
Basis of Rates

Unless otherwise specifically provided in the rate schedule or contract, Company's rates are based upon the furnishing of electric service to Consumer's premises at a single point of delivery and at a single voltage and phase classification.

- A. Individual Consumer:** Except as specifically provided elsewhere in this Tariff, each separately operated business activity and each separate building will be considered an individual Consumer for billing purposes, except that if several buildings are occupied and used by one Consumer in the operation of a single and integrated business enterprise, the Company will furnish electric service for the entire group of buildings through one service connection at one point of delivery, provided all such buildings are at one location on the same lot or tract, or on adjoining lots or tracts forming a contiguous plot wholly occupied and used by the Consumer in the operation of such single business enterprise.
- B. Reactive Power:** All rate schedules in this Tariff are based upon the minimizing by Consumer of the taking of reactive power.
1. The reactive kilovolt-ampere demands may be determined either by permanently installed instruments or by test and, when determined by test, the resulting reactive demand will remain in effect until a new determination is made.
 2. If Consumer installs and owns facilities needed to supply the required reactive power, suitable disconnecting switches shall be installed to automatically disconnect such facilities from Company's lines whenever Consumer's load is disconnected therefrom. When reactive power correction equipment is installed by Consumer, such equipment must be connected and switched in a manner acceptable to Company.
- C. Unmetered Service:**
1. **Fixed Loads:** Service to fixed loads, with fixed periods of operation, such as street lights, traffic lights, television amplifiers and other similar installations may, for the convenience and mutual benefit of the Consumer and Company, be unmetered. The average monthly use (one-twelfth of the annual use determined by test or estimated from equipment ratings) shall be billed monthly in accordance with the applicable schedule.
 2. **Small Usage Devices:** Devices whose total connected load does not exceed 2,000 watts per point of connection may be provided unmetered service if, at the sole discretion of the Company, usage is impractical or unsafe to meter. The monthly kWh billed each month for such small usage devices shall be determined as the total kW capacity requirement of the Customer's equipment multiplied by 730 hours. The capacity requirement shall be stated on the Customer's application for service. Connection to Company's system will be made by Company, subject to Customer's installation meeting all of Company's design and installation requirements.

The Customer shall not change the capacity requirement or other aspects of their installation without first notifying the Company in writing a minimum of 30 days before changes are made. Customer's changes that render the service ineligible for unmetered service shall result in service being metered. Under such circumstances, Company approved metering point(s) must be installed by Customer within 30 days following notification or service will be disconnected.

(continued)

Basis of Rates (continued)

2. **Small Usage Devices:** (continued)
The Company shall not be required to adjust billings due to failure of Customer's equipment. The Company shall have the right to test the capacity requirements of small usage devices from time to time. If the Company determines that the capacity was under-reported by the Customer or that the Customer otherwise failed to notify the Company of an increase in capacity, the Company may backbill for the incremental kWh associated with such increased capacity back to the date that service was first furnished in accordance with the provisions for a re-issued bill as the result of misinformation as given in Rule 10.
- D. **Billing Quantities:** Charges for services provided by the Company will be based on the Company's meter readings in the manner specified in this Tariff. Charges for services provided by an ESS will generally be determined according to terms specified by the contract between the ESS and the Consumer, and may be based on different time periods, quantities or units of measure than charges for services provided by the Company.
- E. **Continuing Service:** Except as specifically provided otherwise, the rates of this Tariff are based on continuing service at each service location. Disconnect and reconnect transactions shall not operate to relieve a Consumer from minimum monthly charges.
- F. **Responsible Party:** Where the property is leased or rented from the property owner and a contract minimum is attached as a condition of service, the Company may require that the owner of the property be responsible for minimums associated with the contract.
- G. **Sole Supply:** Unless otherwise stated, the rate schedules of the Company are applicable for service supplied entirely by the Company without interconnection with any source of supply.
- H. **Special Demand:** All rate schedules of this Tariff are based upon loads for which standard demand measurements adequately reflect the size of load imposed on Company's system. In the event of loads with large short-period fluctuations, Company reserves the right to employ special demand determinations.
- I. **Irrigation Service:** At the option of the Consumer, Irrigation Service may be provided under the General Service Schedule provided, however, that seasonal disconnects shall not relieve such Consumer from monthly billings for the General Service Schedule minimums.
- J. **Eligibility for Alternate General Service Schedules 23, 28 and 30:** A General Service Consumer will be moved automatically to an alternate General Service Schedule as indicated by load size and schedule applicability. The Company may move a Customer from Schedule 28 to Schedule 23 if the Customer demonstrates an ability to limit demand to a level that does not exceed 30 kW either through the use of demand limiting equipment or through other operational changes. The Company will not switch a Consumer between alternate General Service Schedules 23, 28 and 30 more than once in a 12-month period, unless the following exception is met: In the event that a Consumer's load increases due to changes in operations, the Company may, at its discretion, place the Consumer on a schedule with a higher demand requirement, if so warranted.