ELECTRIC UTILITY RATES

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Schedule 20  General Service – Medium Load.
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Smaller than 100kW.
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SCHEDULE 7—RESIDENTIAL SERVICE.

(1) AVAILABILITY. This schedule is available in all territory served by the District for residential service. To be eligible for residential service, a facility must have no more than two dwelling units on a single meter and all facilities or structures must be related to or intended for human habitation. This schedule is also available for incidental farm service when used in conjunction with such residential service on the same premises. The following rates will be in effect through the dates indicated below, unless amended by the Commission.

(2) TYPE OF SERVICE. Sixty-hertz alternating current. The District reserves the right of final determination of voltage and phase of service.

(3) MONTHLY RATE.

(a) Schedule 7 Customers.

All Energy 9.451 cents per kWh
or 49 cents per day, whichever is greater.

(b) Low-Income Senior Citizens. A “low-income senior citizen” is a person who is 62 years of age or older and whose total combined disposable income, including that of his or her spouse or co-tenant, does not exceed $27,792. The terms “combined disposable income”, “disposable income” and “co-tenant” have the meanings set forth in RCW 84.36.383(4), (5) and (6), as they may be amended, except that the term “assessment year” as used therein shall mean the calendar year preceding that during which the reduced rate is requested. Low-income senior citizens whose completed application has been approved by the District are eligible for the following reduced rates:

All Energy 9.313 cents per kWh
or 49 cents per day, whichever is greater.

Less the following reductions from the bill:

- $ 9,421 combined disposable income 60% reduction
- $ 18,843 combined disposable income 40% reduction
- $ 28,264 combined disposable income 20% reduction

On January 1, 2009 and its anniversaries, the maximum “total combined disposable
income” used in the definition of a “low-income senior citizen”, and the upper and lower “combined disposable income” criteria for the three discount levels shall be adjusted to reflect cost of living adjustments to that year’s Social Security and Supplemental Security Income (SSI) benefits. The annual “Cost-of-Living Adjustment” (“COLA”) to Social Security and Supplemental Security Income (SSI) benefits, a percentage, published by the United States Social Security Administration shall be used to compute these adjustments. The adjusted maximum “total combined disposable income” to be used in the definition of a “low-income senior citizen” shall be computed by increasing or decreasing the maximum amount then in effect by the COLA and rounding the result to the nearest dollar. For each of the “combined disposable income” criteria for the three discount levels, the adjusted upper criterion shall be computed by increasing or decreasing the criterion then in effect by the COLA and rounding the result to the nearest dollar. The adjusted maximum “total combined disposable income” and the adjusted “combined disposable income” criteria shall be effective January 1st of that year.

(c) Other Low Income Citizens. An “Other low income citizen” means a person whose household income does not exceed one hundred twenty-five percent of the federally established poverty level. Other low-income citizens whose completed applications have been approved by the District are eligible for the following reduced rates:

All Energy 9.313 cents per kWh or 49 cents per day, whichever is greater.

Less the following reductions from the bill:

Household income between 0% and 75% of federally established poverty level - 60% reduction
Household income between 76% and 100% of federally established poverty level - 40% reduction
Household income between 101% and 125% of federally established poverty level - 20% reduction

(4) TERMS OF SERVICE. SERVICE UNDER THIS SCHEDULE IS SUBJECT TO THE LIMITATIONS ON LIABILITY AND OTHER TERMS AND CONDITIONS OF SERVICE SPECIFIED IN THE DISTRICT'S ELECTRIC SERVICE REGULATIONS AND RATE SCHEDULE 82.

(5) TAX ADDITIONS. The above rates are subject to proportional increases to compensate for any gross revenue tax imposed by any municipal body or other governmental body having jurisdiction upon the District.

