

AN ORDINANCE 2008-05-15-0384

**AUTHORIZING A RATE INCREASE OF 3.5 PERCENT TO THE
CPS ENERGY ELECTRIC AND GAS BASE RATES (SYSTEM
AVERAGE); TARIFF AMENDMENTS TO IMPLEMENT THE
RATE ADJUSTMENTS; AND DISCOUNT RATE PROGRAM FOR
QUALIFYING LOW-INCOME CUSTOMERS**

* * * * *

WHEREAS, CPS Energy operates a combined electric and gas utility system on behalf of the City of San Antonio, and the CPS Energy Board of Trustees has determined that there is a need to increase current gas and electric base rates by 5.0% percent (system average) in order to achieve the financial commitments of the CPS Energy Strategic Energy Plan for meeting the increasing energy needs of the San Antonio metropolitan area which continues to experience strong growth; and

WHEREAS, the primary drivers for the proposed rate increase are necessary capital improvements of the combined electric and gas system, as well as inflationary pressures that continue to increase prices of primary building materials; and

WHEREAS, the proposed rate adjustment is intended to cover expenses in the following areas: (1) capital expenditures for completion of the Spruce II Coal Power Plant and gas peaking generation units; (2) capital expenditures for expansion of electric and gas distribution infrastructure; (3) capital expenditures for environmental upgrades to existing coal generation units; and (4) energy efficiency and conservation programs; and

WHEREAS, CPS Energy customers have not experienced an increase in electric base rates since January 1991, given that the increase in electric rates of May 2005, which was approved for the purchase of an additional 12% interest in the South Texas Nuclear Project, resulted in net savings and lower electric bills to CPS Energy customers due to the low cost of nuclear fuel for energy production compared to other generation fuel sources; and

WHEREAS, CPS Energy customers have experienced two increases in gas base rates in the last seventeen years in January 1991 and most recently in June 2006; and

WHEREAS, CPS Energy has managed to postpone rate increases in the last few years as a result of the following initiatives which have resulted in over \$600 million in savings: (1) bond re-financings at lower interest rates; (2) Spruce Coal Unit I lease-leaseback; (3) joint operations agreements; (4) sale of lignite coal assets; (5) reduction in staff from 4,306 in November 2002 to 3,730 in January 2008; and (6) active wholesale marketing of excess off-peak generation capacity; and

WHEREAS, on March 31, 2008, the CPS Energy Board of Trustees approved the proposed rate adjustment following review and endorsement of the rate proposal by the CPS Energy Citizens Advisory Committee; and

WHEREAS, over the last seven months, the CPS Energy Strategic Energy Plan and the proposed rate adjustment have been the subject of several public forums throughout San Antonio; and

WHEREAS, the City's Finance Department conducted a six month comprehensive analysis of the financial data supporting the proposed rate adjustment, including examination of the following information: (1) demand forecasts and revenue projections; (2) operation and maintenance costs; (3) capital costs for the system improvements plan; (4) revenue requirement (including debt service and cash flow requirements); (5) cost allocation among rate classes; and (6) affordability program for qualifying low-income customers; and

WHEREAS, the proposed affordability program is designed to minimize the financial impact of the rate adjustment by providing discounts equal to the average rate increase to the residential class to qualifying low-income customers that fall within 125% of the federal poverty guidelines and live in a household with elderly or disabled persons, or children 18 years of age or younger and still attending school, or critical care customers; and

WHEREAS, as a result of its financial analysis, the Finance Department recommends approval of the proposed rate increase in order to maintain the financial integrity of CPS Energy; and

WHEREAS, the proposed rate increase to CPS Energy electric and gas base rates and the rate adjustment by customer class methodology and the proposed Affordability Program designed to provide electric and gas rate discounts to qualifying low-income customers are consistent with Section 1502.057 of the Texas Government Code which requires municipal utility rates to recover all operating, maintenance, depreciation, replacement, improvement, and interest charges in connection with the utility system; and any outstanding debt against the system; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. After public hearing and consideration of the CPS Energy proposed rate adjustment, the City Council of the City of San Antonio hereby approves a 3.5 percent increase in rates, which will generate an additional estimated \$49.8 million annually in electric and gas base rates.

SECTION 2. The revised tariff sheets attached as Exhibit A, which are incorporated into this Ordinance for all purposes, are hereby approved in order to implement the rate increase among CPS Energy electric and gas customer classes.

SECTION 3. The rate adjustments by customer class outlined in Exhibit B, which are incorporated into this Ordinance for all purposes, are reflected in the revised tariff sheets and are hereby approved.

SECTION 4. The Affordability Program, incorporated into Exhibit A as Rider E17 (electric service tariffs) and Rider G4 (gas service tariffs), will provide discount rates to qualifying low-income electric and gas customers and is hereby approved.

SECTION 5. The revised electric and gas rates and fees have been adopted after consideration of relevant facts and policy issues, and based on such consideration, the City Council hereby finds that said rates and fees are in the public interest, fair and reasonable, equal and uniform, nondiscriminatory, and necessary to meet the operating and maintenance expenses of the combined electric and gas system and pay the principal and interest on utility revenue bonds.

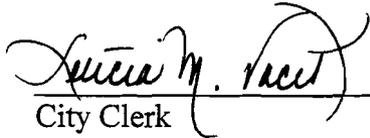
SECTION 6. The City Council hereby finds that the Affordability Program to provide discounts to low-income electric and gas customers is in the public interests, fair and reasonable, and nondiscriminatory.

SECTION 7. The revised tariff sheets for electric service, incorporated into this Ordinance as Exhibit A, acknowledge the change in marketing name from "City Public Service" to "CPS Energy."

SECTION 8. This Ordinance shall become effective ten days following its passage. The revised electric and gas rates and fees set out in the attached tariff sheets, incorporated into Exhibit A, shall become effective at 12:01 a.m. on September 1, 2008.

PASSED AND APPROVED, this 15th day of MAY, 2008.

ATTEST:



City Clerk



MAYOR

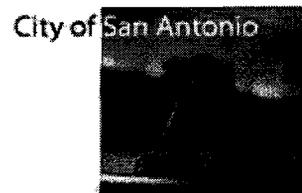
APPROVED AS TO FORM:



City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 4

Name: 4							
Date: 05/15/2008							
Time: 03:48:13 PM							
Vote Type: Motion to Appr w Cond							
Description: A Public Hearing and consideration of an Ordinance authorizing a rate increase of 5.0 percent to the CPS Energy electric and gas base rates (system average); tariff amendments to implement the rate adjustments; and discount rate program for qualifying low-income customers. [Pat DiGiovanni, Deputy City Manager; Ben Gorzell, Director, Finance]							
Result: Passed							
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1		x				x
Sheila D. McNeil	District 2		x			x	
Jennifer V. Ramos	District 3		x				
Philip A. Cortez	District 4		x				
Lourdes Galvan	District 5		x				
Delicia Herrera	District 6		x				
Justin Rodriguez	District 7		x				
Diane G. Cibrian	District 8		x				
Louis E. Rowe	District 9		x				
John G. Clamp	District 10		x				

Name: 4							
Date: 05/15/2008							
Time: 03:44:11 PM							
Vote Type: Motion to Appr w Cond							

Description:		A Public Hearing and consideration of an Ordinance authorizing a rate increase of 5.0 percent to the CPS Energy electric and gas base rates (system average); tariff amendments to implement the rate adjustments; and discount rate program for qualifying low-income customers. [Pat DiGiovanni, Deputy City Manager; Ben Gorzell, Director, Finance]					
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Lourdes Galvan	District 5			x			
Delicia Herrera	District 6		x			x	
Justin Rodriguez	District 7			x			
Diane G. Cibrian	District 8		x				
Louis E. Rowe	District 9		x				x
John G. Clamp	District 10			x			

Attachment A
Impact to Average Residential Customer Bill

Average Residential Impact				
	Total Bill		Difference	
	Present	Proposed	\$	%
Electric	\$ 92.17	\$ 96.40	\$ 4.23	4.59%
Gas	\$ 42.30	\$ 43.89	\$ 1.59	3.76%
Total	\$134.47	\$ 140.29	\$ 5.82	4.33%
*Average Residential Electric and Gas Bill (1,130 kWh and 30 CCF)				

Attachment B
Percentage Impact by Rate Class

Electric System		
Class	Base Rate	Total Bill
Residential	5.0%	4.2%
Commercial/Industrial		
▪Small	4.8%	4.0%
▪Medium	5.0%	4.0%
▪Large	6.5%	5.0%
Traffic Lights	5.0%	4.3%
Street Lights	10.0%	9.2%
Overall Electric	5.0%	4.2%

Gas System		
Class	Base Rate	Total Bill
Residential/Small Commercial	6%	2.7%
Medium Commercial/Industrial	2%	0.7%
Large Commercial/Industrial	2%	0.6%
Overall Gas	5%	2.1%

#4



**Rate Presentation to
San Antonio City Council
“A” Session**

May 15, 2008



Successfully “Energizing” San Antonio

- Thanks to Board of Trustees’ and City Council’s vision and support, CPS Energy today is regarded as one of best-run utilities in U. S. A. and has the highest financial ratings among municipal utilities in the nation
- Ranked #1 nationally in J. D. Power residential gas customer satisfaction survey and #2 nationally in commercial electric customer survey
- Ranked #1 in wind energy capacity among the nation’s municipally owned utilities and continuing to add more wind capacity



Successfully “Energizing” San Antonio

- Fuels energy efficiency strategy significantly contributes to San Antonio having lowest energy bills among nation’s 10 largest cities
- CPS Energy clearly understands need to keep residential bills affordable and offers various assistance programs for low-income customers
- Affordable energy has been a major catalyst for economic development and job creation, e.g., Toyota, Microsoft, Lowe’s, Rackspace, National Security Agency, etc.



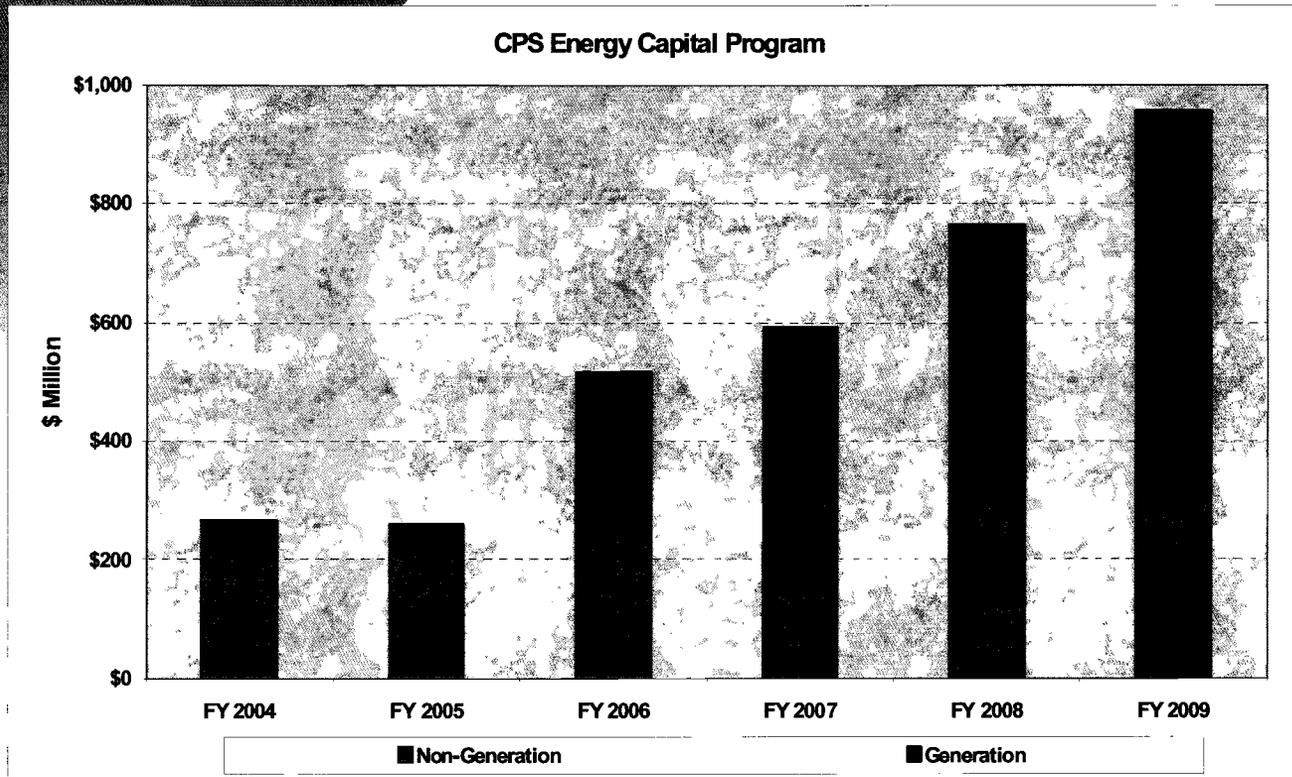
Rating Agency Response

CPS Energy has earned the highest financial ratings of any municipal electric system in the country

- Moody's (Aa1) – “Significant rate competitiveness driven by low cost structure and **diverse generation mix**; sound strategic planning for meeting current and future load growth”
- S&P (AA) – “Continued ability to provide low-cost rates to customers, and manage a **diverse resource portfolio**, ... while maintaining a strong financial profile”
- Fitch (AA+) – “Strong management practices, stable financial performance, low-cost and **diverse generating portfolio** and competitive retail rates”



Capital Program



To meet the electric demands of greater San Antonio's growth, including environmental commitments to the community, CPS Energy's capital program has increased significantly.



Positive Effects of a Large Capital Program w/Rate Support

1. Less capital expenditures funded by debt
2. Can better service debt
3. Less pressure on cash flows/ratios closely monitored by rating agencies
4. Higher likelihood of more stable credit ratings
 - Positive reflection on the CoSA, which is also well rated
 - Lower relative financing costs to CPS Energy



Reported Cash Position as of Fiscal Year End (\$M)

	<u>2008</u>	<u>2007</u>	
Cash Equivalents per 2007 Annual Report	\$ 0	\$2,471	A
<u>Less: Accounting Changes:</u>			
Securities Lending Reclass to LT Investments		627	
Employee Benefit Plans GASB Required Separation		<u>206</u>	
Cash Equivalents per 2008 Annual Report	<u>1,637</u>	<u>1,638</u>	B=A Less Changes
<u>Less: Restricted, Reserves, Working Capital Items:</u>			
Decommissioning Trust Fund	443	447	<i>Restricted</i>
Bond Construction Fund	291	285	<i>Restricted</i>
Overhead Conversion & Misc. Funds	107	112	<i>Restricted & Reserves</i>
General Fund	<u>361</u>	<u>277</u>	<i>Working Capital</i>
Total Restricted, Reserves, Working Capital Items	<u>1,202</u>	<u>1,121</u>	C
Repair & Replacement (R&R)	435	517	D=B-C
<u>Less: Target Minimum Balance for R&R</u>	<u>250</u>	<u>250</u>	E
R&R Available for Construction, Jan 31	<u>\$ 185</u>	<u>\$ 267</u>	F=D-E



Rate Adjustment Proposal

- Base Rate Adjustment Proposal (Average):
- Electric Base Rate Adjustment – 5.0% System Average
- Gas Base Rate Adjustment – 5.0% System Average
- Results in 4.3% increase in average residential bill



Rate Drivers

Rate Adjusting Drivers:

- Capital Expenditures
 - Additional generation to supply affordable electricity
 - Continue with Spruce 2 construction
 - New Gas Peaking Generation
 - Environmental upgrades on existing plants to meet community and regional commitments
 - Electric and gas delivery system infrastructure
- Additional funds to promote Conservation and Energy Efficiency



Additional \$10M Energy Efficiency Funding

- FY 2008 spend - \$4.7 million.
- FY 2009 budget - \$8.4 million is short of community demand.
 - Currently 16 unfunded large lighting projects;
 - Representing over 7 MWs of additional energy reduction; &
 - Over \$5M in rebates.
- Additional rate increase funding will:
 - Allow additional funding for school lighting retrofit
 - Increase funding for residential home energy rebates;
 - Enable new residential program development;
 - Increase funding for all incentive programs including Solar PV installations;



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Increase on Average Residential Monthly Bill Based on 1,130 kWh and 30 CCF

	Total Bill		Difference	
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Rate Impact on Non-Residential Customers

Electric Service:

Com'l/Ind'l

4-5% on total bill

Other (lighting)

99% are below \$2.55

Average \$1.78 per month

Gas Service:

1-2% on total bill



Discount for Low-Income Customers

- Applied to customers who meet the following criteria:
 - 125% of Federal Poverty guidelines and
 - elderly; or
 - disabled; or
 - families with pre-school aged children or children in school 18 years or younger; or
 - life sustaining medical equipment; or
 - other households with extenuating circumstances as identified by CPS Energy and the City of San Antonio
- Discount will help minimize financial impact of rate adjustment
 - \$4.30 per month on electric bill
 - \$1.60 per month on gas bill



Other Programs to Assist Low-Income Customers

REAP

- CPS Energy has added \$500,000 to REAP to provide for direct customer assistance
 - brings total to \$1 million
- Qualifying customers can now receive assistance two times a year

