UTILITY RATE SCHEDULE E-7

D--1.11.

A. APPLICABILITY:

This Rate Schedule applies to Demand metered Service for large non-residential Customers with a Maximum Demand of at least 1,000KW per month per site, who have sustained this Demand level at least 3 consecutive months during the last twelve months.

B. TERRITORY:

This rate schedule applies everywhere the City of Palo Alto provides Electric Service.

C. RATES:

Rates per kilowatt (kW) and kilowatt-hour (kWh):

| | Commodity | <u>Distribution</u> | <u>Public</u> Benefits | <u>Total</u> |
|----------------------------|-----------|---------------------|---------------------------|--------------|
| Summer Period | | | | |
| Demand Charge (kW) | \$ 12.07 | \$ 31.54 | | \$ 43.61 |
| Energy Charge (kWh) | 0.12786 | 0.00402 | 0.00604 | 0.13792 |
| Winter Period | | | | |
| Demand Charge (kW) | \$ 2.82 | \$ 27.75 | | \$ 30.57 |
| Energy Charge (kWh) | 0.07973 | 0.00393 | 0.00604 | 0.08970 |
| Customer Charge (\$/month) | | | | 578.08 |

D. SPECIAL NOTES:

1. Calculation of Charges

The actual bill amount is calculated based on the applicable rates in Section C above and adjusted for any applicable discounts, surcharges and/or taxes. On a Customer's bill statement, the bill amount may be broken down into appropriate components as calculated under Section C.

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2. Seasonal Rate Changes

The Summer Period is effective May 1 to October 31 and the Winter Period is effective from November 1 to April 30. When the billing period includes use both in the summer and in the winter periods, the usage will be prorated based on the number of days in each seasonal period, and the charges based on the applicable rates therein. For further discussion of bill calculation and proration, refer to Rule and Regulation 11.

3. Request for Service

Qualifying Customers may request Service under this schedule for more than one Account or one Meter if the Accounts are on one site. A site, for the purposes of this Rate Schedule, consists of one or more Accounts which cover contiguous parcels of land with no intervening public right-of-ways (e.g. streets) and which have a common billing address.

4. Maximum Demand Meter

Whenever the monthly use of energy has exceeded 8,000 kilowatt-hours for three consecutive months, a Maximum Demand Meter will be installed as promptly as is practicable and thereafter continued in Service until the monthly use of energy has fallen below 6,000 kilowatt-hours for twelve consecutive months, whereupon, at the option of the City, it may be removed.

The <u>Maximum Demand</u> in any month will be the maximum average power in kilowatts taken during any 15-minute interval in the month provided that if the Customer's load is intermittent or subject to fluctuations, the City may use a 5-minute interval. A thermal-type Demand Meter which does not reset after a definite time interval may be used at the City's option.

The <u>Billing Demand</u> to be used in computing charges under this schedule will be the actual Maximum Demand in kilowatts for the current month. An exception is that the Billing Demand for Customers with Thermal Energy Storage (TES) will be based upon the actual Maximum Demand of such Customers between the hours of noon and 6 pm on weekdays.

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5. Changing Rate Schedules

Customers may request a rate schedule change at any time to any applicable full service rate schedule as is applicable to their kilowatt-Demand and kilowatt-hour usage profile.

6. Primary Voltage Discount

Where delivery is made at the same voltage as that of the line from which the Service is supplied, a discount of 2.8 percent for available line voltages above 2 kilovolts will be offered, but the City is not required to supply Service at a particular line voltage where it has, or will install, ample facilities for supplying at another voltage equally or better suited to the Customer's electrical requirements, as determined in the City's sole discretion. The City retains the right to change its line voltage at any time after providing reasonable advance notice to any Customer receiving the discount in this section. The Customer then has the option to change his system so as to receive Service at the new line voltage or to accept Service (without voltage discount) through transformers to be supplied by the City subject to a maximum kVA size limitation.

7. Standby Charge

a. Applicability: The standby charge, subject to the exemptions in subsection D(8)(e), applies to Customers that have a non-utility generation source interconnected on the Customer's side of the City's revenue Meter and that occasionally require backup power from the City due to non-operation of the non-utility generation source.

b. Standby Charges:

| | Commodity | <u>Distribution</u> | <u>Total</u> |
|---------------------------|------------------|---------------------|--------------|
| Standby Charge (per kW of | • | | |
| Reserved Capacity) | | | |
| Summer Period | \$ 9.25 | \$ 31.54 | \$ 40.79 |
| Winter Period | \$0.00 | 27.75 | 27.75 |

- c. Meters. A separate Meter is required for each non-utility generation source.
- d. Calculation of Maximum Demand Credit.
 - (1) In the event the Customer's Maximum Demand (as defined in Section D.4)

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occurs when one or more of the non-utility generators on the Customer's side of the City's revenue Meter are not operating, the Maximum Demand will be reduced by the sum of the Maximum Generation of those non-utility generators, but in no event shall the Customer's Maximum Demand be reduced below zero.

(2) If the non-utility generation source does not operate for an entire billing cycle, the standby charge does not apply and the Customer shall not receive the Maximum Demand credit described in this Section.

e. Exemptions.

- (1) The standby charge shall not apply to backup generators designed to operate only in the event of an interruption in utility Service and which are not used to offset Customer electricity purchases.
- (2) The standby charge shall not apply if the Customer meets the definition of an "Eligible Customer-generator" as defined in California Public Utilities Code Section 2827(b)(4), as amended.
- (3) The applicability of these exemptions shall be determined at the discretion of the Utilities Director.

{End}

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