(6) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration (“BPA”) adjusts its wholesale power and transmission rate to the
District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

(7) BPA RESIDENTIAL EXCHANGE BENEFITS. BPA is authorized to offer Residential Exchange benefits to eligible utilities, which benefits must be passed through to the utility’s residential and small farm customers. To the extent the District obtains Residential Exchange benefits in any given BPA rate period, the rates in this Schedule will be adjusted by applying credits that reflect the benefits the District receives.

Effective Date: April 1, 2015

[Res. No. 5708 (2015); History: COLA (2015); COLA (2014); 5639 (2013); 5626 (2013); 5574 (2012); COLA (2013); COLA (2012); 5553 (2011); 5470 (2009); 5450 (2009); 5440 (2009); 5418 (2009); COLA (2009); 5339 (2008); 5067 (2002); 5043 (2002); 5011 (2001); 4973 (2001); 4963 (2000); 4925 (2000); 4861 (1999); 4848 (1999); 4835 (1999); 4774 (1998); 4666 (1997); 4600 (1997); 4532 (1996); 4366 (1995); 4146 (1994); 4010 (1993); 3984 (1993); 3908 (1993); 3826 (1992); 3644 (1991); 3405 (1990); 3386 (1990); 3284 (1989); 3283 (1989); 3281 (1989); 3169 (1988); 3104 (1987); 2969 (1986); 2881 (1985); 2879 (1985); 2806 (1984); 2726 (1983); 2715 (1983); 2704 (1983); 2684 (1983); 2644 (1982); 2528 (1981); 2509 (1981); 2459 (1981); 2445 (1980); 2442 (1980); 2436 (1980); 2426 (1980); 2345 (1979); 2202 (1978); 1996 (1975); 1392 (1966); 1371 (1966); 795 (1957)]
SCHEDULE 20 GENERAL SERVICE - MEDIUM LOAD.

(1) AVAILABILITY; CONTRACT TERM. This schedule (this “Schedule”) is available in all territory served by the District for commercial, industrial, governmental, institutional, agricultural, and multiple residential customers whose actual Billing Demand was at least 100 kW once during the most recent twelve consecutive months, or whose estimated future Billing Demand, as estimated by the District, is at least 100 kW for one or more months during the twelve consecutive months following commencement of service under this schedule, or whose actual energy usage was at least 30,000 kWh per month once during the most recent twelve consecutive months.

The District may, in its sole discretion, require the Customer to execute a contract (the “Customer Contract”) as a condition of receiving service under this Rate Schedule 20 if the Customer receives service from the District at the primary voltage level, where the District has provided special undertakings to the Customer, or in other circumstances where the District judges that a contract may be prudent. Unless otherwise specified in the Customer Contract, such contract will commence on its effective date and will, unless earlier terminated in accordance with the provisions of the Customer Contract, continue until such time as the Customer no longer receives service under this Rate Schedule or the Customer Contract is terminated by mutual agreement of the District and the Customer.

This schedule is not available for stand-by service, partial requirements service or service to seasonally disconnected loads with the exception of that portion of a load participating in the District’s Net Metering Program. The portion of a customer’s load participating in the District’s Net Metering Program, defined as the nameplate capacity of the electric generator identified in the customer’s Net Metering Agreement with the District, shall be eligible for service under this schedule.

This schedule does not apply to a “New Large Single Load” as defined in Rate Schedule 37. Such loads shall be served under Rate Schedule 37 - New Large Single Loads.

Service under this Schedule is subject to the terms and conditions of this Schedule, Rate Schedule 82, the Customer Contract and the District’s Electric Service Regulations. All capitalized terms used but not defined herein will have the respective meaning set forth in the Customer Contract or the other Customer Service Documents.

(2) TYPE OF SERVICE. Service is sixty Hertz alternating current delivered to
one Point of Delivery. The District reserves the right of final determination of voltage and phase of service. Where mutually agreeable to the customer and the District, and at the option of the District, as indicated in Section 3.5 of the Customer Contract, service may be metered on the primary side of the distribution transformer.