LIHEAP

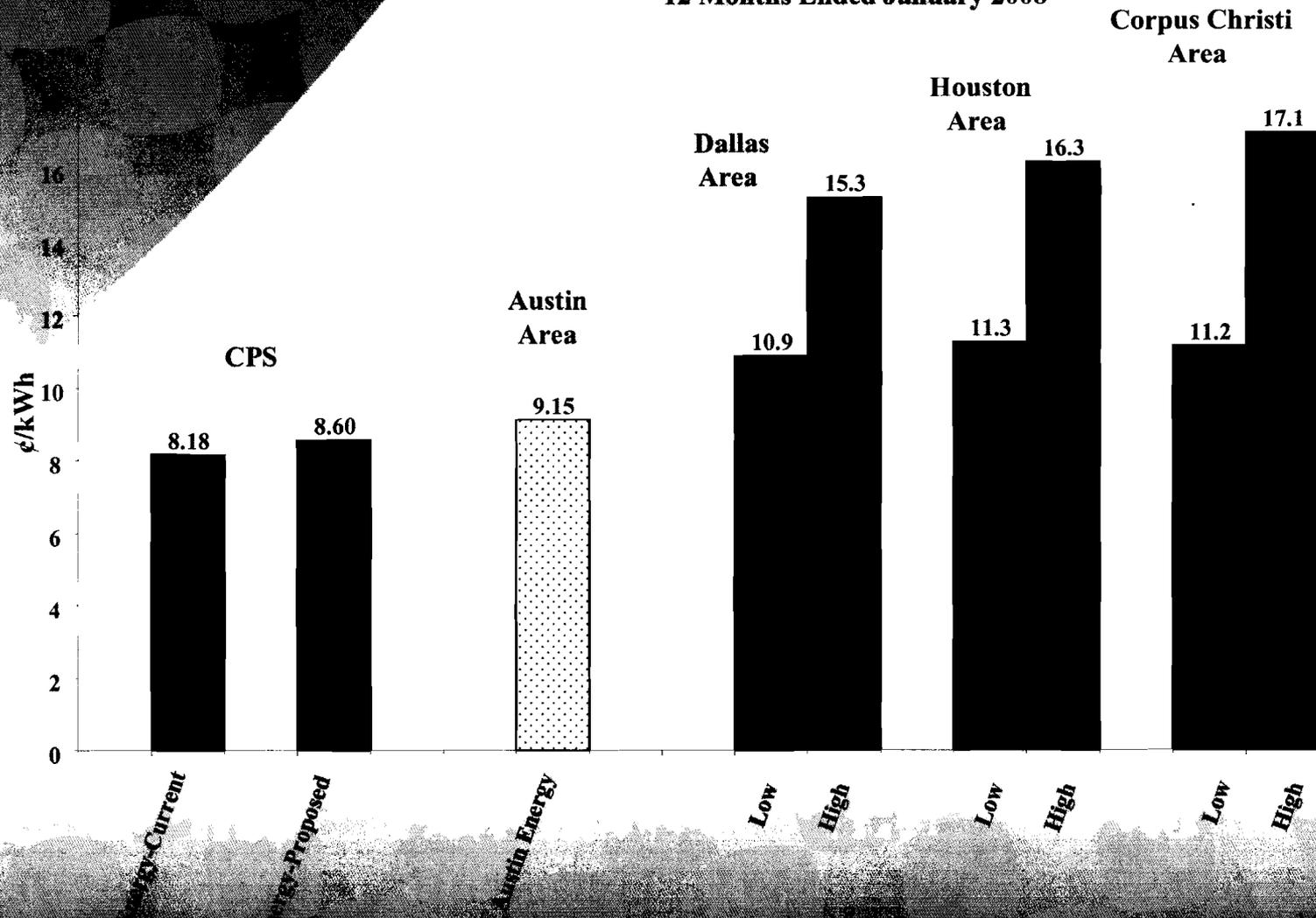
- Federal funding which State distributes through Comprehensive Energy Assistance Program (CEAP)
- Bexar County's anticipated allocation is \$1.7 million
- 87% for direct benefit payments; heating & cooling program is 10% of direct benefits
- Utility assistance maximum is \$1,200 based on income
- Heating and cooling program maximum is \$4,000



Residential Offers for Retail Markets

(Based on 12,000 kWh/year)

12 Months Ended January 2008

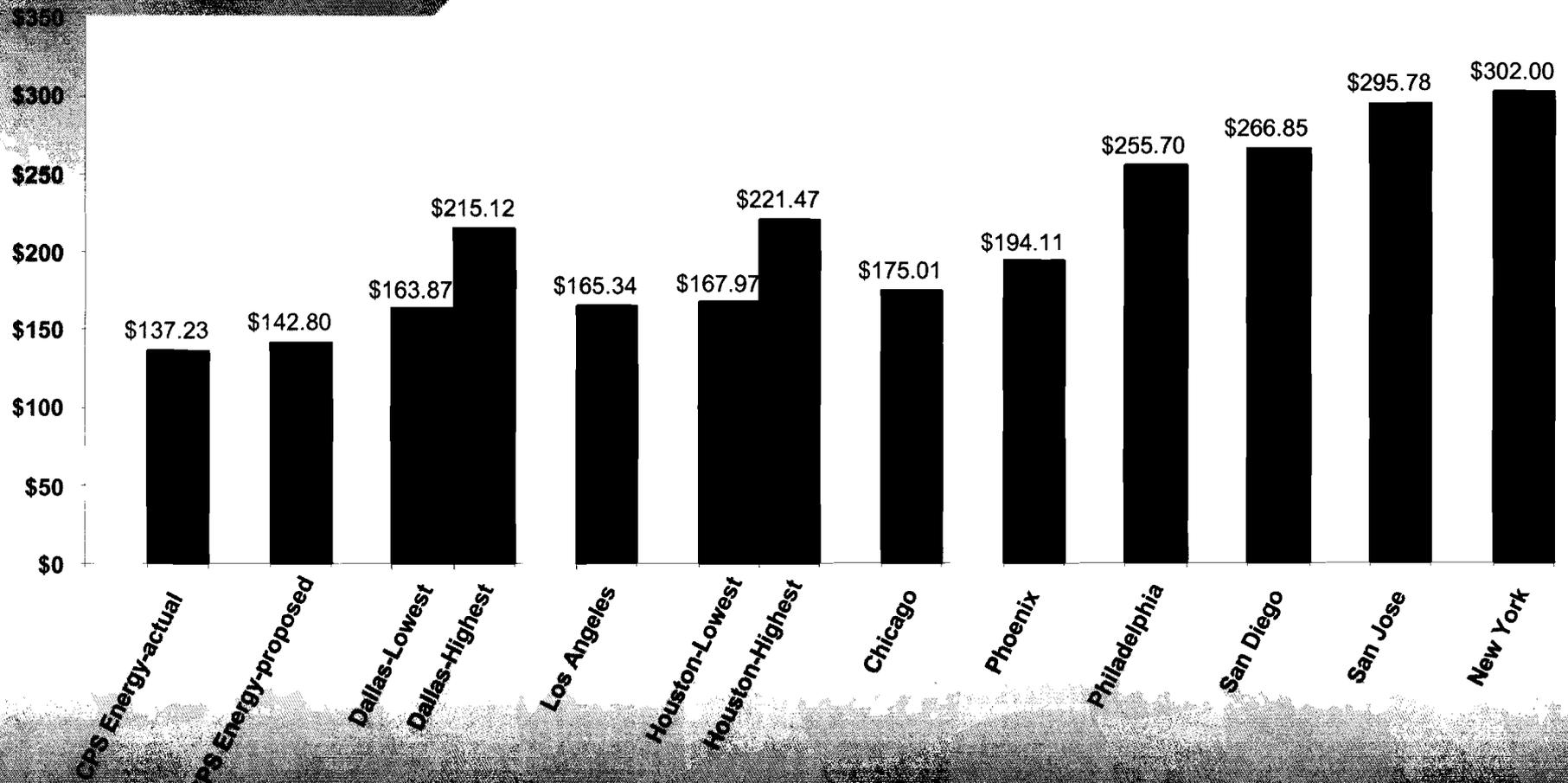




Average Residential Electric and Gas Bill

for the 10 Largest U.S. Cities
for 1,000 kWh and 5 MCF

12 Months Ended January 2008





“Energizing” For the Future

- Continue to meet the future needs of our customers
- Remain committed to our long-term vision for a comprehensive Strategic Energy Plan
 - low cost competitive power
 - pursue energy conservation
 - expand renewable commitment
 - maintain environmental commitment
- Continue successful track record
 - building and operating assets
 - diversifying generation fuel sources
 - negotiating competitive fuel contracts



Next Steps

- Request City Council approval
- Implement new gas and electric rates effective June 2008 billing cycle



**End of
Presentation**

Exhibit A

CPS Energy Revised Electric and Gas Service Tariff Sheets

Effective Date: September 1, 2008

CPS Energy Electric Rates Tariffs

CPS Energy

RESIDENTIAL SERVICE ELECTRIC RATE

RE

APPLICATION

This rate is applicable to all alternating current service for residential purposes only, to any Customer whose entire residential requirements on the premises are supplied at one point of delivery through one meter.

When a portion of a residence or household unit served through one meter is used for non-residential purposes, this rate is not applicable. However, if the wiring is so arranged that the service for residential purposes and that for non-residential purposes are separately metered, this rate is applicable to the service supplied for residential purposes.

This rate is not applicable to service for resale or to service for hotels, rooming houses, boarding houses, motels, dormitories, or to premises used for other than residential purposes.

This rate is not applicable when more than four residential units are served through one meter.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 7.27 Service Availability Charge

Energy Charge

\$ 0.06275 Per KWH for all KWH

Peak Capacity Charge*

\$ 0.0150 Per KWH for all KWH in excess of 600 KWH

*Peak Capacity Charge is applicable only during the summer billing period (June - September).

Minimum Bill

\$7.27. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus

- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes, with the exception that the late payment charge will be on the budget billing amount for those customers on the CPS Energy's Budget Payment Plan.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Electric Service.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

RESIDENTIAL ALL ELECTRIC SERVICE

ELECTRIC RATE

RA

APPLICATION

Subject to other conditions contained herein, this rate is applicable to all alternating current service for residential purposes only, to premises at which total energy needs are satisfied by electric service supplied by CPS Energy. In order to qualify for this tariff, the residential Customer must not have other sources of energy for use in space heating, air conditioning, water heating, cooking or other major loads at the premises.

The service to the premises is supplied at one point of delivery through one meter. When a portion of a residence or household unit served through one meter is used for non-residential purposes, this rate is not applicable. However, if the wiring is so arranged that the service for residential purposes and that for non-residential purposes are separately metered, this rate is applicable to the service supplied for residential purposes provided all other application criteria have been satisfied.

This rate is not applicable to service for resale or to service for hotels, rooming houses, boarding houses, motels, dormitories, or to premises used for other than residential purposes.

This rate is not applicable when more than four residential units are served through one meter.

This rate applies to any premises that qualifies under, and is subject to, the RA rate as of June 26, 2006, where no rate other than the RA rate has subsequently been applied to the premises, i.e., the subsequent provision of electric service under any other rate disqualifies the premises from future application of the RA rate.

In all cases, the application criteria and proper application of this rate shall be determined at the sole discretion of CPS Energy.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 7.27 Service Availability Charge

Energy Charge

\$ 0.06275 Summer Billing (June - September)
Per KWH for all KWH

\$ 0.06175 Non-Summer Billing (October - May)
Per KWH for the first 600 KWH
\$ 0.05175 Per KWH for all KWH in excess of 600 KWH

Peak Capacity Charge*

\$ 0.0150 Per KWH for all KWH in excess of 600 KWH

*Peak Capacity Charge is applicable only during the summer billing period (June - September).

Minimum Bill

\$7.27. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes, with the exception that the late payment charge will be on the budget billing amount for those Customers on the CPS Energy's Budget Payment Plan.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Electric Service.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

LARGE USE RESIDENTIAL CAPACITY ENERGY

ELECTRIC RATE

RCE

APPLICATION

This rate is applicable to alternating current service for residential purposes only. The installation of any necessary meters will be scheduled so as not to affect or interfere with the quality of service provided by CPS Energy. It is at CPS Energy discretion as to the planning and installation of these meters.

The service to the premises is supplied at one point of delivery through one meter. When a portion of a residence or household unit served through one meter is used for non-residential purposes, this rate is not applicable. However, if the wiring is so arranged that the service for residential purposes and that for non-residential purposes are separately metered, this rate is applicable to the service supplied for residential purposes provided all other application criteria have been satisfied.

This rate is not applicable to service for resale or to service for hotels, rooming houses, boarding houses, motels, dormitories, or to premises used for other than residential purposes.

This rate is not applicable when more than one residential unit is served through one meter.

In all cases, the application criteria and proper application of this rate shall be determined at the sole discretion of CPS Energy.

TYPE OF SERVICE

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MONTHLY BILL

Rate

	<u>Summer Billing (June - September)</u>
\$ 9.00	Service Availability Charge
\$ 6.75	Per KW for all KW of Billing Demand
\$ 0.041	Per KWH for all KWH

	<u>Non-Summer Billing (October - May)</u>
\$ 9.00	Service Availability Charge
\$ 3.20	Per KW for all KW of Billing Demand
\$ 0.041	Per KWH for all KWH

Minimum Bill

\$9.00. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Billing Demand

The Billing Demand will be the KW as determined from reading the CPS Energy demand meter for the 15 minute period of the Customer's greatest Demand reading during the month, except that during the non-summer months the Billing Demand will be no higher than the previous summer's highest Billing Demand.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes, with the exception that the late payment charge will be on the budget billing amount for those customers on the CPS Energy's Budget Payment Plan.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Electric Service.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

RESIDENTIAL TIME OF USE

ELECTRIC RATE (EXPERIMENTAL)

RT

APPLICATION

This rate is offered on an experimental basis and limited to a total number of new customers not to exceed 1,000 per year. The installation of time differentiated meters will be scheduled so as to not affect or interfere with the quality of service provided by CPS Energy. It is at CPS Energy discretion as to the planning and installation of these meters.

The service to the premises is supplied at one point of delivery through one meter. When a portion of a residence or household unit served through one meter is used for non-residential purposes, this rate is not applicable. However, if the wiring is so arranged that the service for residential purposes and that for non-residential purposes are separately metered, this rate is applicable to the service supplied for residential purposes provided all other application criteria have been satisfied.

This rate is not applicable to service for resale or to service for hotels, rooming houses, boarding houses, motels, dormitories, or to premises used for other than residential purposes.

This rate is not applicable when more than one residential unit is served through one meter.

In all cases, the application criteria and proper application of this rate shall be determined at the sole discretion of CPS Energy.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$9.00 Service Availability Charge

Summer Billing (June - September)

\$0.140 Per KWH for all On Peak KWH

\$0.045 Per KWH for all Off Peak KWH

Non-Summer Billing (October - May)

\$0.100 Per KWH for all On Peak KWH

\$0.045 Per KWH for all Off Peak KWH

Minimum Bill

\$9.00. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus

- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Billing Consumption

The On Peak and Off Peak Monthly Consumptions will be the KWH's as determined by CPS Energy for the respective On Peak and Off Peak Periods. The On Peak Period is defined as 12:00 noon to 10:00 p.m. inclusive each weekday and all other hours are defined as the Off Peak Period. The following holidays will be considered Off Peak: New Year's Day, Martin Luther King, Jr. Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day. Also, when any holiday listed falls on Saturday, the preceding Friday will be considered the holiday, and when any holiday listed falls on Sunday, the following Monday will be considered the holiday. All other hours are defined as the Off Peak Period.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes, with the exception that the late payment charge will be on the budget billing amount for those customers on the CPS Energy's Budget Payment Plan.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Electric Service.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

GENERAL SERVICE

BASE COMMERCIAL ELECTRIC RATE

PL

APPLICATION

This rate is applicable to alternating current service, for which no specific rate is provided, to any Customer whose entire requirements on the premises are supplied at one point of delivery through one meter.

This rate is not applicable (a) when another source of electric energy is used by the Customer or (b) when another source of energy (other than electric) is used for the same purpose or an equivalent purpose as the electric energy furnished directly by CPS Energy, except that such other source of energy as mentioned in (a) and (b) may be used during temporary failure of the CPS Energy electric service.

This rate is not applicable to emergency, standby, or shared service. It also is not applicable to resale service except that submetering will be permitted under this rate only for the purpose of allocating the monthly bill among the tenants served through a master meter in accordance with CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 7.27 Service Availability Charge

Energy Charge

\$ 0.0650 Per KWH for the first 1600 KWH*

\$ 0.0310 Per KWH for all additional KWH

Peak Capacity Charge

Summer Billing (June - September)

\$ 0.0150 Per KWH for all KWH in excess of 600 KWH

Non-Summer Billing (October - May)

\$ 0.0100 Per KWH for all KWH in excess of 600 KWH

*200 KWH are added for each KW of Billing Demand in excess of 5 KW.

Minimum Bill

\$7.27 plus \$2.85 per KW of Billing Demand in excess of 5 KW. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus

- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Demand

The Demand will be the KW as determined from the reading of the CPS Energy demand meter for the 15 minute period of the Customer's greatest Demand reading during the month.

Billing Demand

For the period June through September, the Billing Demand is equal to the Monthly Demand as defined above. For the period October through May, the Billing Demand is equal to the Monthly Demand or 80% of the highest measured demand established during the previous summer period months (June through September), whichever is greater.

Prior to the establishment of a previous summer peak Demand, the Billing Demand shall be equal to the Monthly Demand as defined above.

Power Factor

When, based on a test of the Customer's power factor, the power factor is below 85% lagging, the Billing Demand may be increased by adding 1% of the Actual Demand for each 1% that the power factor is below 85%.

High Voltage Discount

This discount applies only to electric service supplied at CPS Energy nominal distribution voltage of 13.2 KV or higher, when (a) such service voltage requires no more than one (1) step down transformation from transmission voltage of 69 KV or higher, and when (b) such service can be supplied in accordance with CPS Energy distribution system design criteria.

For service supplied under this discount, the Energy Charge per KWH for usage up to 200 KWH per KW of Billing Demand will be discounted by \$0.00225 per KWH. The Customer must be demand metered and must own and maintain at Customer expense all other transformers and facilities that might be required to utilize this service.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

LARGE LIGHTING AND POWER SERVICE

ELECTRIC RATE

LLP

APPLICATION

This rate is applicable to alternating current service to any Customer whose entire requirements on the premises are supplied at one point of delivery through one meter.

This rate is not applicable (a) when another source of electric energy is used by the Customer or (b) when another source of energy (other than electric) is used for the same purpose or an equivalent purpose as the electric energy furnished directly by CPS Energy, except that such other source of energy as mentioned in (a) and (b) may be used during temporary failure of the CPS Energy electric service.

This rate is not applicable to emergency, temporary, or shared service. It is also not applicable to resale service except that submetering will be permitted under this rate only for the purpose of allocating the monthly bill among the tenants served through a master meter in accordance with CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$145.00 Service Availability Charge

Demand Charge

\$ 7.95 Summer Billing (June - September)
Per KW for all KW of Billing Demand

\$ 6.45 Non-Summer Billing (October - May)
Per KW for all KW of Billing Demand

Energy Charge

\$ 0.0390 Per KWH for the first 200 KWH per KW of Billing Demand

\$ 0.0370 Per KWH for all additional KWH

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the Demand Charge (Summer Billing or Non-Summer Billing as the case may be) or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus

- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Demand

The Monthly Demand will be the KW as determined from reading the CPS Energy demand meter for the 15 minute period of the Customer's greatest Demand reading during the month.

