum permissible current values listed apply to an installation of a single motor. (These values permit, in general, a 50-hp NEMA standard motor.)

- (2) Manually controlled three-phase motors shall comply with all applicable NEMA electrical standards and shall have maximum locked-rotor currents not in excess of the following:

- (a) 1554 amperes at 208 volts*
- (b) 1346 amperes at 240 volts*
- (c) 673 amperes at 480 volts
- (d) 135 amperes at 2400 volts

*Operation of motors rated 60 hp or larger is not recommended at these voltages.

Maximum permissible current values listed apply to an installation of a single motor. (These values permit, in general, a 100 hp NEMA standard motor.)

- (3) Three-phase motors, to be used where large loads or special conditions exist, may, upon approval of the District, have locked-rotor currents in excess of those allowed by paragraphs (1) and (2) above.
- (4) Motors having maximum locked-rotor currents exceeding those stated in paragraphs (1) and (2) above may be operated if used in conjunction with current-limiting devices designed to limit the starting currents to the above specified maximum values.
- (5) Current-limiting devices may be omitted on the smaller motors of a group installation when their omission will not result in a starting current in excess of the allowable starting current of the largest motor of the group.

Service Conditions Rule and Regulation 2

- (6) The customer should make certain that his own electrical system is capable of handling the locked-rotor currents permitted without excessive voltage drop.
6. **POWER FACTOR CORRECTION**
In the case of neon, luminous, gaseous or mercury vapor lamps or tubes, electric welders, and other devices having low power factors, the customer may be required to provide, at his own expense, power factor corrective equipment to increase the power factor of any such devices to not less than 90%.
7. **SPECIAL VOLTAGE REQUIREMENTS**
 - a. Single-phase, two-wire, 120-volt service will not be supplied where more than two 15-ampere branch circuits are connected to such service.
 - b. Individual three-phase motors less than 50 hp (or less than 30 hp when used for agricultural or drainage purposes) or groups of such motors less than 150 hp will generally be supplied at 208 or 240 volts.
8. **HARMFUL WAVE FORM**
Customer shall not operate equipment that superimposes a current of any frequency or wave form upon the District's system, or draws current from the District's system of a harmful wave form, which causes interference with the District's operations, or the quality of service to other customers, or interference to communication facilities. Harmful wave forms shall be defined as those that exceed IEEE Standard 519-1992 (IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems).
9. **TRANSFER SWITCH EQUIPMENT**
In the case where the customer receives power from multiple sources, the District shall inspect all transfer equipment before SMUD service is allowed. The customer shall design, install, operate and maintain the transfer switch equipment according to the District's Protection Practices No. DPP-601 or No. DPP-602. Transfer switch equipment shall be accessible at all times to District personnel.

D. Special Facilities

1. The District normally installs only those standard facilities which it deems are necessary to provide regular service in accordance with the applicable rate schedules, rules and regulations. Where a customer requests the District to install special facilities and the District agrees to make such an installation, the additional costs thereof shall be borne by the customer, including such continuing service costs as may be applicable.
2. Special facilities are (a) facilities or value added services equipment requested by a customer which are in addition to or in substitution for standard facilities which the District would normally provide for delivery of service at one point, through one meter, at one voltage class under its rate schedules, rules and regulations, or (b) a pro rata portion of the facilities or value added services requested by a customer, allocated for the sole use of such customer, which would not normally be allocated for such sole use. Unless otherwise provided by the District's applicable rates, rules and regulations, special facilities will be installed, owned and maintained or allocated by the District as an accommodation to the customer only if acceptable for operation by the District and the reliability of service to the District's other customers is not impaired.
3. Special facilities will be installed under the terms and conditions of a contract. Such contract will include, but is not limited to, the following terms and conditions:
 - a. The customer shall pay a monthly cost-of-service charge for the special facilities.

