GG
05/21/09
Item No. 5

2009-05-21-0399

AN ORDINANCE

AUTHORIZING THE FUNDING OF THE CPS ENERGY CONSERVATION AND SUSTAINABILITY STEP PROGRAM (SAVE FOR TOMORROW ENERGY PLAN) THROUGH AN ADJUSTMENT IN THE FUEL SURCHARGE

* * * * * * * *

WHEREAS, CPS Energy manages and operates a combined electric and gas utility system (the "System"), on behalf of the City of San Antonio, through its executive body, the CPS Energy Board of Trustees; and

WHEREAS, in response to City Council requests, and consistent with the CPS Energy Strategic Plan, CPS Energy has developed the Save for Tomorrow Energy Plan ("STEP"), a demand-side management program designed to encourage customers to improve the energy efficiency of their homes, buildings and processes, resulting in energy savings and reducing system demand; and

WHEREAS, the STEP Program is an aggressive energy conservation program with the goal of saving 771 MW of electricity between 2009 and 2020 – this is the equivalent amount of energy produced by a large power plant on an annual basis; and

WHEREAS, the total cost of the STEP Program during the 2009 to 2020 time period is estimated at $849 million with annual cost ranging from $12.3 million to over $77 million – $8 million of which is currently recovered in base rates and the additional amount would be recovered through an adjustment in the fuel surcharge; and

WHEREAS, CPS Energy would only be eligible to recover through the fuel surcharge amounts corresponding with actual reductions in energy usage as verified by a third-party; and

WHEREAS, the STEP Program will provide financial incentives to residential and commercial customers to install energy saving appliances and fixtures to reduce energy consumption, and will fund a rebate program to encourage the installation of solar panels at residential and small commercial customer sites; and

WHEREAS, the reduction in energy consumption would be accomplished by providing residential and commercial customers with financial incentives and assistance such as the replacement of current light bulbs with energy efficient light bulbs, and the replacement of existing household appliances with energy efficient appliances; and

WHEREAS, in the short-term, customers will enjoy the benefits of a reduction in overall system fuel cost and this will produce fuel savings for all customer, and those participating proactively in the program will lower their energy use and monthly bills; and

WHEREAS, in the long-term, customers will benefit from a delay in the need for additional generation capacity, and the rate increases to support this capacity, in addition to environmental benefits from reduced emissions; and

WHEREAS, even those customers who take no action will benefit from a reduction in overall system fuel costs and a delay in the need for additional generation capacity, and should they directly participate by accepting financial incentives to make energy efficiency improvements, they will lower their energy use and enjoy additional savings in their monthly bill; and

WHEREAS, over the last several months, CPS Energy has discussed the STEP Program with consumers in several public forums throughout San Antonio, including a public hearing on May 14, 2009 before the City Council in City Council Chambers, and several presentations at district Council meetings; and

WHEREAS, the City's Finance Department along with the Office of Environmental Policy have conducted an analysis of the proposed funding mechanism for the STEP Program and recommend funding the program through an adjustment in the fuel surcharge; and

WHEREAS, on January 20, 2009, the CPS Energy Board of Trustees passed a resolution supporting funding of the STEP Program through an adjustment in the fuel surcharge; **NOW THEREFORE:**

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

SECTION 1. After public hearing and consideration of the benefits of the CPS Energy STEP Program, the City Council hereby approves funding of the program through an adjustment in the fuel surcharge.

SECTION 2. The revised tariff sheets attached as Exhibit B, which are incorporated into this Ordinance for all purposes, are hereby approved in order to implement funding for the STEP Program.

SECTION 3. The accountability procedures attached as Exhibit A will be utilized to verify actual reductions in energy usage and for calculating the appropriate cost recovery for the STEP Program through the fuel surcharge. The City's Supervisor of Public Utilities may request additional accountability measures as may be deemed necessary.

SECTION 4. CPS Energy will reassess the STEP Program in 2019 to determine if continuing the program beyond 2020 is a viable option based on projected annual reductions in energy consumption going forward and the costs that would be incurred to achieve such reductions. CPS Energy will provide the Supervisor of Public Utilities its recommendation at least six (6) months prior the end of the program.

SECTION 5. The fuel surcharge has been adjusted as reflected in Exhibit B after consideration of relevant facts and policy issues, and based on such consideration, the City Council hereby finds that said fuel adjustment is in the public interest, fair and reasonable, equal and uniform, nondiscriminatory, and necessary to meet the operating and maintenance expenses of the System.

SECTION 6. The eligibility criteria for the STEP Program low-income weatherization program will apply to CPS Energy customers with incomes within 200% of the federal poverty guidelines.

SECTION 7. This Ordinance shall become effective ten (10) days following its passage. The revised electric rates and fees set out in the attached tariff sheets, incorporated into Exhibit B, shall become effective at 12:01 a.m. on June 1, 2009.

PASSED AND APPROVED, this 21st day of MAY, 2009.