Billing Demand

For the period June through September, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 100 KW
- (c) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service

For the period October through May, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 100 KW
- (c) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service
- (d) 80% of the highest measured peak Demand established during the previous summer period month (June through September).

Prior to the establishment of a previous summer peak Demand, (d) above will not apply.

Power Factor

When, based on a test of the Customer's power factor, the power factor is below 85% lagging, the Billing Demand may be increased by adding 1% of the Actual Demand for each 1% that the power factor is below 85%.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

LARGE POWER TIME OF USE

ELECTRIC RATE

LPT

APPLICATION

This rate is applicable to customers whose entire requirements are supplied at one point of delivery through one meter and whose maximum demand in every month exceeds 500 KW.

This rate is not applicable to emergency, temporary, resale, or shared service.

In all cases, the application criteria and proper application of this rate shall be determined at the sole discretion of CPS Energy.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$1,000.00 Service Availability Charge

Demand Charge

Summer Billing (June - September)

\$ 12.90 Per KW for On Peak Billing Demand

\$ 4.20 Per KW for Billing Demand in excess of On Peak Billing Demand

Non-Summer Billing (October - May)

\$ 8.60 Per KW for On Peak Billing Demand

\$ 4.20 Per KW for Billing Demand in excess of On Peak Billing Demand

Energy Charge

Summer Billing (June - September)

\$ 0.0410 Per KWH for On Peak Consumption

\$ 0.0360 Per KWH for Shoulder Period Consumption

\$ 0.0220 Per KWH for Off Peak Consumption

Non-Summer Billing (October - May)

\$ 0.0360 Per KWH for On Peak Consumption

\$ 0.0220 Per KWH for Off Peak Consumption

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the maximum Billing Demand computed at \$4.20 per KW, the sum of which shall not be less than \$3,100.00, or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Billing Demand

The Monthly Billing Demand will be the KW as determined from reading the CPS Energy demand meter(s) for the 15 minute period of the Customer's greatest demand reading during the month, but shall not be less than 500 KW. The On Peak Billing Demand will be the KW's of the Customer's greatest demand as determined from reading the CPS Energy demand meter(s), for 15 minute intervals, during the On Peak Period. For the Summer Billing, the On Peak Period is defined as 1:00 p.m. to 9:00 p.m. inclusive each weekday. For the Winter Billing, the On Peak is defined as 10:00 a.m. to 10:00 p.m. inclusive each weekday. The following holidays will be considered Off Peak: New Year's Day, Martin Luther King, Jr. Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day. Also, when any holiday listed falls on Saturday, the preceding Friday will be considered the holiday, and when any holiday listed falls on Sunday, the following Monday will be considered the holiday. All other hours are defined as the Off Peak Period.

Monthly Consumption

The On Peak, Shoulder, and Off Peak Monthly Consumptions will be the KWH's as determined from the CPS Energy meter(s) for the respective On Peak, Shoulder, and Off Peak Periods. For the Summer Billing, the On Peak Period is defined as 1:00 p.m. to 9:00 p.m. inclusive each weekday, the Shoulder Period is defined as 10:00 a.m. to 1:00 p.m. and 9:00 p.m. to 10:00 p.m. inclusive each weekday, and all other hours are defined as the Off Peak Period. For the Winter Billing, the On Peak Period is defined as 10:00 a.m. to 10:00 p.m. inclusive each weekday and all other hours are defined as the Off Peak Period. The following holidays will be considered Off Peak: New Year's Day, Martin Luther King, Jr. Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day. Also, when any holiday listed falls on Saturday, the preceding Friday will be considered the holiday, and when any holiday listed falls on Sunday, the following Monday will be considered the holiday. All other hours are defined as the Off Peak Period.

Power Factor

When, based on a test of the Customer's power factor, the power factor is below 85% lagging, the Billing Demand may be increased by adding 1% of the Actual Demand for each 1% that the power factor is below 85%.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

EXTRA LARGE POWER SERVICE

ELECTRIC RATE

ELP

APPLICATION

This rate is applicable to alternating current service to any Customer whose entire requirements on the premises are supplied at one point of delivery through one meter and whose monthly load is greater than 1,000 KW.

This rate is not applicable (a) when another source of electric energy is used by the Customer or (b) when another source of energy (other than electric) is used for the same purpose or an equivalent purpose as the electric energy furnished directly by CPS Energy, except that such other source of energy as mentioned in (a) and (b) may be used during temporary failure of the CPS Energy electric service.

This rate is not applicable to emergency, temporary, or shared service. It is also not applicable to resale service except that submetering will be permitted under this rate only for the purpose of allocating the monthly bill among the tenants served through a master meter in accordance with CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

<u>Rate</u>	
\$ 1,000.00	Service Availability Charge
<u>Demand Charge</u>	
	Summer Billing (June - September)
\$ 8.95	Per KW for all KW of Billing Demand
	Non-Summer Billing (October - May)
\$ 7.45	Per KW for all KW of Billing Demand
<u>Energy Charge</u>	
\$ 0.0351	Per KWH for the first 250 KWH per KW of Billing Demand
\$ 0.0315	Per KWH for all additional KWH

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the Demand Charge (Summer Billing or Non-Summer Billing as the case may be) or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus

- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Demand

The Monthly Demand will be the KW as determined from reading the CPS Energy demand meter for the 15 minute period of the Customer's greatest Demand reading during the month.

Billing Demand

For the period June through September, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 1,000 KW
- (c) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service

For the period October through May, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 1,000 KW
- (c) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service
- (d) 80% of the highest measured peak Demand established during the previous summer period months (June through September).

Prior to the establishment of a previous summer peak Demand, (d) above will not apply.

Power Factor

When, based on a test of the Customer's power factor, the power factor is below 85% lagging, the Billing Demand may be increased by adding 1% of the Actual Demand for each 1% that the power factor is below 85%.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

SUPER LARGE POWER SERVICE

ELECTRIC RATE

SLP

APPLICATION

This rate is applicable to alternating current service to any Customer whose entire requirements on the premises are supplied at one point of delivery through one meter and whose monthly average load factor is greater than 41% or 300 hours use. For purposes of this rate transmission voltage is defined as 138 KV or higher, distribution primary voltage is 13.2 KV up to 69 KV and distribution secondary voltage is less than 13.2 KV.

This rate is not applicable (a) when another source of electric energy is used by the Customer or (b) when another source of energy (other than electric) is used for the same purpose or an equivalent purpose as the electric energy furnished directly by CPS Energy, except that such other source of energy as mentioned in (a) and (b) may be used during temporary failure of the CPS Energy electric service.

This rate is not applicable to emergency, temporary, or shared service. It is also not applicable to resale service.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations. CPS Energy will furnish sufficient transformer capacity and other facilities in order to allow maintenance of CPS Energy equipment at the least possible inconvenience to the customer consistent with other system priorities.

MONTHLY BILL

Rate

\$1,000.00 Service Availability Charge

Demand Charge

Summer Billing (June - September)

\$ 10.50 Per KW for all KW of Billing Demand at Transmission Voltage

\$ 11.00 Per KW for all KW of Billing Demand at Distribution Primary Voltage*

Non-Summer Billing (October - May)

\$ 7.50 Per KW for all KW of Billing Demand at Transmission Voltage

\$ 8.00 Per KW for all KW of Billing Demand at Distribution Primary Voltage*

Energy Charge

\$ 0.0245 Per KWH for all KWH

* The primary voltage demand charge will be increased by \$0.45 per KW of billing demand for:

- a) Service supplied at distribution secondary voltage, or
- b) Service supplied at distribution primary voltage requiring more than one (1) step down transformation from transmission voltage.

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the applicable Demand Charge or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Demand

The Monthly Demand will be the KW as determined from reading the CPS Energy demand meter for the 15 minute period of the Customer's greatest Demand reading during the month.

Billing Demand

For the period June through September, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 5,000 KW
- (c) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service

For the period October through May, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 5,000 KW
- (c) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service
- (d) 80% of the highest measured peak Demand established during the previous summer period months (June through September).

Prior to the establishment of a previous summer peak Demand, (d) above will not apply.

Power Factor

When, based on a test of the Customer's power factor, the power factor is below 85% lagging, the Billing Demand may be increased by adding 1% of the Actual Demand for each 1% that the power factor is below 85%.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2% times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial term of not less than five (5) years and may be extended for additional periods as provided in the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

MULTIPLE DELIVERY POINT RATE

(Experimental)

ELECTRIC RATE

MDP

APPLICATION

This rate is applicable to any Customer meeting all of the following conditions:

1. The Customer is served at alternating current pursuant to the CPS Energy Electric Service Standards.
2. The Customer lies within an Economic Development Zone caused by the closure of a San Antonio Area Military Base.
3. The Customer's facilities must be located on adjacent and contiguous premises not separated by private or public property or right of way and must be operated as one integral unit under the same name and as a part of the same business.
4. The Customer's load is served from Multiple Points of Delivery, as defined in CPS Energy Electric Service Standards, to a common structure.
5. The Customer's Multiple Points of Delivery must be existing prior to February 1, 2000.
6. The Customer's Multiple Points of Delivery shall be fixed, and no new Multiple Points of Delivery will be allowed.
7. This rate is not applicable (a) when another source of electric energy is used by the Customer or (b) when another source of energy (other than electric) is used for the same purpose or an equivalent purpose as the electric energy furnished directly by CPS Energy, except that such other source of energy as mentioned in (a) and (b) may be used during temporary failure of the CPS Energy electric service.
8. This rate is not applicable to emergency, temporary, or shared service. It is also not applicable to resale service.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$1,000.00 Service Availability Charge

Demand Charge

Summer Billing (June - September)

\$ 13.45 Per kW for the first 2,000 kW

\$ 12.95 Per kW for all additional kW

Non-Summer Billing (October - May)

\$ 11.60 Per kW for the first 2,000 kW

\$ 11.10 Per kW for all additional kW

Energy Charge

\$ 0.0245 Per KWH for all KWH

Point of Delivery Charge

\$ 310.00 per point of delivery

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the sum of the applicable Demand Charge and Point of Delivery Charge, or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Demand

The Monthly Demand will be the sum of the maximum non-coincident kW for each individual billing demand meter on the single premise as determined from reading each CPS Energy demand meter on the Customer's premise for the 15 minute period of the Customer's greatest Demand reading during the month.

Billing Demand

For the period June through September, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 1,000 kW
- (c) Such higher kW as may be specified in the Customer's Application and Agreement for Electric Service

For the period October through May, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 1,000 kW
- (c) Such higher kW as may be specified in the Customer's Application and Agreement for Electric Service
- (d) 80% of the highest measured peak Demand established during the previous summer period months (June through September).

Prior to the establishment of a previous summer peak Demand, (d) above will not apply.

Power Factor

When, based on a test of the Customer's power factor, at any point of delivery, is below 85% lagging, the individual demand of that point of delivery may be increased by adding 1% of the measured demand for each 1% that the power factor is below 85%.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2% times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial term of not less than one year and may be extended for additional periods as provided in the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

TRAFFIC SIGNAL SERVICE

ELECTRIC RATE

TS

APPLICATION

This rate is applicable to alternating current service supplied to City, County, State, and Federal Authorities for power and energy requirements of traffic and safety signal systems.

This rate is not applicable (a) when another source of electric energy is used by the Customer or (b) when another source of energy (other than electric) is used for the same purpose or an equivalent purpose as the electric energy furnished directly by CPS Energy, except that such other source of energy as mentioned in (a) and (b) may be used during temporary failure of CPS Energy electric service. This rate is not applicable to emergency, resale, standby, or shared service.

TYPE OF SERVICE

The types of service available under this rate are described in CPS Energy Electric Service Standards. Consumption will be metered or estimated based on the number of lights at the point of delivery and the monthly hours of use. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 7.27 Service Availability Charge

Energy Charge

\$ 0.0577 Per KWH for all KWH

Minimum Bill

\$7.27. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus

- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Electric Service.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

STREETLIGHTING SERVICE CITY OF SAN ANTONIO

ELECTRIC RATE

SSA

APPLICATION

This rate is applicable to service to existing facilities for the illumination of dedicated public streets and highways within the incorporated limits of the City of San Antonio where the investment in the installation was contributed by the City or where the investment was contributed by subdividers and the City of San Antonio pays the monthly rate. CPS Energy will operate, maintain, and replace the lighting equipment in accordance with contractual obligations.

This rate is not applicable to illumination of state highways, lighting service on privately owned premises, or lighting in any unincorporated area or incorporated areas other than the City of San Antonio as adopted by City of San Antonio Ordinance No. 52746.

TYPE OF SERVICE

The types and conditions of service available under this rate are described in the contract or agreement between CPS Energy and the City of San Antonio.

MONTHLY BILL

STREETLIGHTS (OVERHEAD DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate Single Fixture
7,000	175	Mercury Vapor	\$7.85
21,000	400	Mercury Vapor	\$13.75
55,000	1,000	Mercury Vapor	\$27.55
25,000	250	High Pressure Sodium	\$11.20
47,000	400	High Pressure Sodium	\$15.25
4,000	295	Incandescent	\$10.70

STREETLIGHTS (UNDERGROUND DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate	
			Single Fixture	Double Fixture
7,000	175	Mercury Vapor	\$13.10	---
7,000	175	Mercury Vapor w/Developer Contribution	\$10.60	---
21,000	400	Mercury Vapor	\$19.45	---
55,000	1,000	Mercury Vapor	\$34.35	---
25,000	250	High Pressure Sodium	\$17.10	---
47,000	400	High Pressure Sodium - 32 Foot Lamp Height	\$22.20	\$34.40
47,000	400	High Pressure Sodium - 50 Foot Lamp Height	\$23.25	\$37.75

STREETLIGHTS (UNDERPASSES)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate Single Fixture
7,000	175	Mercury Vapor	\$10.25

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract or agreement between CPS Energy and the City of San Antonio.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

LUMINAIRE CHANGEOUTS

CPS Energy will consider Customer requests for the changeout of existing operational streetlights (luminaire, lamp, photocell) for another type of streetlight. Requests for changeout will be contingent upon overall CPS Energy work schedule and changeouts will be scheduled so as not to interfere with normal CPS Energy operations (lighting maintenance, new lighting installation, etc...). The customer will be responsible for all applicable costs and charges associated with the requested streetlight changeout. CPS Energy reserves the right to reject or delay, for any reason, a request for a streetlight changeout.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

STREETLIGHTING SERVICE PUBLIC STREETLIGHTING

ELECTRIC RATE

SSP

APPLICATION

This rate is applicable to service supplied for the illumination of dedicated public streets and highways within the area served by CPS Energy where CPS Energy owns, installs, operates, and maintains the entire installation or to streetlights installed within the City of San Antonio for which the City of San Antonio provides no funds for the installation costs of said streetlights except as incorporated in the monthly rate.

This rate is not applicable to illumination of state highways, or All Nite Security Lite Service.

TYPE OF SERVICE

The types and conditions of service available under this rate are described in the individual contract or agreement between CPS Energy and the corresponding applicant.

MONTHLY BILL

STREETLIGHTS (OVERHEAD DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate	
			Single Fixture	Double Fixture
7,000	175	Mercury Vapor	\$8.75	---
21,000	400	Mercury Vapor	\$15.10	\$25.55
55,000	1,000	Mercury Vapor	\$27.65	---
9,500	100	High Pressure Sodium	\$7.55	---
25,000	250	High Pressure Sodium	\$12.30	\$19.90
47,000	400	High Pressure Sodium	\$16.50	---
19,500	250	Metal Halide	\$12.65	\$20.15

STREETLIGHTS (UNDERGROUND DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate	
			Single Fixture	Double Fixture
7,000	175	Mercury Vapor on a Wood Pole	\$12.10	---
7,000	175	Mercury Vapor on a Metal Pole	\$16.05	---
21,000	400	Mercury Vapor	\$22.65	\$35.90
55,000	1,000	Mercury Vapor	\$36.10	---
9,500	100	High Pressure Sodium	\$12.95	---
25,000	250	High Pressure Sodium	\$21.55	\$30.65
25,000	250	High Pressure Sodium - Decorative	\$25.00	\$38.80
47,000	400	High Pressure Sodium - 32 Foot Lamp Height	\$26.00	\$37.50
47,000	400	High Pressure Sodium - 50 Foot Lamp Height	\$27.05	\$48.95
19,500	250	Metal Halide	\$24.15	\$32.35
19,500	250	Metal Halide - Decorative	\$27.85	\$38.25

STREETLIGHTS (UNDERPASSES)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate Single Fixture
7,000	175	Mercury Vapor	\$10.60
12,000	250	Mercury Vapor	\$13.80
9,500	100	High Pressure Sodium	\$10.10
25,000	250	High Pressure Sodium	\$14.70

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs. This provision is not applicable to streetlights installed within the City of San Antonio.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract or agreement between CPS Energy and the corresponding applicant.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

LUMINAIRE CHANGEOUTS

CPS Energy will consider Customer requests for the changeout of existing operational streetlights (luminaire, lamp, photocell) for another type of streetlight. Requests for changeout will be contingent upon overall CPS Energy work schedule and changeouts will be scheduled so as not to interfere with normal CPS Energy operations (lighting maintenance, new lighting installation, etc...). The Customer will be responsible for all applicable costs and charges associated with the requested streetlight changeout. CPS Energy reserves the right to reject or delay, for any reason, a request for a streetlight changeout.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

STREETLIGHTING SERVICE STATE EXPRESSWAY LIGHTING

ELECTRIC RATE

SSE

APPLICATION

This rate is applicable to service for the operation and maintenance of lighting of dedicated highways, expressways, or thoroughfares where the installation is totally financed by the State of Texas.

TYPE OF SERVICE

The types and conditions of service available under this rate are described in the contract(s) or agreement(s) between CPS Energy, the State of Texas, the City of San Antonio, or other municipal or political subdivisions.

