



ADJUSTMENT SCHEDULE RCDAC-1 RETURNING CUSTOMER DIRECT ACCESS CHARGE

AVAILABILITY

The Returning Customers Direct Access Charge (RCDAC) will apply to Customers, or an aggregated group of Customers, of 3 MW or greater who left Standard Offer or special contract service for competitive generation suppliers and are returning to Standard Offer service.

CHARGES

The RCDAC will be identified in the Electric Service Agreement between the Customer and the Company and will be in addition to any Standard Offer service charges. The charge will be based on the cost differential between the applicable Standard Offer rate generation component and the cost of the resources required to serve the returning Customer. The costs associated with serving Customers that are required to enter into RCDAC agreements will be separate from the retail power supply costs subject to recovery through the Power Supply Adjustment.

Types of costs that will be used to develop the RCDAC are incremental Power Supply, Transmission, Ancillary Services and Metering costs as defined in the Returning Customer Direct Access Charge Plan for Administration. These costs will be amortized over an appropriate period to allow for timely recovery. The RCDAC will not be billed longer than 12 months for any individual Customer.

SERVICE DETAILS

1. Customers that have been Direct Access Customers since beginning service from the Company are considered returning Customers for the purposes of this schedule.
2. The RCDAC will only be applied if the Customer wants to return to Standard Offer service and the Company did not include that Customer load in planned resource acquisitions. If the Company is provided one year's advance notice of the Customer's intent to return to Standard Offer service, that Customer will not be assessed the RCDAC charge.
3. APS may create a specific RCDAC in each individual case and require the Customer to enter into a service agreement that specifies the charge, its duration, and how it will be applied and collected. In situations where an aggregated group of Customers wish to return to Standard Offer service, each Customer from the group will be charged the same rate for the same duration and an Electric Service Agreement will be required from each customer.
4. All provisions of the Customer's current applicable rate schedule will apply in addition to this charge.