ATTEST:

City Clerk

MAYOR
PHIL HARDBERGER

APPROVED AS TO FORM:

for City Attorney

Agenda Item:	**5**
Date:	05/21/2009
Time:	03:54:28 PM
Vote Type:	Motion to Appr w Cond
Description:	An Ordinance authorizing the funding of the CPS Energy conservation and sustainability STEP Program (Save for Tomorrow Plan) through an adjustment in the fuel surcharge. [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				
Sheila D. McNeil	District 2		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			x	
Louis E. Rowe	District 9		x				x
John G. Clamp	District 10			x			

Exhibit A
STEP Funding Accountability Procedures

1. All funds collected for STEP programs, either from base rates or through the fuel adjustment, must be accounted for separately.

2. CPS Energy shall provide an annual report, prepared by an independent third party consultant, to the City which quantifies the kW savings from STEP expenditures by customer class and other measures deemed necessary by the City. CPS Energy will report to the City Council on an annual basis the results of the independent third party consultant's reports.

3. Based on the report provided and the amount of STEP expenditures determined to be eligible for recovery through the fuel adjustment, CPS Energy will calculate the annual kWh charge. It will be reviewed and approved by City staff before implementation of the kWh charge.

4. City staff will monitor the recovery through the fuel adjustment on a monthly basis. Annually, the amount of under or over recovery, if any, will be determined and the fuel adjustment will be adjusted accordingly to ensure that only the amount of eligible STEP expenditures are recovered.

5. CPS Energy must maintain documentation of all STEP expenditures, by customer class and other measures deemed necessary by the City.

6. CPS Energy shall provide quarterly reports to the City staff which show year to date STEP expenditures by program and customer class, funds accumulated and estimated kW savings and other measures deemed necessary by the City.

   Examples of detailed quarterly report information include but are not limited to the following: number of kW saved by customer class and program type; the number of participants and contractors; geographic area and council district program activity; and, total costs/expenditures by program type.

7. CPS Energy shall provide an annual report to the City which shows the incentive payments made as a result of the Commercial Demand Response program for the prior twelve months and other measures deemed necessary by the City.

8. A quarterly report detailing information shall be made available to the public with sufficient protection regarding confidential information as deemed necessary by the City.

EXHIBIT B

CPS Energy Tariff Amendments to Adjust Fuel Surcharge

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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
	Summer Billing (June - September)
$ 0.06275	Per KWH for all KWH
	Non-Summer Billing (October - May)
$ 0.06175	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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

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

	Summer Billing (June - September)
$ 9.00	Service Availability Charge
$ 6.75	Per KW for all KW of Billing Demand
$ 0.041	Per KWH for all KWH
	Non-Summer Billing (October - May)
$ 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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 ServiceInstallations.

MONTHLY BILL

Rate	
$145.00	Service Availability Charge
	Demand Charge
	Summer Billing (June - September)
$ 7.95	Per KW for all KW of Billing Demand
	Non-Summer Billing (October - May)
$ 6.45	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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

Rate

$ 1,000.00	Service Availability Charge
	Demand Charge
	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
	Energy Charge
$ 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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	Monthly Rate 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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	Monthly Rate 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	Monthly Rate 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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	Monthly Rate 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	Monthly Rate 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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	Monthly Rate Double Fixture	Monthly Rate 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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. Notificiation 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

DECORATIVE STREETLIGHTING SERVICE

ELECTRIC RATE

SSD

APPLICATION

The Decorative Streetlight (Underground Distribution) rate applies to service supplied to decorative streetlight installations that

- illuminate dedicated public streets and highways within the area served by CPS Energy; and
- are owned, operated, and maintained totally and in full by CPS Energy; and
- non-governmental applicant funded all material and installation costs of said streetlights at the time of installation. Installation may be performed, either wholly or partially, by CPS Energy or by applicant.

The Governmental Service rate is only available to the City of San Antonio and municipalities within the CPS Energy service area. Such municipal customers may fund the full installation of decorative streetlights and pay the standard decorative streetlight charges under this rate.

These rates are not applicable to illumination of state highways or All Nite Security Lite Service.

TYPE OF SERVICE

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

MONTHLY BILL

DECORATIVE STREETLIGHTS (UNDERGROUND DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate Single Fixture	Monthly Rate Double Fixture
32,000	400	Metal Halide – Flex	$ 14.78	$ 23.43
14,000	175	Metal Halide – Pendant	$ 11.73	---
19,500	250	Metal Halide – Acorn	$ 14.24	$ 22.27

GOVERNMENTAL SERVICE

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp	Monthly Rate Single Fixture	Monthly Rate Double Fixture
32,000	400	Metal Halide – Flex	$ 49.28	$ 64.52
14,000	175	Metal Halide – Pendant	$ 38.36	---
19,500	250	Metal Halide – Acorn	$ 58.67	$ 87.37

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

Bills not paid within the period indicated on the bill 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 reference as if set forth in full.

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 Customer, in order to adjust to fuel supplies for generation of electricity or to adjust to other factors affecting delivery capability.