MONTHLY BILL

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate Single Fixture
12,000	250	Mercury Vapor	\$16.00
21,000	400	Mercury Vapor	\$19.50
55,000	1,000	Mercury Vapor	\$32.95
5,800	70	High Pressure Sodium	\$12.95
9,500	100	High Pressure Sodium (Underpass)	\$5.90
16,000	150	High Pressure Sodium	\$14.05
25,000	250	High Pressure Sodium	\$16.10
47,000	400	High Pressure Sodium	\$20.25
47,000	400	High Pressure Sodium (Hi-Mast)	\$25.55
140,000	1,000	High Pressure Sodium (Hi-Mast)	\$38.95

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus

- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs. This provision is not applicable to streetlights installed within the City of San Antonio.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract(s) or agreement(s) between CPS Energy and the State of Texas, the City of San Antonio, or other municipal or political subdivisions.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

TRIPARTY STREETLIGHTING SERVICE (MOUNTED ON MIDBLOCK POLES)

ELECTRIC RATE

TSS-MBP

APPLICATION

This rate is applicable to service supplied to the City of San Antonio (Customer) for power and energy requirements of unmetered TRIPARTY streetlighting facilities mounted on midblock poles located within the incorporated limits of the City of San Antonio and within the TRIPARTY geographic area specified in City of San Antonio Ordinance No. 69219. This rate is not applicable to facilities located in any area other than the one specified herein, in any unincorporated area, or in incorporated areas other than the City of San Antonio.

TYPES AND CONDITIONS OF SERVICE

The types and conditions of service available under this rate are described herein and may be further described in a contract or agreement between CPS Energy and the City of San Antonio, or in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

Additional conditions of service provided by CPS Energy under this rate are described herein. The charges provided for under this rate include revenues to fund facilities and services provided by CPS Energy and described herein, and no other facilities or services.

1. Consumption (KWH energy sold) for these TRIPARTY streetlighting facilities as described herein will not be metered, and will be estimated by CPS Energy based on the numbers and types of said facilities and the estimated monthly hours of use.
2. CPS Energy is responsible for the initial material cost of the luminaire with ballast, tenon adapter and necessary cable (from the CPS Energy manhole to the facility base). CPS Energy is responsible for initial installation costs of said necessary cable.
3. The City of San Antonio is responsible for the initial installation costs of the midblock poles. CPS Energy is responsible for future replacement costs of midblock poles. The term replacement as used herein means replacement of the midblock poles for any reason -- including but not limited to: (1) obsolescence, (2) vehicle knockdown, and (3) force majeure damage to or destruction of the midblock pole. From the time of initial installation until the first future CPS Energy replacement of the midblock pole, the billing from CPS Energy to the City of San Antonio shall be as shown in the "MONTHLY BILL -- Monthly Rate Charged Prior to First Replacement of Midblock Pole by CPS Energy" section below. After the first replacement of the midblock pole by CPS Energy, the billing from CPS Energy to the City of San Antonio shall be as shown in the "MONTHLY BILL -- Monthly Rate Charged After Replacement of Midblock Pole by CPS Energy" section below. After acceptance by CPS Energy, CPS Energy shall retain title to the midblock poles.
4. CPS Energy is responsible for future operating and maintenance costs relative to the midblock pole, luminaire, tenon adapter and necessary cable (from the CPS Energy manhole to the luminaire) -- including lamp replacement, repainting the midblock poles when necessary, replacement of these facilities as they wear out, the supply of power and energy necessary to operate these facilities, and the repair of these facilities as needed.
5. Should the City of San Antonio request that facilities (for which CPS Energy has replacement responsibility) be removed from service prior to the end of their useful life as determined by CPS Energy, appropriate charges will be developed and paid to CPS Energy by the City of San Antonio in order to compensate CPS Energy for the remaining useful life of the facilities removed.
6. Other facilities and services not enumerated herein are not the responsibility of CPS Energy, and related costs thereof are not included in this rate.

MONTHLY BILL

Monthly Rate Charged Prior To First Replacement of Midblock Pole by CPS Energy

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate	
			Single Fixture	Double Fixture
19,500	250	Metal Halide on Midblock Pole	\$15.20	\$23.15
32,000	400	Metal Halide on Midblock Pole	\$18.50	\$29.75

Monthly Rate Charged After Replacement of Midblock Pole by CPS Energy

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate	
			Single Fixture	Double Fixture
19,500	250	Metal Halide on Midblock Pole	\$31.30	\$39.30
32,000	400	Metal Halide on Midblock Pole	\$34.55	\$45.85

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract or agreement between CPS Energy and the City of San Antonio.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

TRIPARTY STREETLIGHTING SERVICE (MOUNTED ON TRAFFIC SIGNAL POLES)

ELECTRIC RATE

TSS-TSP

APPLICATION

This rate is applicable to service supplied to the City of San Antonio (Customer) for power and energy requirements of unmetered TRIPARTY streetlighting facilities mounted on traffic signal poles located within the incorporated limits of the City of San Antonio and within the TRIPARTY geographic area specified in City of San Antonio Ordinance No. 69219. This rate is not applicable to facilities located in any area other than the one specified herein, in any unincorporated area, or in incorporated areas other than the City of San Antonio.

TYPES AND CONDITIONS OF SERVICE

The types and conditions of service available under this rate are described herein and may be further described in a contract or agreement between CPS Energy and the City of San Antonio, or in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

Additional conditions of service provided by CPS Energy under this rate are described herein. The charges provided for under this rate include revenues to fund facilities and services provided by CPS Energy and described herein, and no other facilities or services.

1. Consumption (KWH energy sold) for these TRIPARTY streetlighting facilities as described herein will not be metered, and will be estimated by CPS Energy based on the numbers and types of said facilities and the estimated monthly hours of use.
2. CPS Energy is responsible for the initial material cost of the luminaire with ballast, tenon adapter and necessary cable (from the CPS Energy manhole to the facility base). CPS Energy is responsible for initial installation costs of said necessary cable.
3. CPS Energy is responsible for future operating and maintenance costs relative to the luminaire, tenon adapter and necessary cable (from the CPS Energy manhole to the luminaire) -- including lamp replacement, replacement of said facilities as they wear out, the supply of power and energy necessary to operate these facilities, and the repair of said facilities as needed.
4. CPS Energy is not responsible for the initial installation, future repairs, future maintenance or future replacement of Traffic Signal Poles or of other Traffic Signal appurtenances.
5. Should the City of San Antonio request that facilities (for which CPS Energy has replacement responsibility) be removed from service prior to the end of their useful life as determined by CPS Energy, appropriate charges will be developed and paid to CPS Energy by the City of San Antonio in order to compensate CPS Energy for the remaining useful life of the facilities removed.
6. Other facilities and services not enumerated herein are not the responsibility of CPS Energy, and related costs thereof are not included in this rate.

MONTHLY BILL

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate		
			Single Fixture	Double Fixture	Triple Fixture
19,500	250	Metal Halide on Traffic Signal Pole	\$14.60	\$22.55	\$30.60
32,000	400	Metal Halide on Traffic Signal Pole	\$17.95	\$29.15	\$40.45

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract or agreement between CPS Energy and the City of San Antonio.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

TRIPARTY STREETLIGHTING SERVICE RECEPTACLE OUTLETS

ELECTRIC RATE

TSS-RO

APPLICATION

This rate is applicable to service supplied to the City of San Antonio (Customer) for power and energy requirements of unmetered TRIPARTY receptacle outlet facilities located within the incorporated limits of the City of San Antonio and within the TRIPARTY geographic area specified in City of San Antonio Ordinance No. 69219. This rate is not applicable to facilities located in any area other than the one specified herein, in any unincorporated area, or in incorporated areas other than the City of San Antonio.

TYPES OF SERVICE

The types and conditions of service available under this rate are described herein and may be further described in a contract or agreement between CPS Energy and the City of San Antonio, or in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

A TRIPARTY receptacle outlet facility shall consist of one receptacle outlet rated at 20 amp - together with associated fuse rated at 15 amp, cable, and appurtenances mounted on a TRIPARTY pedestrian light pole structure. There may be one or more such facilities served from the same electrical circuit on the City of San Antonio side of the point of delivery as defined herein.

Additional conditions of service provided by CPS Energy under this rate are described herein. The charges provided for under this rate include revenues to fund facilities and services provided by CPS Energy and described herein, and no other facilities or services.

1. Consumption (KWH energy sold) and Billing Demand (KW) for these TRIPARTY receptacle outlet facilities as described herein will not be metered, and will be estimated by CPS Energy based on the numbers and types of said facilities and the estimated hours of use. These TRIPARTY receptacle outlet facilities shall be located on the City of San Antonio side of the point of delivery as defined herein. The rates derived herein are based on a 15 amp maximum rated capacity per TRIPARTY receptacle outlet facility.
2. CPS Energy is responsible for the delivery of power and energy to the point of delivery of these TRIPARTY receptacle outlet facilities. The point of delivery shall be the City of San Antonio's main disconnect device. The City of San Antonio is responsible for initial installation, future replacement, maintenance, and all other costs and expenses associated with facilities located on the City of San Antonio side of the point of delivery.
3. CPS Energy is not responsible for the costs of initial installation of these TRIPARTY receptacle outlet facilities, for the future replacement of these facilities for any reason, or for any required maintenance of (including fuse replacement whenever necessary) or repairs to these facilities and appurtenances on the City of San Antonio side of the point of delivery.
4. The City of San Antonio is responsible for all costs of initial installation, future replacement, operating and maintenance (including fuse replacement whenever necessary) and repairs of any type relative to these TRIPARTY receptacle outlet facilities on the City of San Antonio side of the point of delivery. The City of San Antonio Parks and Recreation Department (or its successor in function) is responsible for prior notification to CPS Energy Rate Administration (or its successor in function) whenever these unmetered TRIPARTY receptacle outlet facilities are to be energized. Notification shall include location and identification of facilities to be energized and the time period of energization.
5. Should the City of San Antonio request that facilities (for which CPS Energy has replacement responsibility) be removed from service prior to the end of their useful life as determined by CPS Energy, appropriate charges will be developed and paid to CPS Energy by the City of San Antonio in order to compensate CPS Energy for the remaining useful life of the facilities removed.
6. Other facilities and services not enumerated herein are not the responsibility of CPS Energy, and related costs thereof are not included in this rate.

MONTHLY BILL

\$1.61 per TRIPARTY receptacle outlet facility per day or any part thereof, multiplied by the number of days in the billing month during which the TRIPARTY receptacle outlet facility is energized.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract or agreement between CPS Energy and the City of San Antonio.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

MISSION TRAILS STREETLIGHTING SERVICE

ELECTRIC RATE

MTS

APPLICATION

This rate is applicable only to service supplied to the City of San Antonio (Customer) for power and energy requirements of unmetered Mission Trails streetlighting facilities mounted on candy cane poles located within the incorporated limits of the City of San Antonio and within the Mission Trails geographic area specified in City of San Antonio Ordinance No. 83817.

TYPES AND CONDITIONS OF SERVICE

The types and conditions of service available under this rate are described herein and/or in a contract or agreement between CPS Energy and the City of San Antonio, and/or in CPS Energy Electric Service Standards. When facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service and the CPS Energy Policy for Electric Line Extensions and Service Installations.

The charges provided for under this rate include revenues to fund facilities and services provided by CPS Energy and described herein, and no other facilities or services.

1. Consumption (KWH energy sold) for these Mission Trails streetlighting facilities as described herein will not be metered, and will be estimated by CPS Energy based on the numbers and types of said facilities and the estimated monthly hours of use.
2. The Texas Department of Transportation (TxDot) is responsible for the initial installation costs of some candy cane poles, and CPS Energy is responsible for the remainder. CPS Energy is responsible for future replacement costs of all candy cane poles. "Replacement" as used herein means replacement of the candy cane poles for any reason -- including but not limited to: (1) obsolescence, (2) vehicle knockdown, and (3) force majeure damage to or destruction of the candy cane pole. From the time of initial installation by TxDot until the first future CPS Energy replacement of the candy cane pole, the billing from CPS Energy to the City of San Antonio shall be as shown in the "MONTHLY BILL -- Monthly rate charged for candy cane poles not installed by CPS Energy" section below. In all other cases, billing from CPS Energy to the City of San Antonio shall be as shown in the "MONTHLY BILL -- Monthly rate charged for candy cane poles installed by CPS Energy" section below. After acceptance by CPS Energy, CPS Energy shall retain title to the candy cane poles.
3. CPS Energy is responsible for future operating and maintenance costs relative to the candy cane pole, luminaire, tenon adapter and necessary cable (from the CPS Energy manhole to the luminaire) -- including lamp replacement, repainting the candy cane poles when necessary, replacement of these facilities as they wear out, the supply of power and energy necessary to operate these facilities, and the repair of these facilities as needed.
4. Facilities and services not enumerated herein are not the responsibility of CPS Energy, and related costs thereof are not included in this rate.

MONTHLY BILL

Monthly rate charged for candy cane poles not installed by CPS Energy

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate
14,000	175	Metal Halide on candy cane pole	\$7.20
19,500	250	Metal Halide on candy cane pole	\$8.55

Monthly rate charged for candy cane poles installed by CPS Energy

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate
14,000	175	Metal Halide on candy cane pole	\$15.00
19,500	250	Metal Halide on candy cane pole	\$18.50

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

TERM OF SERVICE

The Term of Service shall be in accordance with the contract or agreement between CPS Energy and the City of San Antonio.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

SPECIAL LIGHTING SERVICE

ELECTRIC RATE

SL

APPLICATION

This rate is applicable to service for lighting installations for which no other outdoor lighting rate schedule applies.

TYPE OF SERVICE

The types and conditions of service available under this rate are described in the contract or agreement between CPS Energy and the applicant or customer.

MONTHLY BILL

Nominal Lamp Size in Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate
2,560	232	Aviation Obstruction Double Light	\$15.75

Additional Facilities	Monthly Rate
5 KVA Overhead Transformer*	\$4.80 per Transformer
15 KVA Overhead Transformer	\$13.65 per Transformer
Overhead Secondary Extension in Excess of 100 Feet per Light	\$0.012 per Foot

* Closed to new installations. Applicable only to existing SL Lighting served by 5 kVA transformers. As these 5 kVA transformers reach the end of their useful lives, they will be replaced with 15 kVA transformers.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus

- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs. This provision is not applicable to streetlights installed within the City of San Antonio.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Special Lighting Service.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

ALL NITE SECURITY LITE

ELECTRIC RATE

ANSL

APPLICATION

This rate is applicable to the installation, operation, and maintenance of security lighting service (ANSL) within the area served by CPS Energy where CPS Energy owns, installs, operates, and maintains the entire installation, and the service is to be utilized exclusively for security purposes.

TYPE OF SERVICE

The types and conditions of service available under this rate are described in the individual application and agreement between CPS Energy and the corresponding applicant.

MONTHLY BILL

ANSL (OVERHEAD DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate Single Fixture
7,000	175	Mercury Vapor on Existing Pole	\$8.75
21,000	400	Mercury Vapor on Existing Pole	\$16.25
55,000	1,000	Mercury Vapor on Existing Pole	\$29.65
9,500	100	High Pressure Sodium on Existing Pole	\$7.90
25,000	250	High Pressure Sodium on Existing Pole	\$12.55
47,000	400	High Pressure Sodium on Existing Pole	\$16.85

ANSL (UNDERGROUND DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate Single Fixture
7,000	175	Mercury Vapor	\$20.55
21,000	400	Mercury Vapor	\$32.45
9,500	100	High Pressure Sodium	\$20.25
25,000	250	High Pressure Sodium	\$26.25
47,000	400	High Pressure Sodium	\$31.80

Additional Facilities	Monthly Rate
Wooden Pole	\$2.65 per pole
Customer Operated Switch	\$1.80 per switch
5 KVA Overhead Transformer*	\$4.80 per transformer
15 KVA Overhead Transformer	\$13.65 per transformer
Overhead Secondary Extension in Excess of 100 Feet per Light	\$0.012 per foot
Underground Secondary Extension in Dirt	\$0.025 per foot
Underground Secondary Extension in Medium or Hard Rock and Paved Areas	\$0.069 per foot

* Closed to new installations. Applicable only to existing ANSL Lighting served by 5 kVA transformers. As these 5 kVA transformers reach the end of their useful lives, they will be replaced with 15 kVA transformers.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs, garbage fees and sales taxes.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for All Nite Security Lite.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric and Gas Service which are incorporated herein by this reference.

LUMINAIRE CHANGEOUTS

CPS Energy will consider Customer requests for the changeout of existing operational ANSLs (luminaire, lamp, photocell) for another type of ANSL. Requests for changeout will be contingent upon overall CPS Energy work schedule and changeouts will be scheduled so as not to interfere with normal CPS Energy operations (lighting maintenance, new lighting installation, etc...). The Customer will be responsible for all applicable costs and charges associated with the requested ANSL changeout. CPS Energy reserves the right to reject or delay, for any reason, a request for an ANSL changeout.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

MUNICIPAL UTILITIES

ELECTRIC RATE

MU

APPLICATION

This rate is applicable to alternating current service supplied to Municipally Owned Electric Utilities (Municipal Utilities) or Rural Electric Cooperatives whose entire requirements are supplied at a transmission voltage of 138 KV or higher, or at a nominal distribution primary voltage of between 13.2 KV and 69 KV.

This rate is not applicable to emergency or temporary service, short-term customers or other conditions, as determined by CPS Energy. The applicable rate for these situations will be specified in the Customer's Agreement.

TYPE OF SERVICE

The types and conditions of service available under this rate are described in the individual contract or agreement between CPS Energy and the corresponding Municipal Utility or Rural Electric Cooperative.

MONTHLY BILL

Rate

\$ 1,500.00 Service Availability Charge

Demand Charge

Summer Billing (June - September)

\$ 11.50 Per KW for all KW of Billing Demand at Transmission Voltage

\$ 12.00 Per KW for all KW of Billing Demand at Distribution Primary Voltage

Non-Summer Billing (October - May)

\$ 7.55 Per KW for all KW of Billing Demand at Transmission Voltage

\$ 8.05 Per KW for all KW of Billing Demand at Distribution Primary Voltage

Energy Charge

\$ 0.0235 Per KWH for all KWH

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the Demand Charge as may be applied for Transmission Voltage or Distribution Primary Voltage (Summer or Non-Summer Billing as the case may be) or such higher Minimum Bill as may be specified in the individual contract or agreement. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus

- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Monthly Demand

The Monthly Demand will be the KW as determined from reading the CPS Energy demand meter for the 30 minute period of the Customer's greatest Demand reading during the month.

