



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for the operation of wind machine for frost control during the months of November through March only when such service is supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for this rate schedule.

This schedule is not applicable to temporary, breakdown, standby, supplementary, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at one standard voltage (120/240, 120/480, or 7,200/12,000 volts as may be selected by customer subject to availability at the site).

Applicable only to customers being served on the Company's Rate Schedule E-40 prior to November 15, 1986.

RATES

Basic Service Charge:	\$ 0.049	per HorsePower per day
Energy Charge:	\$ 0.09106	per kWh for all kWh

HorsePower will be equivalent to the wind machine name plate rating unless Company tests indicate the motor is overloaded by more than 15%.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of \pm 95% at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



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ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission No. 71448.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. For billing under this rate schedule, the customer may choose between one of the following options:
 - a) Monthly billing;
 - b) Semiannual billing for three (3) months in advance and three (3) months actual use; or
 - c) Annual billing for six (6) months in advance and six (6) months actual use.

After initial selection of payment by the customer no change may be made during the term of the service agreement.

2. Thermostatically controlled wind machines with automatic reclosing switches must be equipped at the customer's expense with suitable time-delay devices to permit the required adjustment of the time of reclosure after interruption of service.

A time-delay device is a relay or other type of equipment that can be preset to delay with various time intervals the reclosing of the automatic switches in order to stagger the reconnection of the load on the utility's system. This device must be constructed so as to effectively permit a variable overall time interval of not less than five minutes with adjustable time increments of not greater than ten seconds. The particular



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setting to be utilized for each separate installation is to be determined by the Company from time to time in accordance with its operating requirements.

CONTRACT PERIOD

The initial customer contract period shall be five (5) years. The contract period for any renewals shall be three (3) years.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

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