CPS Energy

PUBLIC STREETLIGHTING SERVICE

ELECTRIC RATE

SSP - Unincorporated

APPLICATION

This rate applies to service supplied to streetlights that illuminate dedicated public streets and highways within unincorporated areas in the CPS Energy service area; and for which the applicant funds all material and installation costs of said streetlights at the time of installation. Installation may be performed, either wholly or partially, by CPS Energy or by applicant, but all installations are owned, operated, and maintained totally and in full by CPS Energy. Acceptance of an application for service under this rate will be contingent upon applicant securing necessary prior approval from the local governmental authority having jurisdiction.

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

STANDARD STREETLIGHTS (UNDERGROUND DISTRIBUTION)

Nominal Lamp Size In Lumens	Lamp Rating In Watts	Type of Lamp and Installation	Monthly Rate Single Fixture	Monthly Rate Double Fixture
27,000	250	High Pressure Sodium	$ 11.02	$ 15.97
47,000	400	High Pressure Sodium	$ 14.43	$ 22.78
27,000	250	High Pressure Sodium – Shoe Box	$ 11.23	$ 16.52
19,500	250	Metal Halide – Shoe Box	$ 11.40	$ 16.84

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

Bills not paid within the pay period indicated on the bill will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for fuel costs.

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 reference as if set forth in full.

LUMINAIRE CHANGEOUTS

Customer requests for the changeout of existing operational streetlights (luminaire, lamp, photocell) for another type of streetlight will be contingent upon overall CPS Energy work schedule, and changeouts will be scheduled so as not to interfere with normal CPS Energy operations. 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 Customer, 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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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.

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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.

(f) An adjustment, as necessary, which may be derived and applied to the unit fuel cost factors for recovery of dollars spent for the verifiable kW reductions that are above the level reflected in base rates for energy efficiency and conservation programs. Recovery of such costs would be allowed once an independent third party reviews and confirms the incremental kW reductions.

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

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#5

STEP Overview
(Save for Tomorrow Energy Plan)

City Council Presentation

May 21, 2009

Why STEP is Good for San Antonio

- STEP funds Energy Efficiency: the lowest cost of power available to our community.
  - Saves 771MW of power requirements for our region
  - Reduces the fuel costs for our region
  - Reduces the need for one additional power plant
- STEP will create local jobs and economic activity
  - Estimate 500+ jobs created here locally
  - Green jobs, new skills
- Power saved through STEP funding is clean and good for our environment.
  - No emissions, no carbon or greenhouse gases

2

Small Impact on Monthly Bills

	Estimated Incremental Cost*	Est. Monthly Impact on Fuel Charge: Recovery Period	Residential Impact per 1,000 kWh: STEP	Fuel Savings	Net
FY09	$ 4.3M	Feb09-Jan 10	$0.24	($0.21)	$0.03
FY10	$14.2M	Feb10-Jan 11	$0.79	($0.41)	$0.38
FY11	$29.6M	Feb11-Jan 12	$1.65	($0.70)	$0.95
FY12	$44.9M	Feb12-Jan 13	$2.42	($1.04)	$1.38

Customers can offset this small increase by installing a CFL (STEP funded CFL rebate in partnership with H-E-B)

*Approximately $8M per year already in the base rate.

Longer term benefits associated with the avoided generation capacity cost are not reflected above.

3

STEP is a Good Investment

- Community Invests $849M over 13 years until 2020
- Tangible Benefits through 2020 and beyond
  - $512M in lower fuel costs due to 771MW saved power
  - Saves an additional power plant, $2B at today's cost
  - 500+ local, green jobs
- Additional Benefits
  - Reduces our dependence on fossil fuels
  - Good for the environment and the economy
  - Critical to the success of Mission Verde
  - Puts San Antonio at forefront of the New Energy Era

4

Low-Income Weatherization

- STEP will fund $153M to weatherize low-income residential homes
  - No cost to homeowner
  - Estimate 30,000 homes
  - Neighborhood approach for maximum efficiency
- STEP synergistic with stimulus funds
  - Additional homes and measures in the neighborhoods
  - Sustains weatherization program beyond 2 years

5

Public Utilities
STEP Overview

City Council
May 21, 2009

The Brattle Group

- STEP is "ambitious – but not overly so"
- Numerous studies have found energy conservation programs to be the lowest cost resource for electric supply
- CPS Proposal for recovery of STEP program costs conservative by industry standards
- STEP slows system growth does not eliminate
  - Reduce or delay future generation expansion needs

Accountability

- Performance based recovery through fuel adjustment
  - Direct costs of program
  - Recovered the fiscal year following the expenditure of funds for STEP after third party verification
  - Only recovers the specific amount of funds determined to be eligible for recovery
- Recovery based upon a third party consultant annual review of program
  - Energy Savings
  - Funds Expended
- kWh charge reviewed and approved by City staff prior to implementation
- Funds collected for STEP will be accounted for separately

Accountability

- CPS to provide quarterly reports
  - Funds Accumulated to Date
  - Funds Expended to Date
  - Estimated Energy Savings Achieved
- Quarterly Report made available to Public
  - Excludes information determined to be confidential
- Coordinated Effort of Finance Department and Office of Environmental Policy

Recommendation

- Staff recommends approval of the proposed funding of the CPS STEP Program through the monthly fuel adjustment