Billing Demand

For the period June through September, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 500 KW
- (c) Such higher KW as may be specified in the individual contract or agreement between CPS Energy and the corresponding Municipal Utility or Rural Electric Cooperative.

For the period October through May, the Billing Demand is equal to the greatest of the following:

- (a) The Monthly Demand as defined above
- (b) 500 KW
- (c) Such higher KW as may be specified in the individual contract or agreement between CPS Energy and the corresponding Municipal Utility or Rural Electric Cooperative.
- (d) 80% of the highest measured Demand established during the previous summer months (June through September).

Prior to the establishment of a previous summer peak Demand, (d) above will not apply.

Power Factor

When, based on a test of the Customer's power factor, the power factor is below 85% lagging, the Billing Demand may be increased by adding 1% of the Actual Demand for each 1% that the power factor is below 85%.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2% times the Monthly Bill excluding the adjustment for fuel costs.

TERM OF SERVICE

Service shall be supplied for a period as specified in the individual contract or agreement between CPS Energy and the corresponding Municipal Utility or Rural Electric Cooperative.

RULES AND REGULATIONS

Municipal utilities sales are exempt from CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

WHOLESALE SPECIAL CONTRACT

ELECTRIC RATE

WSC

APPLICATION

This rate is applicable to wholesale electric capacity and energy sales and energy related services provided to wholesale Customers, which may include Municipally Owned Electric Utilities (MOUs), Rural Electric Cooperatives (Coops), Investor Owned Utilities (IOUs) and/or other ERCOT Market Participants, to be made at the discretion of CPS Energy at times when its full electric generating capacity is not required for needs of CPS Energy customers or for other CPS Energy power commitments.

This rate is applicable to capacity and energy sales and energy related services for periods of time more than one year. Such service will be made available, depending on availability of fuel and generation capacity, in varying quantities to be determined on a case-by-case basis. CPS Energy will have complete discretion concerning designation of generating units and mix of fuels used to generate energy sold pursuant to this rate schedule. Service under this rate may be supplied at transmission voltages on a local or delivered basis. Such service may be offered as financially firm, unit contingent or interruptible. The terms and conditions of a specific sale shall be set out in the individual contract or agreement between CPS Energy and the Customer.

MONTHLY BILL

Rate

The charges for wholesale special contract sales may include the following components, as applicable:

1. Fuel charges and/or purchase charges to recover the fuel costs associated with generating and/or purchasing such capacity/energy/services for sale to Customer. CPS Energy will have complete discretion concerning designation of generating units, mix of generating fuels, allocation of fuel purchases and hedges and allocation of purchased capacity/energy/services for use in providing the commodity or service to the Customer.
2. An operating and maintenance charge to recover variable operating and maintenance costs associated with providing such commodity or service to the Customer.
3. A capacity availability charge to recover fixed costs related to the facilities utilized to provide such commodity or service to the Customer.
4. Electric transmission congestion and line loss charge to recover costs to provide such commodity or service to the Customer.
5. Generating unit start-up charge to recover costs to provide such commodity or service to the Customer.
6. A charge constituting a payment to the City of San Antonio in the amount authorized by the CPS Energy Bond Ordinances.
7. Charges to recover any other terms and conditions of a contractual nature required by CPS Energy, mutually agreeable to CPS Energy and the Customer.

Adjustments

An adjustment may reflect the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system as specified in the individual contract or agreement between CPS Energy and the Customer.

MONTHLY DEMAND

The Monthly Demand, if any, will be the KW as specified in the individual contract or agreement between CPS Energy and the Customer.

PAYMENT AND BILLING

Billing and payment will be performed as specified in the individual contract or agreement between CPS Energy and the Customer.

TERM OF SERVICE

Service shall be supplied for a period as specified in the individual contract or agreement between CPS Energy and the Customer.

RULES AND REGULATIONS

Wholesale special contract sales are exempt from CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service.

CURTAILMENT

Consistent with the nature of service provided, CPS Energy may have the right to curtail the supply of energy to the Customer, in whole or in part. Such right, if any, shall be described in the individual contract or agreement between CPS Energy and the Customer.

CPS Energy

OFF-SYSTEM WHOLESALE CONTRACT

ELECTRIC RATE

OS

APPLICATION

This rate is applicable to wholesale electric capacity and energy sales and energy related services provided to wholesale Customers, which may include Municipally Owned Electric Utilities (MOUs), Rural Electric Cooperatives (Coops), Investor Owned Utilities (IOUs) and/or other ERCOT Market Participants, to be made at the discretion of CPS Energy at times when its full electric generating capacity is not required for needs of CPS Energy customers or for other CPS Energy power commitments.

This rate is applicable to capacity and energy sales and energy related services for periods of time one year or less. Such service will be made available, depending on availability of fuel and generation capacity, in varying quantities to be determined on a case-by-case basis. CPS Energy will have complete discretion concerning designation of generating units and mix of fuels used to generate energy sold pursuant to this rate schedule. Service under this rate may be supplied at transmission voltages on a local or delivered basis. Such service may be offered as financially firm, unit contingent or interruptible. The terms and conditions of a specific sale shall be set out in the individual contract or agreement between CPS Energy and the Customer.

RATE

The charges for off-system contract sales may include the following components, as applicable:

1. Fuel charges and/or purchase charges to recover the fuel costs associated with generating and/or purchasing such capacity/energy/services for sale to Customer. CPS Energy will have complete discretion concerning designation of generating units, mix of generating fuels, allocation of fuel purchases and hedges and allocation of purchased capacity/energy/services for use in providing the commodity or service to the Customer.
2. An operating and maintenance charge to recover variable operating and maintenance costs associated with providing such commodity or service to the Customer.
3. A capacity availability charge to recover fixed costs related to the facilities utilized to provide such commodity or service to the Customer.
4. Electric transmission congestion and line loss charge to recover costs to provide such commodity or service to the Customer.
5. Generating unit start-up charge to recover costs to provide such commodity or service to the Customer.
6. A charge constituting a payment to the City of San Antonio in the amount authorized by the CPS Energy Bond Ordinances, but excluding the portion of such payment which would be based on revenues attributable to fuel costs.
7. Charges to recover any other terms and conditions of a contractual nature required by CPS Energy, mutually agreeable to CPS Energy and the Customer.

PAYMENT AND BILLING

Billing and payment will be performed as specified in the individual contract or agreement between CPS Energy and the Customer.

TERM OF SERVICE

Service shall be supplied for a period as specified in the individual contract or agreement between CPS Energy and the Customer.

RULES AND REGULATIONS

Off-system wholesale contract sales are exempt from CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service.

CURTAILMENT

Consistent with the nature of service provided, CPS Energy may have the right to curtail the supply of energy to the Customer, in whole or in part. Such right, if any, shall be described in the individual contract or agreement between CPS Energy and the Customer.

CPS Energy

RIDER E1

INDUSTRIAL HIGH VOLTAGE SERVICE

This rider is available only in conjunction with the LARGE LIGHTING AND POWER SERVICE ELECTRIC RATE (LLP), EXTRA LARGE POWER SERVICE ELECTRIC RATE (ELP), LARGE POWER TIME OF USE ELECTRIC RATE (LPT) or MULTIPLE DELIVERY POINT RATE (MDP) at CPS Energy nominal distribution voltage of 13.2 KV or higher, when (a) such service voltage requires no more than one (1) step down transformation from transmission voltage of 69 KV or higher, and when (b) such service can be supplied in accordance with CPS Energy distribution system design criteria. However, should CPS Energy reconfigure, at its convenience, the primary distribution circuit facilities serving a Customer, the Customer will not be adversely affected as to the application of this rider.

For service supplied under this rider, all the terms will be the same as those of the LLP Rate, ELP Rate, LPT Rate, or MDP Rate with the exception that the Demand Charge as computed under the LLP Rate, ELP Rate, LPT Rate, or MDP Rate will be reduced by \$0.45 per KW of Billing Demand.

The Customer must own and maintain at Customer expense all other transformers and facilities that might be required to utilize this service.

CPS Energy

RIDER E4

SEASONAL SERVICE

This rider is available only in conjunction with the GENERAL SERVICE ELECTRIC RATE (PL) to Customers whose electric service requirements are normally seasonal or vary greatly from month to month and whose actual KW demand for at least two consecutive months is less than 30% of the maximum demand registered in the preceding eleven (11) months.

This rider is not available for short term, temporary, breakdown, standby, or supplementary service.

The provisions of the PL Rate are modified only as shown herein.

BILLING

1. The Block Extender will be changed to 250 KWH per KW of Billing Demand in excess of 5 KW.
2. The Minimum Bill will be modified to read \$7.27 plus \$3.00 per KW of Billing Demand in excess of 5 KW.
3. The Billing Demand shall be the KW as determined from reading the CPS Energy demand meter for the 15 minute period of the Customer's greatest demand reading during the month. Nevertheless, during the period October through May, the Billing Demand shall not be less than 10% of the KW of the maximum demand established during the previous summer period (June through September).

CONTRACT PERIOD

The Contract Period for this rider shall not be less than one year.

CPS Energy

RIDER E5

CUSTOMER-OWNED DISTRIBUTED GENERATION RENEWABLE ENERGY SERVICE

APPLICATION

This rider is available to CPS Energy electric customers who take CPS Energy service under a full-service monthly CPS Energy electric rate schedule, and who own and operate on-site distributed generation facilities (maximum capacity 25 KW or 25 KVA) that are powered by renewable energy sources. Renewable energy technologies include those that exclusively rely on energy sources which are naturally regenerated over a short time and are derived from the sun - directly or indirectly, from moving water (waves and tides), from wind, from geothermal sources, from hydroelectric facilities, or from biomass and/or biomass-based waste products - including landfill gas. Renewable energy technologies do not rely on energy derived from fossil fuels, from fossil fuel waste products, or from inorganic waste products. Service supplied under this Rider E5 is subject to the same terms and conditions as those of the corresponding full service rate under which the customer is served, except as specifically indicated in this rider and/or in the CPS Energy-Customer Distributed Generation Agreement for Rider E5 Service (Agreement).

MONTHLY BILL

The monthly bill will be calculated in accordance with the corresponding CPS Energy full service electric rate under which the Customer is served less any Net Excess Generation (NEG) credit to which the Customer may be entitled from the previous months' generation by Customer (if any). NEG credits (if any) will be computed by CPS Energy and shall be based on CPS Energy's estimated avoided energy cost (AEC). CPS Energy's AEC is defined to include estimated CPS Energy avoided generation fuel costs, plus estimated variable operating and maintenance costs, plus CPS Energy estimated electric system losses. CPS Energy Monthly NEG credits (if any) shall be equal to NEG times AEC.

CONDITIONS OF SERVICE

1. Customer will be required to enter into a written CPS Energy-Customer Distributed Generation Interconnection Agreement for Rider E5 Service (Agreement), with a minimum term of one (1) year. The Agreement will be extended automatically from year to year thereafter, unless terminated by either party. Customer will also be required to complete and forward to CPS Energy a CPS Energy Distributed Generation Application (Application) form. A completed Application will contain technical engineering data relative to Customer's proposed distributed generation facility. This Application is considered to be incorporated into and an integral part of the Agreement.
2. Customer will be responsible for the costs of the interconnection facility, and any other system protection facilities which, in CPS Energy's sole opinion, may be required or prudent in order to protect the CPS Energy electric system due to energy flow from Customer's equipment into the CPS Energy system.
3. CPS Energy will credit Customer for Net Excess Generation (NEG), if any, generated by Customer. NEG, in terms of KWH, is deemed to exist only if an amount equal to the difference between the current month's CPS Energy meter read less the previous month's CPS Energy meter read is negative. The NEG credit, which shall be applied against any charges due and owing by Customer for Customer's use of energy products and services provided by CPS Energy, shall be reflected on the following CPS Energy Monthly Bill. Should Customer have a NEG balance upon the anniversary date of any service year, the NEG credit shall be carried forward and applied against charges incurred by the Customer in the following service year.
4. Customer will be responsible for the costs of any required additional facilities such as a distribution transformer, service line, and/or meter facilities that may be necessary due to the proposed interconnection of Customer's generation equipment.

5. Customer must give CPS Energy a minimum 60-day notice prior to any Customer requested Rider E5 service termination.
6. Non-detent reversible CPS Energy-owned metering (or its future replacement in function) is required for operation in the net metering mode for Rider E5 service.
7. Customer will be responsible for the costs of any required local or state permits or fees.
8. CPS Energy reserves the right to charge Customer an Application fee for administrative costs related to Rider E5 service applications and to recover costs associated with CPS Energy's engineering inspection and Customer facility verification, as listed and described in the Distributed Generation Agreement for Rider E5 Service.

CPS Energy

RIDER E6

INDUSTRIAL TRANSMISSION VOLTAGE SERVICE

This rider is available only in conjunction with the LARGE LIGHTING AND POWER SERVICE ELECTRIC RATE (LLP), the EXTRA LARGE POWER SERVICE ELECTRIC RATE (ELP), or the LARGE POWER TIME OF USE ELECTRIC RATE (LPT) at CPS Energy transmission voltage of 138 KV or higher.

For service supplied under this rider, all the terms will be the same as those of the LLP Rate, ELP Rate, or LPT Rate, with the exception that the Demand Charge as computed under the LLP Rate, ELP Rate, or LPT Rate shall be reduced by \$0.50 per KW discount in addition to the discount provided under INDUSTRIAL HIGH VOLTAGE SERVICE RIDER E1.

The Customer must own and maintain at Customer expense all other transformers and facilities that might be required to utilize this service.

CPS Energy

RIDER E7

INTERRUPTIBLE SERVICE SPINNING RESERVE

APPLICATION

This rider is available to customers with interruptible loads of 1,000 KW or more, under the EXTRA LARGE POWER SERVICE ELECTRIC RATE (ELP), or the SUPER LARGE POWER SERVICE ELECTRIC RATE (SLP), or the LARGE POWER TIME OF USE ELECTRIC RATE (LPT). The amount of Customer Interruptible load which is supplied under this rider shall be specified in the contract with CPS Energy. It must be taken through a separate circuit and is subject to interruption in whole without prior notice.

Interruptions required by CPS Energy pursuant to this rider will not aggregate to a total of more than 440 hours per year or 12 hours in any day measured from midnight to midnight. Interruption of load supplied under this rider will occur without any required notice by CPS Energy to Customer. The only interruptions credited toward intentional interruption time limits are those initiated by CPS Energy's system dispatcher through the use of interrupt control equipment.

Service supplied under this rider is subject to the same terms and conditions of the firm rate under which it would be served absent the interruptible nature of the load, except as specifically indicated in this rider.

MONTHLY BILL

The monthly bill will be calculated with the corresponding firm rate for the total Customer's load of Firm Billing Demand plus Interruptible Billing Demand and total energy, applying the following discounts to the interruptible circuit load.

Demand Discount
\$4.85 per KW of Interruptible Billing Demand

Energy Discount
\$0.0015 per KWH of Interruptible Energy

Firm Demand

The Firm Demand will be the KW as determined from reading the CPS Energy demand meter on the Customer's firm circuit for the 15 minute period of the Customer's greatest Demand reading during the month.

Firm Billing Demand

For the period June through September, the Firm Billing Demand is equal to the greater of the following:

- (a) The Firm Demand as defined above
- (b) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service.

For the period October through May, the Firm Billing Demand is equal to the greatest of the following:

- (a) The Firm Demand as defined above
- (b) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service
- (c) 80% of the highest measured peak Firm Demand established during the previous summer period months (June through September).

Interruptible Demand

The Interruptible Demand will be the KW as determined from reading the CPS Energy demand meter on the Customer's interruptible circuit for the 15 minute period of the Customer's greatest Demand reading during the month.

Monthly On Peak Interruptible Demand – applicable to service on the LPT rate

The Monthly On Peak Interruptible Demand will be the KW as determined from reading the CPS Energy demand meter on the interruptible circuit for the 15 minute period of the Customer's greatest demand reading during the On Peak Period.

Interruptible Billing Demand

The Interruptible Billing Demand is the greater of the following:

- (a) The Interruptible Demand as defined above for service provided in conjunction with the ELP or SLP rates, or the Monthly On Peak Interruptible Demand as defined above for service provided in conjunction with the LPT rate.
- (b) 90% of the Interruptible Contract Demand.

Interruptible Contract Demand

The Interruptible Contract Demand is the Customer Contracted Demand for the interruptible circuit load. The Interruptible Contract Demand will be increased to the value of the highest metered demand when the Interruptible Demand exceeds by 5% the amount of the effective Interruptible Contract Demand.

Interruptible Energy

The Interruptible energy will be the KWHs as determined from the CPS Energy meter(s) on the Customer's interruptible circuit.

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the Demand Charge as discounted per this rider, or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

Penalty

The reduced price of the service supplied under this rider is based on the premise that the Customer's total interruptible load is part of the "spinning reserve" that CPS Energy is obligated to maintain in order to secure the reliability of the electric service to its customers. It is necessary to the successful operation of the rider that the load be interrupted instantaneously and in the amounts contracted for by the Customer. Consequently, if at the time that an intentional interruption occurs the Customer's interruptible load is less than 90% of the Interruptible Contract Demand, the monthly bill will be adjusted as follows:

For each percentage point (rounded to the nearest whole number) that the ratio of the interrupted load to the contracted interruptible demand is below 90%, the monthly bill will be increased by 0.05 times the amount of the interruptible discount.