Service Conditions Rule and Regulation 2

Special Facilities Rates

| | | | | |
|------------------|---|-------------------------------------|---|------------------|
| | Applied to non-standard portion of electrical equipment, facilities, redundant service, customer-requested redundancy, vaults, or service upgrades. | | | |
| Select One: | <input type="checkbox"/> Option One | <input type="checkbox"/> Option Two | <input type="checkbox"/> Option Three | |
| | Monthly Lease with Advance | 10-year renewable lease | One-time payment | |
| Average Life | Minimum Advance per \$1,000 | Monthly Cost per \$1,000 | Cost at beginning of each 10 th year per \$1,000 | Cost per \$1,000 |
| 10-14 | \$200 | \$24.15 | \$2,148 | \$4,375 |
| 15-19 | \$150 | \$17.25 | \$1,534 | \$3,125 |
| 20+ | \$100 | \$12.94 | \$1,151 | \$2,344 |
| Transmission 20+ | \$100 | \$11.64 | \$1,036 | \$2,109 |

- b. Where existing facilities are allocated for a customer's use as special facilities, the customer shall pay a monthly cost-of-service charge. This monthly cost-of-service charge shall be assessed on the estimated installed cost of that portion of the existing facilities which is allocated to the customer.
- c. All monthly service charges shall be reviewed when changes occur in the District's cost of providing such service.
- d. The calculation of the annual special facilities charge will be based on the replacement cost new of the customer specific equipment. This includes direct labor, departmental loadings, benefit loadings, and related design work. The replacement cost new is multiplied by the annual economic carrying charge corresponding to the appropriate expected service life. This resulting value is divided by 12 to create monthly payments. This rate may be changed in response to changes in the cost of capital or fluctuations in the replacement cost new of any piece of equipment.
- e. Customers selecting option one "Monthly Lease with advance," will be required to pay a nonrefundable advance of no less than 10% of the installed cost of the new equipment as determined by the District. Depending on the financial viability and credit-worthiness of the firm, the District may require up to a 75% advance payment. This advance in no way affects the full-cost calculation of fees and shall not reduce the monthly cost-of-service charge.
- f. Commercial and residential developers will remain subject to all conditions covered in Rules 15 and 16.
- g. Previously installed services that exceed standard installation will be reviewed by the District and the customer. The customer will elect the desired service requirements when services exceed standards. Consideration will be given for any previous customer contributions in reaching an agreeable monthly service rate for special facilities.

(End)

Contracts Rule and Regulation 4

Contracts will not be required as a condition precedent to service except:

1. As may be required by conditions set forth in the regular schedule of rates adopted by the District.
2. In the case of electric service of a temporary or speculative nature, a contract may be required for a period not to exceed three years.
3. In the case of street lighting service, a contract may be required for a period not to exceed five years.
4. In the case of seasonal customers whose monthly use of electricity during the year varies greatly and from whom contracts are not otherwise required, a contract may be required for a period of one year.
5. Where customer's power requirements are unusually large and an economic hardship may be imposed upon the District, a contract may be required for a period which, in District's judgment, is commensurate with the size of the power requirements involved.
6. Where the customer desires the District to connect to a customer-owned generation facility which is rated larger than 100 kW.

(End)

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)

Shortage of Supply and Interruption of Delivery Rule and Regulation 14

The District will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to its customers but does not guarantee continuity or sufficiency of supply. The District will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage of any kind of character occasioned thereby, if same is caused by inevitable accident, act of God, fire, strikes, riots, war, or any other cause except that arising from its failure to exercise reasonable diligence.

Whenever the District shall find it necessary to make repairs or improvements to the system, it will have the right to temporarily suspend the delivery of electric energy. In all such cases as much notice will be given as circumstances permit. Repairs or improvements will be made as rapidly as practicable and, if practicable, they will be made at such times as will produce the least inconvenience to the customers.

In case of shortage of supply and during the period of such shortage, the District will apportion its available supply of electricity among all customers in the manner the District deems most reasonable under the circumstances.

The District will endeavor to maintain its frequency and its service voltage within reasonable limits, but does not guarantee same.

(End)

Extension of Facilities to Non-Residential Premises

Rule and Regulation 16

A. Conditions of Service

Applicants for new and upgraded electric service will be required to provide the District sufficient advance notice so that service can be rendered by the time such service is desired. By applying for or accepting service from the District, a customer agrees to abide by all of the rates, rules and regulations of the District concerning such service, to provide any rights of way across the customer's own property that the District may deem necessary to supply such service, and to cooperate with the District in its construction and maintenance of the facilities needed for such service. The District may bill the customer for any costs resulting from the customer's failure to comply with the provisions of this paragraph. This rule and regulation shall also apply to public agencies and developments with both non-residential and residential mixed use electric service.

