



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 Standard Offer electric service for start-up and/or auxiliary load requirements for generation plants with a Power Supply capacity requirement of greater than 3 MW. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by individual Customer contract. This rate schedule may be used in conjunction with other applicable Company rate schedules; however, any service under this schedule is not eligible for Direct Access.

TYPE OF SERVICE

The type of service provided under this rate schedule shall be three-phase, 60 Hertz, at one standard voltage available within the vicinity of the Customer's site.

CHARGES

The bill will be the sum of the Basic Service Charge, Metering Service, Capacity Rate, and Power Supply Service below, including any applicable adjustments:

Basic Service Charge	\$7,436.00	per month
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Metering Service

The monthly metering charge will be 1.29% of the total metering cost specified in the Electric Supply Agreement between the Company and the Customer. This percentage will be reduced to 0.35% when the Customer provides all necessary metering equipment and is responsible for its replacement. The Customer will also be responsible for all applicable costs associated with communications facilities used to compile metered usage information.

Capacity Rate (only one applies)		
Secondary Voltage	\$5.584	per kW
Primary Voltage	\$5.388	per kW
Transmission Voltage	\$1.743	per kW



Power Supply		
Hourly Pricing Proxy at the time of Station use		per kWh
Ancillary Service	\$0.00061	per kWh

CONTRACT PERIOD

Any applicable contract periods will be set forth in an Electric Supply Agreement between the Customer and the Company.

CONNECTION COSTS

The Customer will pay all applicable connection costs and system improvement costs not otherwise covered in this schedule as a non-refundable contribution in aid of construction, including any associated tax liability.

POWER SUPPLY CAPACITY

Power Supply Capacity kW will be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the Customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of the Customer's generation unit(s) plus any necessary auxiliary load (including generation auxiliary load and/or any other load requirements at the plant site that would otherwise be provided by the Customer when the generation unit(s) are running).

If more than one generation unit is present at a single site, the Electric Supply Agreement may, at the Company's option, allow the Customer to start one unit at a time. In this instance, Power Supply Capacity kW will be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the Customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of one and only one Customer generation unit at any given time plus any necessary auxiliary load (including any or all generation auxiliary load and/or any other load requirements at the entire plant site that would otherwise be provided by the Customer when any or all generation unit(s) are running).



If, during any one billing period, the highest 15 minute measured kW supplied by the Company (by voltage level) exceeds the amount of Power Supply Capacity specified in the Electric Supply Agreement, the Power Supply Capacity reservation (by voltage level) will be permanently increased to equal the higher measured kW. If the Company incurs additional connection costs to provide this added capacity, the Customer is responsible for payment of these costs as specified herein.

#### DETERMINATION OF HOURLY PRICING PROXY

Hourly pricing proxy will be calculated using the published day ahead Dow Jones Electricity Price Index or successor. APS will calculate a weighted average using the day ahead hub pricing and volumes at Palo Verde, Four Corners, and Mead, for firm on-peak and off-peak prices as expressed on a per kWh basis, at the time Station Use power is supplied to the Customer.

#### METERING

The Company will normally install a supply meter at the point of delivery to the Customer and a generator meter(s) at the point(s) of output from each of the Customer's generators. However, the Customer can elect to supply this metering as long as it conforms to Company specifications. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

#### POWER FACTOR REQUIREMENTS

1. The Customer's load must not deviate from phase balance by more than 10%.
2. Customers receiving service at voltage levels below 69 kV must maintain a power factor of 90% lagging. The power factor cannot be leading unless the Company agrees.
3. Customers receiving service at voltage levels of 69 kV or above must maintain a power factor of  $\pm 95\%$ .
4. The Company may install certain monitoring equipment to test the Customer's power factor. If the load doesn't meet the requirements the Customer will pay the cost to install and remove the equipment.
5. If the load does not meet the power factor requirements the Customer must resolve the issue. Otherwise, the Customer must pay for any costs incurred by the Company for investments on its system necessary to address the issue. Also, until the problem is remedied, the Company may compute the Customer's monthly billing demand with kVA instead of kW.

#### ADJUSTMENTS

1. Renewable Energy Adjustment Charge, Adjustment Schedule REAC-1.



2. The Transmission Cost Adjustment charges, Adjustment Schedule TCA-1.
3. The Demand Side Management Adjustment charge, Adjustment Schedule DSMAC-1.
4. The Tax Expense Adjustor Mechanism charge, Adjustment Schedule TEAM.
5. Any applicable taxes and governmental fees that are on the basis APS's revenue, prices, sales volume, or generation volume.

#### INTERCONNECTION REQUIREMENTS

The Customer must meet all interconnection requirements as determined by the Company. The Customer is responsible for all costs associated with interconnection of the Customer's generation facility to the Company's system.

#### 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.