CONDITIONS OF SERVICE

1. The aggregate amount of capacity available for interruptible service to all CPS Energy customers will be apportioned in a fair manner among the customers who have submitted to CPS Energy the appropriate service application agreements. CPS Energy shall determine the aggregate amount of "spinning reserve" available for this rider.
2. Interruptible service is available only if such service to Customer will not, in CPS Energy's sole judgment, impair CPS Energy's ability to serve the requirements of its firm system customers.
3. Service under this rider will be taken on a separate circuit independent of Customer's firm load. The interruptible circuit will be separately metered and all related metering installation costs will be paid for by the Customer. The Customer will guarantee to CPS Energy that the interruptible load circuit will remain independent of the firm load circuit and that the equipment will be connected to the corresponding circuit in a manner that makes it impossible to effect transfer of electric load between the two circuits. CPS Energy retains the right at any time to inspect Customer facilities to insure compliance. If Customer's equipment associated with the firm load is permanently, temporarily or otherwise connected to the interruptible circuit or vice versa, CPS Energy will immediately discontinue the delivery of interruptible service and will have the right to recompute the interruptible monthly bills for a past period up to 6 months as if the service had been supplied under the firm load rate. CPS Energy retains the right to require payment from the Customer under this provision, and Customer shall make payment, within fifteen (15) days of invoice for any difference in billings (newly recomputed firm load rate bills less the already billed interruptible load rider bills). The Customer is required to pay the difference, if any, in these billings.
4. CPS Energy retains the right to remove from this rider at its sole discretion any customer whose minimum monthly load factor on the interruptible circuit is less than 80% during any six month period.
5. Customer is required to install, own, operate, and maintain necessary monitoring devices and interrupt-control equipment, including protective devices, on Customer's side of the point of delivery, as specified by CPS Energy. In addition, Customer is required to pay CPS Energy for interrupt-control equipment installed on CPS Energy's side of delivery.
6. In addition to the foregoing, Customer will be required to enter into a Service Application and Agreement with CPS Energy including certain standard terms with respect to indemnification of CPS Energy, force majeure, Customer's right to increase interruptible load, penalty for failure by Customer to interrupt, Customer responsibility for equipment and cost, term of the Agreement, and other conditions of service.
7. Whenever the Customer's interruptible load must be shut down due to Customer requirements (e.g. maintenance), Customer is required to give the CPS Energy System Operator a minimum of twenty-four (24) hours advance notice of the shutdown.

CPS Energy

RIDER E8

STANDBY, EMERGENCY, MAINTENANCE, AND SUPPLEMENTARY SERVICE FOR QUALIFYING FACILITIES

APPLICATION

This rider is available only to those Customers who qualify as Qualifying Cogeneration or Small Power Production Facilities under the Federal Energy Regulatory Commission (or its successor in function) Rules. CPS Energy will determine whether or not adequate capacity exists for Standby Service at any particular Customer location. This rider is applied in conjunction with firm schedules GENERAL SERVICE ELECTRIC RATE (PL), LARGE LIGHTING AND POWER SERVICE ELECTRIC RATE (LLP), EXTRA LARGE POWER SERVICE ELECTRIC RATE (ELP), or SUPER LARGE POWER SERVICE ELECTRIC RATE (SLP), LARGE POWER TIME OF USE ELECTRIC RATE (LPT) or MUNICIPAL UTILITIES ELECTRIC RATE (MU). Customer's facilities may be connected for parallel operation with CPS Energy, or isolated for operation with supplementary, emergency or maintenance service provided by CPS Energy by means of double throw switches. Customer shall be responsible for all interconnection, system protection and metering costs in excess of those usually provided to full-service Customers of similar load/usage characteristics and which are deemed necessary by CPS Energy. CPS Energy shall be the sole authority relative to necessary interconnection, metering, and system protection facilities. Customer shall agree to permit CPS Energy access to Customer's premises to inspect the facilities for which CPS Energy is providing Standby Service. Customer may also be required to enter into a separate contract with CPS Energy for services under this rider.

DEFINITIONS

- Supplementary Service - Electric power supplied by CPS Energy in addition to the electric power which Customer's generation equipment supplies. Supplementary Power used by Customer will be billed according to the applicable firm rate (PL, LLP, ELP, SLP, LPT or MU).
- Emergency Service - Electric power supplied by CPS Energy to replace power ordinarily generated by a Customer's generation equipment during an unscheduled outage.
- Maintenance Service - Electric power supplied by CPS Energy during scheduled outages of Customer's generation equipment. Maintenance schedules will be approved by CPS Energy and will take place during the months of October through March only.

TYPE OF SERVICE

Customer must have adequate facilities or be willing to upgrade, at Customer expense, the facilities to satisfy the minimum standards provided for in CPS Energy Electric Service Standards. Customer facilities may be operated in parallel with those of CPS Energy if constructed and operated in accordance with current standards in use at CPS Energy. These standards include but are not limited to CPS Energy Electric Service Standards, applicable state and/or federal regulations, and other such conditions as may be required to meet construction, engineering and operating guidelines. Customer will notify CPS Energy within twenty-four (24) hours of a facilities failure and Customer use of emergency or maintenance service.

MONTHLY BILL

1. **Supplementary Service -** Supplementary Service will be billed at the Customer's applicable firm rate (PL, LLP, ELP, SLP, LPT or MU); plus
2. **Standby Service -** Standby Service will be billed as follows:
 - A) **Demand Charges**
 - 1) **Contract Demand** \$3.90/KW of Standby Contract Demand; plus
 - 2) **As Used Demand** \$0.16/KW per day of Emergency Service; plus
 - 3) **As Used Demand** \$0.11/KW per day of Maintenance Service; plus
 - B) **Energy Charge -** Energy will be billed with the corresponding Supplementary energy at the Customer's applicable firm rate as if Customer were a full requirements Customer.

Load Factor Adjustment

The energy portion of the monthly Supplementary Service billing will be adjusted to reflect an annual load factor not lower than A) Customer's applicable rate class annual load factor or B) Customer's annual load factor for Customer total load. The monthly load factor adjustment will be calculated on the basis of the latest twelve (12) month Customer billing records.

Minimum Bill

The Minimum Bill shall be equal to the Supplementary Service Minimum Bill (firm rate) plus the Standby Service Contract Demand Charge or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service.

Billing Demands

The monthly Billing Demands will be computed from the maximum fifteen (15) minute demand registered in the CPS Energy demand meter or meters and the contract demands, defined as follows:

Supplementary Service

Demand- Demand which Customer requires from CPS Energy in addition to Customer's own generation. This Demand is the greater of 1) the Supplementary Contract Demand, or 2) the Billing Demand of the applicable firm rate for the Supplementary Service. Supplementary Contract Demand is the original Supplementary Contract Demand as modified by the terms of the Customer's applicable firm rate.

Standby Contract Demand -

Capacity reserved by CPS Energy to back up Customer's generation equipment during outages. Standby Contract Demand will not be lower than the capacity rating of Customer's generation equipment or Customer's facilities.

As Used Demand -

As Used Demand is the maximum demand used by the Customer during a maintenance or emergency period. As Used Demand will be computed as the difference between the CPS Energy measured maximum fifteen (15) minute demand and the Supplementary Contract Demand during any CPS Energy Billing Period. The As Used Demand cannot exceed the Standby Contract Demand. If the above computation results in an As Used Demand greater than the Standby Contract Demand, the excess will be added to the existing Supplementary Contract Demand to compute the monthly Supplementary Service Bill.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term Customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus

- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within period will be charged an additional 2% times the Monthly Bill excluding the adjustment for fuel costs, garbage fees, and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period not less than one year and shall be continued from year to year unless a longer period is specified to the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

RIDER E9

STANDBY, EMERGENCY, MAINTENANCE, AND SUPPLEMENTARY SERVICE

APPLICATION

This rider is available only in conjunction with the GENERAL SERVICE ELECTRIC RATE (PL), LARGE LIGHTING AND POWER ELECTRIC SERVICE RATE (LLP), EXTRA LARGE POWER SERVICE ELECTRIC RATE (ELP), LARGE POWER TIME OF USE ELECTRIC RATE (LPT) SUPER LARGE POWER SERVICE ELECTRIC RATE (SLP) or MUNICIPAL UTILITIES ELECTRIC RATE (MU). This rider provides service to Customers who obtain any electrical energy from a source or sources other than the CPS Energy or who use another source of energy (other than electric) for the same purpose for which CPS Energy power is used. CPS Energy will determine whether or not adequate capacity exists for standby service at any particular Customer location. Customer's facilities may be connected for parallel operation with CPS Energy, or isolated for operation with supplementary, emergency or maintenance service provided by CPS Energy by means of double throw switches. Customer shall be responsible for all interconnection, system protection and metering costs in excess of those usually provided to full-service Customers of similar load/usage characteristics and which are deemed necessary by CPS Energy. CPS Energy shall be the sole authority relative to necessary interconnection, metering, and system protection facilities. Customer shall agree to permit CPS Energy access to Customer's premises to inspect the facilities for which CPS Energy is providing Standby Service. Customer may also be required to enter into a separate contract with CPS Energy for services under this rider.

DEFINITIONS

- | | |
|-------------------------|--|
| Supplementary Service - | Electric power supplied by CPS Energy in addition to the electric power which Customer's generation equipment supplies. Supplementary Power used by Customer will be billed according to the applicable firm rate, (PL, LLP, ELP, SLP, LPT or MU). |
| Emergency Service - | Electric power supplied by CPS Energy to replace power ordinarily generated by a Customer's generation equipment during an unscheduled outage. |
| Maintenance Service - | Electric power supplied by CPS Energy during scheduled outages of Customer's generation equipment. Maintenance schedules will be approved by CPS Energy and will take place during the months of October through March only. |

TYPE OF SERVICE

Customer must have adequate facilities or be willing to upgrade, at Customer expense, the facilities to satisfy the minimum standards provided for in CPS Energy Electric Service Standards. Customer facilities may be operated in parallel with those of CPS Energy if constructed and operated in accordance with current standards in use at CPS Energy. These standards include but are not limited to CPS Energy Electric Service Standards, applicable state and/or federal regulations, and other such conditions as may be required to meet construction, engineering and operating guidelines. Customer will notify CPS Energy within twenty-four (24) hours of a facilities failure and Customer use of emergency or maintenance service.

MONTHLY BILL

1. **Supplementary Service -** Supplementary Service will be billed at the Customer's applicable firm rate (PL, LLP, ELP, SLP, LPT or MU); plus
2. **Standby Service -** Standby Service will be billed as follows:
 - A) **Demand Charges**
 - 1) **Contract Demand** \$6.25/KW of Standby Contract Demand; plus
 - 2) **As Used Demand** \$0.16/KW per day of Emergency Service; plus
 - 3) **As Used Demand** \$0.11/KW per day of Maintenance Service; plus
 - B) **Energy Charge -** Energy will be billed with the corresponding Supplementary energy at the Customer's applicable firm rate as if Customer were a full requirements Customer.

Load Factor Adjustment

The energy portion of the monthly Supplementary Service billing will be adjusted to reflect an annual load factor not lower than A) Customer's applicable rate class annual load factor or B) Customer's annual load factor for Customer total load. The monthly load factor adjustment will be calculated on the basis of the latest twelve (12) month Customer billing records.

Minimum Bill

The Minimum Bill shall be equal to the Supplementary Service Minimum Bill (firm rate) plus the Standby Service Contract Demand Charge or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Electric Service.

Billing Demand

The monthly Billing Demands will be computed from the maximum fifteen (15) minute demand registered in the CPS Energy demand meter or meters and the contract demands, defined as follows:

Supplementary Service

Demand - Demand which Customer requires from CPS Energy in addition to Customer's own generation. This Demand is the greater of 1) the Supplementary Contract Demand, or 2) the Billing Demand of the applicable firm rate for the Supplementary Service. Supplementary Contract Demand is the original Supplementary Contract Demand as modified by the terms of the Customer's applicable firm rate.

Standby Contract

Demand - Capacity reserved by CPS Energy to back up Customer's generation equipment during outages. Standby Contract Demand will not be lower than the capacity rating of Customer's generation equipment or Customer's facilities.

As Used Demand -

As Used Demand is the maximum demand used by the Customer during a maintenance or emergency period. As Used Demand will be computed as the difference between the CPS Energy measured maximum fifteen (15) minute demand and the Supplementary Contract Demand during any CPS Energy Billing Period. The As Used Demand cannot exceed the Standby Contract Demand. If the above computation results in an As Used Demand greater than the Standby Contract Demand, the excess will be added to the existing Supplementary Contract Demand to compute the monthly Supplementary Service Bill.

Adjustments

Plus or minus an amount which reflects the difference in the unit fuel cost factor for the current month above or below a basic cost of \$0.01416 per KWH sold. The unit fuel cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit fuel cost per KWH, which is computed based upon the current month's estimated KWH generation mix, unit fuel cost by fuel type, any known changes in fuel cost, sales to other than long-term Customers, purchases and line losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit fuel cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit fuel cost (corrected for any fuel supplier surcharge) and the current computation for this value times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus

- (c) An adjustment, if indicated by the current status of the over and under recovery of fuel costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and actual unit fuel cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit fuel cost and the actual unit fuel cost for that month (corrected for any fuel supplier surcharge) times the KWH generated during the preceding month and then dividing the result by the current month's estimated KWH sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors during the months preceding, including, and/or following January each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual fuel cost with the annual cumulative fuel cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to fuel costs resulting from judicial orders or settlements of legal proceedings affecting fuel costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to fuel costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the electric system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2% times the Monthly Bill excluding the adjustment for fuel costs, garbage fees, and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Electric Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to the CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of electricity to Customers, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

RIDER E10 (EXPERIMENTAL)

CPS Energy CONTROLLED INTERRUPTIBLE SERVICE FOR LARGE LIGHTING AND POWER CUSTOMERS

APPLICATION

This rider is available in conjunction with the LARGE LIGHTING AND POWER SERVICE ELECTRIC RATE (LLP) and is applicable to service supplied to customers with a Monthly Interruptible Demand of 500 KW or greater and who agree to allow CPS Energy to interrupt such service upon proper notification. The amount of load supplied under this rider shall be specified in the Customer's contract with CPS Energy.

This rider shall be applicable on an experimental basis and the aggregated amount of load provided hereunder shall be at the discretion of CPS Energy.

The only interruptions credited to interruption time limits are those initiated by CPS Energy' system dispatcher through the use of interrupt control equipment.

BILLING

For service supplied under this rider all the terms will be the same as those of the LLP Rate with the following modifications:

Customer agrees to allow interruption upon notification from CPS Energy at least four (4) hours prior to the interruption.

Customer will receive a discount per KW of interruptible load which will be computed as follows:

- i) \$2.80 per KW for all KW of Interruptible Billing Demand when interruptions are limited to a maximum of four (4) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 200 hours per calendar year, or
- ii) \$3.50 per KW for all KW of Interruptible Billing Demand when interruptions are limited to a maximum of eight (8) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 400 hours per calendar year.

Monthly Interruptible Demand

The Monthly Interruptible Demand will be the KW as determined from reading the CPS Energy demand meter on the interruptible circuit for the 15 minute period of the Customer's greatest demand reading during the month.

Interruptible Billing Demand

For the period June through September, the Interruptible Billing Demand is equal to the greatest of the following:

- (a) The Monthly Interruptible Demand as defined above
- (b) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service

For the period October through May, the Interruptible Billing Demand is equal to the greatest of the following:

- (a) The Monthly Interruptible Demand as defined above
- (b) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service
- (c) 80% of the highest measured peak Monthly Interruptible Demand established during the previous summer period months (June through September).

Prior to the establishment of a previous summer peak Monthly Interruptible Demand, (c) above will not apply.

CONDITIONS OF SERVICE

1. Interruptible service is available only if such service to Customer will not, in CPS Energy's sole judgement, impair CPS Energy's ability to serve the requirements of its firm system customers.
2. Service under this rider will be taken on a separate circuit independent of Customer's firm load. The interruptible circuit will be separately metered and all related metering installation costs will be paid for by the Customer. The Customer will guarantee to CPS Energy that the interruptible load circuit will remain independent of the firm load circuit and that the equipment will be connected to the corresponding circuit in a manner that makes it impossible to effect transfer of electric load between the two circuits. CPS Energy retains the right at any time to inspect Customer facilities to insure compliance. If Customer's equipment associated with the firm load is permanently, temporarily or otherwise connected to the interruptible circuit or vice versa, CPS Energy will immediately discontinue the delivery of interruptible service and will have the right to recompute the interruptible monthly bills for a past period up to six (6) months as if the service had been supplied under the firm load rate. CPS Energy retains the right to require payment from the Customer under this provision, and Customer shall make payment, within fifteen (15) days of invoice for any difference in billings.
3. Customer is required to install, own, operate, and maintain necessary monitoring devices and interrupt-control equipment, including protective devices, on Customer's side of the point of delivery, as specified by CPS Energy. In addition, Customer is required to pay CPS Energy for interrupt-control equipment installed on CPS Energy's side of delivery.
4. Whenever the Customer's interruptible load must be shut down due to Customer requirements (e.g. maintenance), Customer is required to give the CPS Energy System Operator a minimum of twenty-four (24) hours advance notice of the shutdown.
5. Customer must provide CPS Energy a one year written notice prior to termination of the rider. In the event Customer desires to move from interruptible service to firm service, Customer must provide CPS Energy a five (5) year written notice unless CPS Energy, in its sole judgement, determines that sufficient capacity exists to allow earlier conversion. If sufficient capacity does not exist, CPS Energy will make its best efforts to supply the customer's load. Customer must pay any additional costs CPS Energy incurs in the purchase of power to supply Customer's load.
6. In the event Customer no longer desires service under the conditions of this rider or is removed from the rider by CPS Energy due to noncompliance, CPS Energy has the right to recompute prior monthly billings beginning with the billing following the most recent anniversary date of the contract, as if such service were supplied on the firm LLP Rate (excluding those months in which an interruption occurred).
7. In addition to the foregoing, Customer will be required to enter into a Service Application and Agreement with CPS Energy including certain standard terms with respect to indemnification of CPS Energy, force majeure, Customer's right to increase interruptible load, Customer's responsibility for equipment and cost, term of the Agreement, and other conditions of service.

CPS Energy

RIDER E11 (EXPERIMENTAL)

CPS Energy CONTROLLED INTERRUPTIBLE SERVICE FOR EXTRA OR SUPER LARGE POWER CUSTOMERS OR LARGE POWER TIME OF USE CUSTOMERS

APPLICATION

This rider is available in conjunction with the EXTRA LARGE POWER SERVICE ELECTRIC RATE (ELP), the SUPER LARGE POWER SERVICE ELECTRIC RATE (SLP), or the LARGE POWER TIME OF USE ELECTRIC RATE (LPT); and is applicable to service supplied to customers with a Monthly Interruptible Demand of 500 KW or greater and who agree to allow CPS Energy to interrupt such service upon proper notification. The amount of load supplied under this rider shall be specified in the Customer's contract with CPS Energy.