B. Extensions of District Distribution Facilities

Line extensions of electric distribution facilities to the boundary of a nonresidential development (at standard voltages specified in Rule and Regulation 2) will normally be constructed, owned and maintained by the District at its expense. Line extensions will be subject to the provisions of the District's rules and regulations and the provisions of the applicable rates.

C. Overhead Distribution Facilities Within A Development

Generally, overhead facilities will not be extended into new developments. However, when they are extended the District will construct, own and maintain all necessary overhead facilities required to provide service.

D. Underground Distribution Facilities Within A Development

The developer of a non-residential development will, in accordance with the District's specifications:

- 1) Perform all necessary excavating and backfilling, including furnishing of any imported backfill material required.
- 2) Furnish and install the underground duct system (including necessary conduits, ducts, manholes, vaults, switchgear, pads, and concrete encasement of conduit where required).
- 3) Transfer ownership of such facilities to the District upon acceptance by the District. In the case of approved residential high rise construction, ownership and maintenance of secondary to final service voltage equipment within the customer's building will remain the responsibility of the customer. The customer shall provide open and free access to the District meters in designated panel locations throughout the building.
- 4) The developer will deposit with the District, 100 percent of the Estimated Cost of District-installed facilities upon completion of the system design and prior to system installation. At the discretion of the District, Estimated Cost may be determined by application of standard unit costing or by job specific estimates. Standard unit costing may be reviewed and updated at the District's discretion. The District may extend at its option, financing terms for no longer than 12 months for no more than 50 percent of the required deposit. Availability of the financing option will depend on the financial viability and credit worthiness of the firm, as determined by the District. These costs are limited to the District's costs of providing distribution facilities within the boundaries of the development and the development-related distribution facilities adjacent to the development. For customers with connected loads of 1 megawatt and above, these costs will include costs related to the last transformation before delivery to the customer, whether that transformation is from an offsite distribution substation or an onsite District dedicated substation. The District will supply, install, own and maintain all conductors, switchgear, transformers and related equipment for the secondary and primary distribution system.
- 5) If the applicant does not, within twelve months from the date on which the District provided a commitment for service, complete construction so that District facilities can be installed, work authorizations under this rule may be cancelled along with any related jobs. The on-site development cost shall be subject to increase in accordance with any change in this rule.
- 6) Pay the District a non-refundable design fee at the time of project submittal to the District. The District may require additional fees as needed to accommodate change-orders or unanticipated design costs.

E. Service at Secondary Voltage

1. OVERHEAD SERVICE

In those areas where it has been determined that the District will continue to serve its customers overhead and where the District's distribution pole line is located on a street, highway, lane, alley, road, or private easement immediately contiguous to the customer's premises, the District will, at its expense, furnish and install a service drop from its pole line to the nearest point of attachment to the customer's building or other permanent support provided by the customer, such point to be approved by the District.

2. UNDERGROUND SERVICE

In designated underground areas, the District will connect to underground service runs furnished and installed by the customer, at the customer's expense, at a service location specified by the District. Service run facilities shall include conductor to reach the service location, shall be subject to applicable City and County ordinances, and shall be subject to approval by the District as to design and specifications. No customer will be required to install facilities beyond a location in the public utility right of way adjacent to his property. Cost recovery of underground distribution facilities within a development will conform to the provisions of Section D. of this Rule and Regulation.

Extension of Facilities to Non-Residential Premises Rule and Regulation 16

F. Service at Primary or Sub-Transmission Voltage

Wherever adequate service to a customer requires and where, in the District's judgment, it is desirable and practicable to do so, the District will install on the customer's premises a primary or sub-transmission voltage supply line. This supply line will extend to the metering installations or other terminal point, as designated by the District.

1. OVERHEAD CONDUCTORS

Where the supply line is to be overhead, the District will, at its expense, furnish and install the entire line and will make the necessary connections.

