

MUNICIPAL ELECTRIC SERVICE

UTILITY RATE SCHEDULE E-18

A. APPLICABILITY:

This schedule applies to service for buildings and facilities owned and/or operated by the City of Palo Alto.

B. TERRITORY:

This rate schedule applies everywhere the City of Palo Alto provides electric service.

C. UNBUNDLED RATES:

<u>Per kilowatt-hour (kWh)</u>	<u>Commodity</u>	<u>Distribution</u>	<u>Public Benefits</u>	<u>Total</u>
Summer Period	\$0.06686	\$0.04472	\$0.00321	\$0.11479
Winter Period	0.05369	0.03559	0.00321	0.09249

D. SPECIAL NOTES:

1. Calculation of Cost Components

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 cost components as calculated under Section C.

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 in both the Summer and 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.



MUNICIPAL ELECTRIC SERVICE

UTILITY RATE SCHEDULE E-18

3. Power Factor

For new or existing customers whose demand is expected to exceed or has exceeded 300 kilowatts for three consecutive months, the City has the option of installing applicable metering to calculate a power factor. The City may remove such metering from the service of a customer whose demand has been below 200 kilowatts for four consecutive months.

When such metering is installed, the monthly electric bill shall include a “power factor penalty”, if applicable. The penalty adjustment shall be applied to a customer’s bill prior to the computation of any primary voltage discount. The power factor penalty is applied by increasing the total energy and demand charges for any month by 0.25 percent (0.25%) for each one percent (1%) that the monthly power factor of the customer’s load was less than 95%.

The monthly power factor is the average power factor based on the ratio of kilowatt hours to kilovolt-ampere hours consumed during the month. Where time-of-day metering is installed, the monthly power factor shall be the power factor coincident with the customer's maximum demand.

4. 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 1/2 percent for available line voltages above 2 kilovolts will be allowed provided 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. The City retains the right to change its line voltage at any time after providing reasonable advance notice to any customer receiving a discount hereunder and affected by such change. 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 kilovolt-ampere size limitation.

{End}