This rider shall be applicable on an experimental basis and the aggregated amount of load provided hereunder shall be at the discretion of CPS Energy.

The only interruptions credited to interruption time limits are those initiated by CPS Energy's system dispatcher through the use of interrupt control equipment.

BILLING

For service supplied under this rider all the terms will be the same as those of the firm rate with the following modifications:

Customer agrees to allow interruption upon notification from CPS Energy at least four (4) hours prior to the interruption.

Customer will receive a discount per KW of interruptible load which will be computed as follows:

- i) \$2.90 per KW for all KW of Interruptible Billing Demand when interruptions are limited to a maximum of four (4) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 200 hours per calendar year, or
- ii) \$3.65 per KW for all KW of Interruptible Billing Demand when interruptions are limited to a maximum of eight (8) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 400 hours per calendar year.

Monthly Interruptible Demand

The Monthly Interruptible Demand will be the KW as determined from reading the CPS Energy demand meter on the interruptible circuit for the 15 minute period of the Customer's greatest demand reading during the month.

Monthly On Peak Interruptible Demand – applicable to service on the LPT rate

The Monthly On Peak Interruptible Demand will be the KW as determined from reading the CPS Energy demand meter on the interruptible circuit for the 15 minute period of the Customer's greatest demand reading during the On Peak Period.

Interruptible Billing Demand

For the period June through September, the Interruptible Billing Demand is equal to the greatest of the following:

- (a) The Monthly Interruptible Demand as defined above for service provided in conjunction with the ELP or SLP rates, or the Monthly On Peak Interruptible Demand as defined above for service provided in conjunction with the LPT rate.
- (b) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service

For the period October through May, the Interruptible Billing Demand is equal to the greatest of the following:

- (a) The Monthly Interruptible Demand as defined above
- (b) Such higher KW as may be specified in the Customer's Application and Agreement for Electric Service
- (c) 80% of the highest Monthly Interruptible Billing Demand established during the previous summer period months (June through September).

Prior to the establishment of a previous summer peak Monthly Interruptible Demand, (c) above will not apply.

CONDITIONS OF SERVICE

1. Interruptible service is available only if such service to Customer will not, in CPS Energy's sole judgment, impair CPS Energy's ability to serve the requirements of its firm system customers.
2. Service under this rider will be taken on a separate circuit independent of Customer's firm load. The interruptible circuit will be separately metered and all related metering installation costs will be paid for by the Customer. The Customer will guarantee to CPS Energy that the interruptible load circuit will remain independent of the firm load circuit and that the equipment will be connected to the corresponding circuit in a manner that makes it impossible to effect transfer of electric load between the two circuits. CPS Energy retains the right at any time to inspect Customer facilities to insure compliance. If Customer's equipment associated with the firm load is permanently, temporarily or otherwise connected to the interruptible circuit or vice versa, CPS Energy will immediately discontinue the delivery of interruptible service and will have the right to recompute the interruptible monthly bills for a past period up to six (6) months as if the service had been supplied under the firm rate. CPS Energy retains the right to require payment from the Customer under this provision, and Customer shall make payment, within fifteen (15) days of invoice for any difference in billings.
3. Customer is required to install, own, operate, and maintain necessary monitoring devices and interrupt-control equipment, including protective devices, on Customer's side of the point of delivery, as specified by CPS Energy. In addition, Customer is required to pay CPS Energy for interrupt-control equipment installed on CPS Energy's side of delivery.
4. Whenever the Customer's interruptible load must be shut down due to Customer requirements (e.g. maintenance), Customer is required to give the CPS Energy System Operator a minimum of twenty-four (24) hours advance notice of the shutdown.
5. Customer must provide CPS Energy a one year written notice prior to termination of the rider. In the event Customer desires to move from interruptible service to firm service, Customer must provide CPS Energy a five (5) year written notice unless CPS Energy, in its sole judgment, determines that sufficient capacity exists to allow earlier conversion. If sufficient capacity does not exist, CPS Energy will make its best efforts to supply the customer's load. Customer must pay any additional costs CPS Energy incurs in the purchase of power to supply Customer's load.
6. In the event Customer no longer desires service under the conditions of this rider or is removed from the rider by CPS Energy due to noncompliance, CPS Energy has the right to recompute prior monthly billings beginning with the billing following the most recent anniversary date of the contract, as if such service were supplied on the firm rate (excluding those months in which an interruption occurred.)
7. In addition to the foregoing, Customer will be required to enter into a Service Application and Agreement with CPS Energy including certain standard terms with respect to indemnification of CPS Energy, force majeure, Customer's right to increase interruptible load, Customer's responsibility for equipment and cost, term of the Agreement, and other conditions of service.

CPS Energy

RIDER E12
(EXPERIMENTAL)

CUSTOMER CONTROLLED
INTERRUPTIBLE SERVICE FOR
LARGE LIGHTING AND POWER CUSTOMERS

APPLICATION

This experimental rider is available to customers served under the LARGE LIGHTING AND POWER ELECTRIC SERVICE RATE (LLP) who agree to interrupt at least 500 KW from their load upon proper notification from CPS Energy. The amount of firm and interruptible Customer load which is supplied in conjunction with this rider shall independently be specified in the contract with CPS Energy.

This rider shall apply on an experimental basis and the aggregated amount of interruptible service offered by CPS Energy will be determined by CPS Energy.

The only interruptions credited to the interruption limits are those requested by CPS Energy system dispatcher.

BILLING

For service supplied under this rider all the terms will be the same as those of the LLP Rate with the following modifications.

Customer agrees to carry out the load curtailment within four (4) hours after receiving notice from CPS Energy. During an interruption the Customer's total load must not exceed the firm load specified in the contract with CPS Energy.

Customer will receive a discount per KW of interruptible load which will be computed as follows:

- i) \$2.60 per KW for all KW of Interruptible Billing Demand when interruptions are limited to a maximum of four (4) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 200 hours for each calendar year, or
- ii) \$3.30 per KW for all KW of Interruptible Billing Demand when interruptions are limited to eight (8) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 400 hours each calendar year.

Interruptible Billing Demand

The Interruptible Billing Demand is equal to the lesser of the following:

- (a) the LLP billing demand less the contracted firm demand
- (b) the contracted interruptible demand

CONDITIONS OF SERVICE

1. Interruptible service is available only if such service to Customer will not, in CPS Energy's sole judgment, impair CPS Energy's ability to service the requirements of its firm system customers.
2. If Customer fails to interrupt within the prescribed time and in the amounts agreed to, Customer will be subject to the following penalties:
 - a) For the first failure to interrupt during a calendar year, the interruptible load not curtailed will be billed at twice the LLP rate.
 - b) For the second failure to interrupt during a calendar year, the interruptible load not curtailed will be billed at three times the LLP rate.
 - c) For the third failure to interrupt during the calendar year, the interruptible load not curtailed will be billed at four times the LLP rate and Customer will be taken off the interruptible rider.
3. Whenever the Customer's load must be shut down due to Customer requirements (e.g. maintenance), Customer is required to give the CPS System Operator a minimum of twenty-four (24) hours advance notice of the shutdown.
4. In the event the customer's monthly demand exceeds the total KW (firm plus interruptible) specified in the Service Application and Agreement such excess demand will be billed without any discount. However, such billing does not constitute an acceptance to provide firm load in addition to the contracted firm amount at any future date.
5. Customer must provide CPS Energy a one year written notice prior to termination of the rider. In the event Customer desires to move from interruptible service to firm service, Customer must provide CPS Energy a five (5) year written notice unless CPS Energy, in its sole judgment, determines that sufficient capacity exists to allow earlier conversion. If sufficient capacity does not exist, CPS Energy will make its best efforts to supply the customer's load. Customer must pay any additional costs CPS Energy incurs in the purchase of power to supply Customer's load.
6. In the event Customer no longer desires service under the conditions of this rider or is removed from the rider by CPS Energy due to noncompliance, CPS Energy has the right to recompute prior monthly billings beginning with the billing following the most recent anniversary date of the contract, as if such service were supplied on the firm LLP Rate (excluding those months in which an interruption occurred).
7. In addition to the foregoing, Customer will be required to enter into a Service Application and Agreement with CPS Energy including certain standard terms with respect to indemnification of CPS Energy, force majeure, Customer's right to increase interruptible load, Customer's responsibility for equipment and cost, term of the Agreement, and other conditions of service.

CPS Energy

RIDER E13 (EXPERIMENTAL)

CUSTOMER CONTROLLED INTERRUPTIBLE SERVICE FOR EXTRA OR SUPER LARGE POWER CUSTOMERS OR LARGE POWER TIME OF USE CUSTOMERS

APPLICATION

This experimental rider is available to customers served under the EXTRA LARGE POWER ELECTRIC SERVICE RATE (ELP), the SUPER LARGE POWER ELECTRIC SERVICE RATE (SLP), or the LARGE POWER TIME OF USE ELECTRIC RATE (LPT) who agree to interrupt at least 500 KW from their load upon proper notification from CPS Energy. The amount of firm and interruptible Customer load which is supplied in conjunction with this rider shall independently be specified in the contract with CPS Energy.

This rider shall apply on an experimental basis and the aggregated amount of interruptible service offered by CPS Energy will be determined by CPS Energy.

The only interruptions credited to the interruption limits are those requested by CPS Energy system dispatcher.

BILLING

For service supplied under this rider all the terms will be the same as those of the applicable rate with the following modifications.

Customer agrees to carry out the load curtailment within four (4) hours after receiving notice from CPS Energy. During an interruption the Customer's total load must not exceed the firm level as specified in the contract with CPS Energy.

Customer will receive a discount per KW of interruptible load which will be computed as follows:

- i) \$2.70 per KW for all KW of Interruptible Billing Demand when interruptions are limited to a maximum of four (4) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 200 hours for each calendar year, or
- ii) \$3.45 per KW for all KW of Interruptible Billing Demand when interruptions are limited to eight (8) hours each and one per day (measured from midnight to midnight), and aggregate to no more than 400 hours each calendar year.

Interruptible Billing Demand

The Interruptible Billing Demand is equal to the lesser of the following:

- (a) the ELP or SLP billing demand less the contracted firm demand, or the LPT On Peak Billing demand less the contracted firm demand
- (b) the contracted interruptible demand

CONDITIONS OF SERVICE

1. Interruptible service is available only if such service to Customer will not, in CPS Energy's sole judgment, impair CPS Energy's ability to service the requirements of its firm system customers.
2. If Customer fails to interrupt within the prescribed time and in the amounts agreed to, Customer will be subject to the following penalties:
 - a) For the first failure to interrupt during a calendar year the interruptible load not curtailed will be billed at twice the firm rate.
 - b) For the second failure to interrupt during a calendar year, the interruptible load not curtailed will be billed at three times the firm rate.
 - c) For the third failure to interrupt during the calendar year the interruptible load not curtailed will be billed at four times the firm rate and Customer will be taken off the interruptible rider.
3. Whenever the Customer's load must be shut down due to Customer requirements (e.g. maintenance), Customer is required to give the CPS Energy System Operator a minimum of twenty-four (24) hours advance notice of the shutdown.
4. In the event the customer's monthly demand exceeds the total KW (firm plus interruptible) specified in the Service Application and Agreement such excess demand will be billed without any discount. However, such billing does not constitute an acceptance to provide firm load in addition to the contracted firm amount at any future date.
5. Customer must provide CPS Energy a one year written notice prior to termination of the rider. In the event Customer desires to move from interruptible service to firm service, Customer must provide CPS Energy a five (5) year written notice unless CPS Energy, in its sole judgment, determines that sufficient capacity exists to allow earlier conversion. If sufficient capacity does not exist, CPS Energy will make its best efforts to supply the customer's load. Customer must pay any additional costs CPS Energy incurs in the purchase of power to supply Customer's load.
6. In the event Customer no longer desires service under the conditions of this rider or is removed from the rider by CPS Energy due to noncompliance, CPS Energy has the right to recompute prior monthly billings beginning with the billing following the most recent anniversary date of the contract, as if such service were supplied on the firm rate (excluding those months in which an interruption occurred).
7. In addition to the foregoing, Customer will be required to enter into a Service Application and Agreement with CPS Energy including certain standard terms with respect to indemnification of CPS Energy, force majeure, Customer's right to increase interruptible load, Customer's responsibility for equipment and cost, term of the Agreement, and other conditions of service.

CPS Energy

RIDER E15

MONTHLY CONTRACT FOR RENEWABLE ENERGY SERVICE

APPLICATION

This rider is available to CPS Energy electric customers who take CPS Energy service under a full-service monthly CPS Energy rate schedule.

Renewable energy technologies include those that exclusively rely on energy sources which are naturally regenerated over a short time and are derived from the sun - directly or indirectly, from moving water (waves and tides), from wind, from geothermal sources, from hydroelectric facilities, or from biomass and/or biomass-based waste products - including landfill gas. Renewable energy technologies do not rely on energy derived from fossil fuels, from fossil fuel waste products, or from inorganic waste products. This comprehensive definition is subject to revision in the future as appropriate.

Initially, CPS Energy renewable energy program will focus on energy derived from wind. CPS Energy may in the future add other renewable energy sources to the program.

Service supplied under this rider is subject to the same terms and conditions as those of the corresponding full service rate under which the customer is served, except as specifically indicated in this rider.

MONTHLY BILL

The monthly bill will be calculated with the corresponding full service rate under which the customer is served, plus the following additional amounts.

\$3.00 per 100 KWH block of renewable energy subscribed for in the Customer Agreement

CONDITIONS OF SERVICE

1. Service under this rider shall be supplied on a monthly basis, unless specified otherwise in the agreement between CPS Energy and Customer.
2. Customer must provide CPS Energy a 30-day notice prior to termination of the rider.
3. The Customer will be billed for the number of 100 KWH blocks subscribed for according to the customer agreement, regardless of the Customer's actual monthly KWH consumption.
4. Customer will be required to enter into a Service Application and Agreement with CPS Energy stating the amount of 100 KWH blocks subscribed.

CPS Energy

RIDER E16

ECONOMIC INCENTIVE RIDER

AVAILABILITY

This rider is available only in conjunction with existing customers served under SUPER LARGE POWER SERVICE ELECTRIC RATE (SLP) or new customers eligible for service under that rate. The following requirements must be met:

1. The Customer must demonstrate, to the satisfaction of CPS Energy, that new load or additional load must have a minimum build out capacity of 10,000 KW.
2. The Customer's new plant or plant expansion must meet the minimum permanent full-time employment target as agreed with the City of San Antonio, as applicable.
3. The Customer must demonstrate a minimum level of purchases in parts, supplies, and/or services from businesses located within the Greater San Antonio Metropolitan Area, as agreed with the City of San Antonio, as applicable.
4. Service supplied under this rider is subject to the same terms and conditions of the SLP Rate, except as specifically indicated in this rider, and the Customer's Application and Agreement for Electric Service.
5. CPS Energy or the City of San Antonio may require the Customer to locate to an economic targeted area defined by the City of San Antonio.

APPLICABILITY

A customer shall furnish plans that demonstrate, to the satisfaction of CPS Energy, a minimum of new or additional electric load to qualify for billing discounts, as specified in the following table. Such plans shall further demonstrate that such build-out will be completed within twenty-four months of initiation of service under this rider. The customer shall further reach agreement with the City of San Antonio on employment and local business purchase commitments.

MONTHLY BILL

The monthly bill will be calculated with the SLP rate for the total Customer's load, applying the following billing discount.

Billing Discount

A customer served under this rider will be eligible for a billing discount equal to a percentage reduction of demand charges for the applicable minimum electric demand as indicated in the following table.

BILLING DEMAND DISCOUNT

Minimum New or Additional Load KW	Contract Year			
	1st	2nd	3rd	4th
10,000+	10%	10%	N/A	N/A
15,000+	25%	25%	25%	N/A
25,000+	50%	50%	50%	50%

For each subsequent addition of 10,000 KW, the contract term shall be subject to an extension of one year at the original discount level, subject to a total term limit of seven years.

Monthly Demand

The Monthly Billing Demand will be determined according to the provisions of the SLP rate, with the exception that for the period October through May, the Billing Demand provision (d) will be waived for the term that this rider is effective.

APPLICABLE ELECTRIC DEMAND

The billing discount will be computed for the applicable electric demand determined as follows:

1. For an existing customer, the applicable electric demand will be determined as the increase in additional electric demand, as measured from summer and non-summer period average actual demands for a consecutive twelve month base period immediately preceding the month that service is requested under this rider, or as mutually agreed upon by the customer and CPS Energy.
2. For a new customer, the billing discount will be applied to all electric demand.

PENALTY FOR NON-COMPLIANCE

Compliance with agreed upon load, employment, and local business purchase commitments will be subject to verification by CPS Energy and the City of San Antonio. For the purpose of determination of qualification for compliance with contracted electric load additions, a customer's load will be determined as the average of the customer's four highest monthly actual electric demands. Failure to meet build-out load within twenty-four months, and employment targets or local business purchase commitments by the end of the contract period will result in customer being rebilled and liable for payment at the rate which would otherwise have been applicable.

TERM OF ELIGIBILITY

A customer will be eligible for economic incentive discounts under the provisions of this rider for an initial period, of up to four years, as indicated for the amount of load to be added, and subject to the customer meeting load, employment, and local business targets at full operation. The term may be extended for three additional years if the customer demonstrates additional electric load, increased employment targets, and additional purchases of local business goods or services. For such an extension period, the billing discount will be applied to the originally agreed upon base period electric demands. In any case, a customer will be eligible for this rider for a maximum period of seven years.

OTHER PROVISIONS

The Customer remains eligible for any other rider(s), that are applicable to the customer's load.