2. UNDERGROUND CONDUCTORS

Where the customer requests and the District agrees, or where the District determines that the primary or sub-transmission voltage supply line be underground or otherwise in conduit, in whole or in part, the customer shall furnish and install the entire conduit system including manholes, pull boxes and pull wires as designated by the District. All such facilities shall be subject to approval by the District as to design and specifications. No customer will be required to install facilities beyond a location in the public utility right of way adjacent to the customer's property. The District will furnish and install the electrical conductors and make the necessary connections. Cost recovery of underground distribution facilities within a development will conform to the provisions of Section D. of this Rule and Regulation.

G. Service Connections

The District will not connect to any one building more than one service for each voltage classification, either overhead or underground, except for the District's operating convenience, or where, in the District's judgment, such additional services may be warranted because of the load requirements, or where the customer is required by law to install emergency lighting facilities. Connections of such service to or disconnection of such service from the District's lines shall be made only by authorized employees of the District.

H. Requests for Change in Service Voltage

Where the customer requests and the District consents, a change in service voltage may occur provided that all District costs including un-recovered costs less salvage value, relocation costs, and site restoration costs are at the requesting customer's expense. Such change may involve all voltage level classes as defined under the applicable general service rate schedule.

I. Extensions for Temporary Service

Extension for temporary service will be made under the provisions of Rule and Regulation 13, Temporary Service.

J. District Ownership of Facilities, Right of Access and Right of Way

All facilities installed on a customer's premises, including but not limited to conductors, transformer, poles, meters, etc., which the District furnishes in order to render electric service, shall remain the sole property of the District. The District will maintain such facilities and shall have the right of access to the customer's premises, without payment of any charge or rent therefore, at all reasonable hours for any purpose related to the furnishing of electric service. This shall include but is not limited to meter reading, testing, inspection, construction, maintenance, and repair of facilities. Upon termination of service, and for a reasonable period thereafter, the District shall have the right of access to the customer's premises to remove its facilities installed thereon. The customer shall grant to the District rights of way and rights of access, satisfactory to the District, for the installation and maintenance of the necessary electrical conductors and their connections.

K. Service to Annexation Customers

The District will maintain existing service conductor previously installed by Pacific Gas and Electric Company to commercial/industrial services until such time as the customer modifies, alters or changes the existing electrical service equipment. It will be the customer's responsibility to provide additional duct when necessary.

L. Customer Responsibility for Facilities

1. DISTRICT FACILITIES

The customer shall exercise reasonable care to prevent facilities of the District installed on the customer's premises from being damaged or destroyed and shall refrain from tampering or interfering with such facilities, and if any defect therein is discovered by the customer, the customer shall promptly notify the District thereof.

2. CUSTOMER FACILITIES

The customer shall be solely responsible for the transmission and delivery of all electric energy over or through the customer's wires and equipment, and the District shall not be responsible for any loss or damage occasioned thereby. The customer shall be responsible for the installation and maintenance of all facilities not transferred to District ownership, including customer-owned conduits, manholes and vaults.

(End)

Interconnection Requirements Rule and Regulation 21

A. Requirements

Rule and Regulation 21 sets forth the mandatory conditions and requirements for the interconnection and operation of distributed generation. All distributed generation connecting to the SMUD distribution system must comply with the mandatory conditions and requirements of Rule and Regulation 21, as further specified in SMUD Policy and Procedure 11-01.

Requirements for interconnecting and operating distributed generation shall be available on the SMUD website (www.smud.org) and shall address, at a minimum, the following topics:

- Applicability
- Definitions
- General Rules, Rights and Obligations
- Application and Interconnection Process
- Initial Review Process for Applications to Interconnect a Generating Facility
- Photovoltaic Interconnection Design Standards
- Generating Facility Design and Operating Requirements
- Maintenance and Permits
- Interconnection Facility and Distribution System Modifications and Costs
- Metering, Monitoring and Telemetry
- Testing and Certification Criteria
- Interruptions or Reductions of Deliveries
- Access to Premises
- Indemnity and Liability By Customer
- Dispute Resolution Process

B. Changes to Requirements

SMUD's General Manager is authorized to develop, implement, and revise as necessary interconnection requirements addressing the above topics and such additional provisions to respond to legislation, regulatory requirements, industry practice, operating requirements, or average service costs.

(End)