

CUSTOMER-OWNED GENERATION

UTILITY RATE SCHEDULE E-3

A. APPLICABILITY:

The following rates shall apply to customer-owned power generating facilities that are not eligible for net metering.

B. TERRITORY:

Within the service area of the City of Palo Alto and on land owned or leased by the City.

C. BUYBACK RATES:

The following buyback rates shall apply to the power produced by a City-owned generation facility or a customer-owned qualifying facility on a monthly basis.

1. For facilities not equipped with an interval meter:

Type of Power	Season	kW/month	kWh
Firm	Summer	\$ 4.32	\$.07902
	Winter	4.32	.07831
Non-Firm	Summer	xxxx	.07902
	Winter	xxxx	.07831

2. For facilities equipped with an interval meter:

Type of Power	Season	Time of Day	kW/month	kWh
Firm	Summer	Off Peak	xxxx	\$ 0.07152
	Summer	Mid-Peak	xxxx	0.08824
	Summer	Peak	\$ 4.32	0.09566
	Winter	Off peak	xxxx	0.07361
	Winter	Peak	\$ 4.32	0.08595
Non-Firm	Summer	Off Peak	xxxx	0.07152
	Summer	Mid-Peak	xxxx	0.08824
	Summer	Peak	xxxx	0.09566
	Winter	Off peak	xxxx	0.07361
	Winter	Peak	xxxx	0.08595

CITY OF PALO ALTO UTILITIES

Issued by the City Council



CITY OF PALO ALTO
UTILITIES

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(Continued)

3. Market-Based Buyback Rate:

For facilities with a rated capacity in excess of 1 MW, customer may request a market-based buyback rate. The buyback rate is equal to the City's average cost of electricity calculated at the PG&E City Gate for electric energy and capacity purchased by the City at first of the month and daily market prices for that month. The buyback rates will fall within the minimum/maximum range set forth below.

	<u>Per kW/Month</u>	<u>per kWh</u>
Firm	\$2.00-\$10.00	\$0.03-\$0.20
Non-Firm	xxxxxxxx	\$0.03-\$0.20

D. TRANSMISSION RATES:

Transmission rates are determined site specific on a case by case basis.

E. SPECIAL NOTES:

1. Firm power shall be defined as power that can be exactly interchangeable with the utilities' current resources. Non-firm power shall be defined as that power which is available to the utility on a random basis and no schedule or control shall be available for such power. Such determination shall be made by the utility after reviewing the character of such power generated with respect to reliability, scheduling, availability, terms and conditions, scheduled outages, system emergencies, and other factors which the utility shall deem relevant.
2. Adjustments shall be made to the quantity of power delivered to the utility to account for the effect of losses and for administrative costs associated with the facility.
3. Generation credit, as calculated under the rate above, will be applied to the customer's monthly charge for electric service from the utility. The utility shall provide payment to the customer in the event generation credits are in excess of the monthly charges.
4. All conditions relating to the terms of interconnection and sales shall be covered by a service contract.
5. The utility reserves the right to establish a customer charge in order to recover costs of certain facilities required to serve load for which the utility is standing by. Such charges shall be specified in the service contract with the customer.

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(Continued)

- 6. A qualifying facility is defined as set forth in the Federal Energy Regulatory Commission’s Order Number 69, of Title 18, Code of Federal Regulations, Part 292, Subpart B entitled “Small Power Production and Cogeneration Facilities, Qualifying Status.” This subpart implements Section 201 of the Public Utility Regulatory Policies Act (PURPA).
- 7. Generation facilities shall adhere to Rule and Regulation 27: Generating Facility Interconnections.
- 8. Definition of Time Periods

SUMMER (Service from May 1 to October 31):

Peak:	12:00 noon to 6:00 p.m.	Monday through Friday (except holidays)
Mid Peak:	8:00 a.m. to 12:00 noon 6:00 p.m. to 9:00 p.m.	Monday through Friday (except holidays)
Off-Peak:	9:00 p.m. to 8:00 a.m. All day	Monday through Friday (except holidays) Saturday, Sunday, and holidays

WINTER (Service from November 1 to April 30):

Peak:	8:00 a.m. to 9:00 p.m.	Monday through Friday (except holidays)
Off-Peak:	9:00 p.m. to 8:00 a.m. All day	Monday through Friday (except holidays) Saturday, Sunday, and holidays

HOLIDAYS: “Holidays” for the purposes of this rate schedule are New Years Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day. The dates will be those on which the holidays are legally observed.

SEASONAL RATE CHANGE: When the billing period is partly in the summer period and partly in the winter period, the billing will be computed by prorating the total kWh usage, kW demand, and the applicable rates thereto between the two seasonal periods, according to the ratio of the number of days in each seasonal period to the total number of days in the billing period.

END