CPS Energy

RIDER E17

RESIDENTIAL AFFORDABILITY DISCOUNT

APPLICATION

This rider is available only in conjunction with the RESIDENTIAL SERVICE ELECTRIC RATE (RE) or the RESIDENTIAL ALL ELECTRIC SERVICE ELECTRIC RATE (RA) to customers who meet the following eligibility requirements:

- Income at or below 125% of Federal Poverty guidelines and
- At least one of the following categories:
 - Individuals 60 years of age and older; or
 - Individuals with Disabilities; or
 - Families with pre-school aged children or children in school 18 years or younger; or
 - Life sustaining medical equipment; or
 - Other households with extenuating circumstances as identified by CPS Energy and the City of San Antonio

MONTHLY BILL

The monthly bill will be calculated in accordance with the corresponding CPS Energy full service residential electric rate less an affordability discount of \$3.02.

CPS Energy Gas Rates Tariffs

CPS Energy

GENERAL SERVICE

RESIDENTIAL AND BASE COMMERCIAL GAS RATE

G

APPLICATION

This rate is applicable to gas service supplied through one metering station and used for domestic and commercial cooking, heating, and lighting purposes.

TYPE OF SERVICE

Natural gas will be supplied at a nominal gauge pressure of four ounces per square inch. If natural gas is metered at a pressure higher than four ounces, measurements will be adjusted to the equivalent of four ounces. When mains of adequate capacity and suitable pressure are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Gas Main Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 7.92 Service Availability Charge

\$ 0.438 Per CCF for all CCF

1 CCF equals 100 cubic feet

Minimum Bill

\$7.92. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Gas Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit gas cost factor for the current month above or below a basic cost of \$0.220 per CCF sold. The unit gas cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit gas cost per CCF, which is computed based upon the current month's estimated CCF purchases, unit gas cost by supplier, any known changes in gas cost, and pipeline losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit gas cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit gas cost (corrected for any gas supplier surcharge) and the current computation for this value times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit gas cost and actual unit gas cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit gas cost and the actual unit gas cost for that month (corrected for any gas supplier surcharge) times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit gas cost factors during the months preceding, including, and/or following August each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual gas cost with the annual cumulative gas cost recovery through these rates; plus

- (e) An adjustment to reflect offsetting credits to or additions to gas costs resulting from judicial orders or settlements of legal proceedings affecting gas costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to gas costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the gas system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for gas costs, garbage fees and sales taxes, with the exception that the late payment charge will be on the budget billing amount for those customers on the CPS Energy's Budget Payment Plan.

TERM OF SERVICE

The Term of Service shall be in accordance with the CPS Energy Application and Agreement for Gas Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of gas to Customers, in order to adjust to gas supplies available for resale or to adjust to other factors affecting delivery capability.

CPS Energy

GAS RATE

CLASS A

APPLICATION

This rate is applicable to gas service supplied through one metering station for which no other rate applies.

TYPE OF SERVICE

Natural gas will be supplied at a nominal gauge pressure of four ounces per square inch. If natural gas is metered at a pressure higher than four ounces, measurements will be adjusted to the equivalent of four ounces. When mains of adequate capacity and suitable pressure are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Gas Main Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 32.00	Service Availability Charge
\$ 0.510	Per CCF for the first 2,000 CCF
\$ 0.425	Per CCF for all additional CCF

1 CCF equals 100 cubic feet

Minimum Bill

\$32.00. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Gas Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit gas cost factor for the current month above or below a basic cost of \$0.220 per CCF sold. The unit gas cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit gas cost per CCF, which is computed based upon the current month's estimated CCF purchases, unit gas cost by supplier, any known changes in gas cost, and pipeline losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit gas cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit gas cost (corrected for any gas supplier surcharge) and the current computation for this value times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit gas cost and actual unit gas cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit gas cost and the actual unit gas cost for that month (corrected for any gas supplier surcharge) times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit gas cost factors during the months preceding, including, and/or following August each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual gas cost with the annual cumulative gas cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to gas costs resulting from judicial orders or settlements of legal proceedings affecting gas costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to gas costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the gas system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for gas costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Gas Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of gas to Customers, in order to adjust to gas supplies available for resale or to adjust to other factors affecting delivery capability.

CPS Energy

GAS RATE

CLASS B

APPLICATION

This rate is applicable to gas service supplied through one metering station for fuel used (a) for commercial cooking, heating, and lighting purposes, (b) for industrial, manufacturing or processing purposes, or for steam generation for power purposes, including auxiliary apparatus used exclusively for manufacturing or processing purposes, or (c) for heating and/or cooling plants.

This rate is not applicable to gas supplied for:

- (1) standby service
- (2) resale
- (3) single family residential units.

TYPE OF SERVICE

Natural gas will be supplied at a nominal gauge pressure of four ounces per square inch. If natural gas is metered at a pressure higher than four ounces, measurements will be adjusted to the equivalent of four ounces. When mains of adequate capacity and suitable pressure are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Gas Main Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 31.00	Service Availability Charge
\$ 0.420	Per CCF for the first 6,000 CCF
\$ 0.350	Per CCF for all additional CCF

1 CCF equals 100 cubic feet

Minimum Bill

\$31.00 for all Customers whose monthly billed consumption never equals or exceeds 10,000 CCF in a single billing month. \$325.00 for all Customers whose monthly billed consumption is equal to or exceeds 10,000 CCF in a single billing month. This amount for the Minimum Bill will be continued for eleven (11) consecutive months after the most recent month in which the billing consumption was equal to or greater than 10,000 CCF. A higher Minimum Bill may be specified in the Customer's Application and Agreement for Gas Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit gas cost factor for the current month above or below a basic cost of \$0.220 per CCF sold. The unit gas cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit gas cost per CCF, which is computed based upon the current month's estimated CCF purchases, unit gas cost by supplier, any known changes in gas cost, and pipeline losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit gas cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit gas cost (corrected for any gas supplier surcharge) and the current computation for this value times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit gas cost and actual unit gas cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit gas cost and the actual unit gas cost for that month (corrected for any gas supplier surcharge) times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus

- (d) An adjustment, as necessary, which may be derived and applied to the unit gas cost factors during the months preceding, including, and/or following August each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual gas cost with the annual cumulative gas cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to gas costs resulting from judicial orders or settlements of legal proceedings affecting gas costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to gas costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the gas system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for gas costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Gas Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of gas to Customers, in order to adjust to gas supplies available for resale or to adjust to other factors affecting delivery capability.

CPS Energy

LARGE VOLUME

GAS RATE

LVG

APPLICATION

This rate is applicable to gas service supplied through one metering station for fuel used (a) for commercial services, (b) for industrial, manufacturing or processing purposes, or for steam generation for power purposes, including auxiliary apparatus used exclusively for manufacturing or processing purposes, or (c) for heating and/or cooling plants.

This rate is not applicable to gas supplied for:

- (1) standby service
- (2) resale
- (3) single family residential units.

TYPE OF SERVICE

Natural gas will be supplied at a nominal gauge pressure of four ounces per square inch. If natural gas is metered at a pressure higher than four ounces, measurements will be adjusted to the equivalent of four ounces. When mains of adequate capacity and suitable pressure are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Gas Main Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 325.00 Service Availability Charge

Demand Charge

\$ 0.95 Winter Billing (December-March)
Per CCF/Day of Billing Demand

\$ 0.75 Non-Winter Billing (April-November)
Per CCF/Day of Billing Demand

Energy Charge

\$ 0.284 Per CCF for all CCF

1 CCF equals 100 cubic feet

Billing Demand

For the winter period December through March, the Billing Demand (CCF/Day) shall be equal to the greatest of the following:

- a) the monthly metered consumption divided by days in the billing period
- b) 600 CCF/Day
- c) such higher demand (CCF/Day) as may be specified in the Customer's Application and Agreement for Gas Service.

For the non-winter period April through November, the Billing Demand (CCF/Day) shall be equal to the greatest of the following:

- a) the maximum billing demand (CCF/Day) as established during the previous winter period months of December through March
- b) 600 CCF/Day
- c) such higher demand (CCF/Day) as may be specified in the Customer's Application and Agreement for Gas Service.

For new customers having no winter CCF usage history, the billing demand (CCF/Day) as defined above shall be equal to the greater of (b) or (c) as defined herein.

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the Demand Charge (Winter Billing or Non-Winter Billing as the case may be) or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Gas Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit gas cost factor for the current month above or below a basic cost of \$0.220 per CCF sold. The unit gas cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit gas cost per CCF, which is computed based upon the current month's estimated CCF purchases, unit gas cost by supplier, any known changes in gas cost, and pipeline losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit gas cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit gas cost (corrected for any gas supplier surcharge) and the current computation for this value times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit gas cost and actual unit gas cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit gas cost and the actual unit gas cost for that month (corrected for any gas supplier surcharge) times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit gas cost factors during the months preceding, including, and/or following August each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual gas cost with the annual cumulative gas cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to gas costs resulting from judicial orders or settlements of legal proceedings affecting gas costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to gas costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the gas system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for gas costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Gas Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of gas to Customers, in order to adjust to gas supplies available for resale or to adjust to other factors affecting delivery capability.

CPS Energy

NATURAL GAS TRANSPORTATION SERVICE

NGT

APPLICATION

This rate is applicable only to Customers for whom a separate contract or agreement (Service Agreement) between CPS Energy and the Customer exists for the transportation of Customer-owned natural gas (Gas) through CPS Energy facilities for delivery to the Customer for the Customer's own use. Customers whose Gas is transported through CPS Energy facilities will be subject to the rates and other specifications included herein, as well as those in the Service Agreement, CPS Energy's Statement of Operating Conditions for Gas Transportation Service, and in other rate schedules, policies, rules and regulations of CPS Energy which are referenced herein.

This rate is available to Customers who otherwise would qualify for service under Gas Rates Class B or LVG. This rate is not available to transportation of Gas for: (1) resale by Customer, (2) standby Gas service, or (3) service to electric self-generator Customers. Nevertheless, this rate is applicable and available to: (1) Customers who compress the Gas for subsequent sale as a vehicular fuel, and to (2) Cogeneration facilities or Small Power Production facilities qualified under the Federal Energy Regulatory Commission Rules. Gas transported or used by a Customer under this rate is subject to the curtailment provisions as specified under the priority system established by the Railroad Commission of Texas, and also to constraints (if any) contained in existing CPS Energy Gas supply contracts.

The Customer is responsible for and shall provide evidence satisfactory to CPS Energy that the Customer has contracted with all appropriate parties and has obtained all necessary clearances and certificates from governmental agencies and others as may be required for the safe and timely delivery of sufficient quantities of Gas to CPS Energy. CPS Energy retains the right to accept or reject a proposed Gas Supplier, as a condition of Gas transportation service under this rate, based on such factors as reliability of Gas supply and general business reliability. Acceptance of a Customer's Gas Supplier by CPS Energy shall not unreasonably be withheld. The point(s) of receipt of Gas to CPS Energy shall be one of the existing CPS Energy gate stations. Other point(s) of receipt may be considered by CPS Energy, if and only if the Customer assumes in writing the responsibility for all additional fixed and continuing costs thereof. Gas transported by CPS Energy shall be redelivered to the Customer through one metering point, or point of redelivery.

TYPE OF SERVICE

Transportation service hereunder consists of CPS Energy receiving Gas from or for the account of Customer at the point(s) of receipt and transporting and delivering such Gas, adjusted for Gas Losses, to the point of redelivery. CPS Energy will receive, transport and redeliver Gas delivered to CPS Energy by Customer in quantities up to the Maximum Daily Quantity (MDQ) and Maximum Hourly Quantity (MHQ) as specified in Customer's Service Agreement. CPS Energy's Statement of Operating Conditions for Gas Transportation Service establishes the operating conditions and related provisions for transportation service hereunder. CPS Energy shall only transport Gas delivered by Customer's Supplier to CPS Energy in quantities no higher or lower than provided for in the Service Agreement. The Customer is responsible for arranging the delivery of Gas to CPS Energy point(s) of receipt in hourly amounts equal to those metered at the point of redelivery plus Gas Losses.

Gas Losses are quantities of Gas retained by CPS Energy to compensate for losses and unaccounted for quantities on the CPS Energy pipeline system, and are calculated as a percentage of the Gas delivered by Customer's Suppliers to CPS Energy for Customer's account at the point(s) of receipt. The applicable Gas Losses percentage hereunder is deemed to be two percent (2%).

All Gas banking and balancing shall be the responsibility of the Customer. Customer shall provide evidence acceptable to CPS Energy of Customer's Gas banking and balancing arrangements. In the event any imbalance occurs on the CPS Energy pipeline system, such imbalance shall be resolved in accordance with the applicable provisions of CPS Energy's Statement of Operating Conditions for Gas Transportation Service.

CPS Energy will require each Gas transportation Customer to assume initial and continuing cost responsibilities for on-line Gas volumetric metering facilities located at the points of redelivery to the Customer and (if necessary) at the points of delivery to CPS Energy, for associated computing facilities used in storing and using the on-line volumetric data, and also for on-line data telemetric delivery to the data processing facilities as required by CPS Energy in order to properly compute billings. Said facilities shall be specified and owned by CPS Energy, and shall be capable of hourly volumetric measurements of Gas redelivered to the Customer.

TERM OF SERVICE

The term of service hereunder shall be a minimum of five (5) years and shall begin on the day the Service Agreement is executed. Prior to the end of the term the Customer shall either renew or extend the Service Agreement (subject to the Service Agreement terms in effect at the time of renewal or to revised terms at the discretion of CPS Energy) for an additional five (5) year term, or shall apply for a full requirements Gas service rate. Applicants for full requirements Gas service will be subject to the Gas availability constraints that may exist at the time. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

MONTHLY BILL

Rate

\$ 1,000.00	Service Availability Charge
	<u>Demand Charge</u>
\$ 0.95	Winter Billing (December-March) Per CCF/Day of Billing Demand
\$ 0.75	Non-Winter Billing (April-November) Per CCF/Day of Billing Demand
\$ 0.028	<u>Volume Charge</u> Per CCF for all CCF
	1 CCF equals 100 cubic feet

Billing Demand

The Billing Demand (CCF/Day) shall be equal to the greatest of the following:

- a) the metered maximum demand (CCF/Day) registered during the month.
- b) the maximum demand (CCF/Day) registered during any winter month (December through March) of the preceding eleven months.
- c) such higher demand (CCF/Day) as may be specified in the Customer's Service Agreement.

Charges Established by Contract

The charges for transportation service provided under this Schedule may be established by contract at levels less than the maximum set out above under Monthly Bill. Lower charges may be set by contract with a Customer who otherwise qualifies for and elects Gas transportation service if the Customer provides evidence satisfactory to CPS Energy establishing at least one of the following: 1) the Customer has the intention and capability of bypassing CPS Energy's facilities absent availability of a more competitive level of charges; 2) the Customer's location of new facilities in CPS Energy's Gas service area is contingent upon availability of a more competitive level of charges; or 3) the Customer's economic situation for its existing facilities served by CPS Energy's Gas system will require the closure or relocation of the facilities absent availability of a more competitive level of charges. If the foregoing qualification is met, the Customer shall enter into a contract with CPS Energy specifying the nature of the service to be supplied, the price to be paid, and such other terms and conditions as are mutually agreeable. Such contracts shall be treated on a confidential basis, to the extent allowed by law. In connection with negotiation of customer contracts pursuant to this provision, CPS Energy shall not establish for such service a price below the incremental costs over the term of the contract plus a reasonable contribution toward the system costs.

MINIMUM BILL

The Minimum Bill shall consist of the charges computed as detailed herein, plus any adjustments or additional charges, including initial required payments and monthly continuing payments, which are due at the time the Service Agreement is executed. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

ADJUSTMENTS

An adjustment shall be made as follows: plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the Gas system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional one (1) percent of the unpaid balance.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference. Said Rules and Regulations are subordinate to this rate and to the Service Agreement.

CPS Energy

RIDER G1

SCHOOL HEATING BOILER SERVICE

This rider is available only to the heating boiler load of tax supported schools when separately metered. All the terms of GAS RATE CLASS B apply with the following exceptions:

- (a) The monthly Service Availability Charge will be \$15.00 during the months of May through October.
- (b) The monthly Minimum Bill will be the Service Availability Charge.

The Customer must provide, at Customer expense, all the house piping and connections necessary to install a CPS Energy meter to separately measure the heating boiler load.

CPS Energy

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- (a) The monthly Service Availability Charge will be \$15.00 during the months of May through October.
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The Customer must provide, at Customer expense, all the house piping and connections necessary to install a CPS Energy meter to separately measure the heating boiler load.

CPS Energy

RIDER G4

RESIDENTIAL AFFORDABILITY DISCOUNT

APPLICATION

This rider is available only in conjunction with the GENERAL SERVICE (G) RATE to residential customers who meet the following eligibility requirements:

- Income at or below 125% of Federal Poverty guidelines and
- At least one of the following categories:
 - Individuals 60 years of age and older; or
 - Individuals with Disabilities; or
 - Families with pre-school aged children or children in school 18 years or younger; or
 - Life sustaining medical equipment; or
 - Other households with extenuating circumstances as identified by CPS Energy and the City of San Antonio

MONTHLY BILL

The monthly bill will be calculated in accordance with the CPS Energy General Service (G) Rate less an affordability discount of \$1.11.

Exhibit B

CPS Energy Cost Allocation Methodology

Effective Date: September 1, 2008

Summary of Proposed Rate Increases

Electric System

<u>Class</u>	<u>% Increase</u>		<u>Est. Impact on Bill</u>
	<u>Base</u>	<u>Total *</u>	
Residential	3.5%	2.8%	<u>\$3.02 per month</u>
Com'l/Ind'l			
•small	3.4%	2.6%	
•medium	3.5%	2.6%	
•large	4.6%	3.3%	
Traffic Lights	3.5%	2.9%	
St Lights	7.0%	6.3%	
Overall Electric	3.5%	2.8%	

Gas System

<u>Class</u>	<u>\$6 million</u>		<u>Est. Impact on Bill</u>
	<u>Base</u>	<u>Total *</u>	
Residential/Sm. Com'l	4.2%	1.6%	<u>\$1.11 per month</u>
Medium Com'l/Ind'l	1.4%	0.4%	
Large Com'l/Ind'l	1.4%	0.3%	
Overall Gas	3.5%	1.2%	

Low Income Rates

- \$3.02/per month discount per electric service
- \$1.11/per month discount per gas service

* Based on electric fuel cost of 2.63¢ per kWh and gas cost of \$10.96 per MCF.