



**RATE SCHEDULE EPR-4
CLASSIFIED SERVICE
PURCHASE RATES FOR RENEWABLE QUALIFIED
FACILITIES 10 kW OR LESS FOR PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company.

APPLICATION

This rate schedule is applicable to all small power production facilities with a nameplate rating of 10 kW or less utilizing renewable resource technologies where the customer's generator(s) and load are located at the same premise and meet qualifying status pursuant to Arizona Corporation Commission Decision No. 52345 on cogeneration and small power production facilities. This rate schedule is applicable only to qualifying facilities (QF's) electing to configure their systems as to require only partial requirements or interruptible service from the Company in order to meet their electric requirements.

TYPE OF SERVICE

Electric sales to the Company must be single phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises). The qualifying facility will have the option to sell energy to the Company at a voltage level different than that for purchases from the Company; however, the customer will be responsible for all incremental costs incurred by the Company to accommodate such an arrangement.

PAYMENT FOR PURCHASES FROM AND SALES TO THE CUSTOMER

Power sales and special services supplied by the Company to the customer in order to meet its supplemental or interruptible electric requirements will be priced at the applicable retail rate or rates.

The Company will pay the customer for any energy purchased as calculated on the standard purchase rate (see below).

PURCHASE RATE

Rate for pricing of energy, net of that for the customer's own use, delivered to the Company:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (June - October)	3.551	2.257	5.433	3.453
Winter Billing Cycles (November - May)	2.552	1.871	3.904	2.862

^{1/} On-Peak Periods: 9 a.m. to 9 p.m., weekdays

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually to reflect changes in the Company's fuel costs.



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CONTRACT PERIOD

Any applicable contract period will be set forth in the customer's Purchase Agreement.

DEFINITIONS

1. Partial Requirements Service - A QF's system configuration whereby the output from its electric generator(s) first go to supply its own electric requirements with any excess energy (over and above its own requirements at the time) then being sold to the Company. The Company supplies the Customer's supplemental electric requirements (those not met by the QF's own-generation facilities). This also may be referred to as the "parallel mode" of operation.
2. Special Service(s) - The electric service(s) specified in this section that will be provided by the Company in addition to or in lieu of normal service(s).
 - Interruptible Power - Electric energy or capacity supplied by the Company subject to interruption by the Company under specified conditions and under agreed upon lead time requirements (Non-Firm Power).
3. Non-Firm Power - Electric power which is supplied by the power producer at the producer's option, where no firm guarantee is provided, and the power can be interrupted by the power producer at any time.
4. Firm Power - Power available, upon demand, at all times (except for forced outages and scheduled maintenance) during the period covered by the Purchase Agreement from the Customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
5. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 2, Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities. In addition, service may be subject to supplemental or special terms and conditions pursuant to the customer's Purchase Agreement with the Company.



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METERING CONFIGURATION