(3) **RATE.** The monthly charges shall be the greater of: (i) the Regular Charge or, (ii) the Minimum Charge:

(i). **Regular Charge.** The Regular Charge is the sum of the

- Customer Charge: 34 cents per day,

plus

- Monthly Demand Charge:

<table>
<thead>
<tr>
<th>Demand</th>
<th>First 100 kW per month of Billing Demand</th>
<th>All kW over 100 kW per month of Billing Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>January through December</td>
<td>$0 per kW - month</td>
<td>$4.30 per kW - month</td>
</tr>
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</table>

plus

- Monthly Energy Charge:

<table>
<thead>
<tr>
<th>Energy</th>
<th>First 30,000 kWh per month</th>
<th>All kWh over 30,000 kWh per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Energy</td>
<td>8.36 cents per kWh</td>
<td>6.57 cents per kWh</td>
</tr>
</tbody>
</table>

(ii) **Minimum Charge.** The Minimum Charge shall be 51 cents per day plus 2.280 cents per kW per day for all connected load in excess of 10 kW.

(iii) **Tax Additions.** The above rates are subject to proportional increases to compensate for any gross revenue tax imposed by any municipal body or other governmental body having jurisdiction upon the District or to adjust for any other taxes as specified in Section 7 of Rate Schedule 82.
(4) LIMITATIONS OF LIABILITY, ADJUSTMENTS, AND ADDITIONAL TERMS OF SERVICE. SERVICE UNDER THIS RATE SCHEDULE IS SUBJECT TO THE TERMS, CONDITIONS, LIMITATIONS OF LIABILITY, AND ADJUSTMENTS TO RATES AND BILLING DEMANDS SET FORTH IN RATE SCHEDULE 82 – ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY.

(5) TRANSFER TO OTHER RATE SCHEDULES. A customer receiving service under this rate schedule whose electric power usage falls below the usage criteria in Section (1) above shall be transferred to another Rate Schedule for which it qualifies as soon as is practical. Upon the expiration of the Term or earlier termination of any of the Customer Service Documents for any reason, the Customer shall, if it requires continued electric service, commence taking service under the then-applicable retail tariff prescribed by the District for firm service to customers in its class; provided, however, that any such service shall be subject to availability.

(6) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration ("BPA") adjusts its wholesale power and transmission rates to the District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

Effective Date: April 1, 2015.
SCHEDULE 23—SPECIAL CONTINUOUS SERVICE.

(1) AVAILABILITY. This schedule is available in all territory served by the District for nonmetered service to television cable amplifiers, air traffic warning lights, and other such applications where metering is deemed impractical by the District.

This schedule requires that customer-owned, fixed load equipment be installed on existing District-owned distribution facilities.

(2) TYPE OF SERVICE. Sixty hertz alternating current. The District reserves the right of final determination of voltage and phase of service.

(3) RATE. The monthly billing shall be the sum of the Customer Charge and Energy Charge.

Customer Charge: 26 cents per day

Energy Charge: 8.33 cents per kWh

Energy use shall be computed by the following formula:

\[
\text{Equipment wattage rating x hours of operation} = \text{kWh} \div 1000
\]

(4) ADJUSTMENTS, LIMITATIONS OF LIABILITY, AND ADDITIONAL TERMS OF SERVICE. SERVICE UNDER THIS SCHEDULE IS SUBJECT TO THE LIMITATIONS ON LIABILITY AND OTHER TERMS AND CONDITIONS OF SERVICE DEFINED IN THE DISTRICT’S ELECTRIC SERVICE REGULATIONS AND RATE SCHEDULE 82—ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY.

(5) TAX ADDITIONS. The above rates are subject to proportional increases to compensate for any gross revenue tax imposed by any municipal body or other governmental body having jurisdiction upon the District.

(6) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration ("BPA") adjusts its wholesale power and transmission rate to the District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate
changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

Effective Date: April 1, 2015.
SCHEDULE 24—TIME OF USE GENERAL SERVICE.

(1) AVAILABILITY. This schedule is designed for non-residential customers who can significantly shift their loads throughout the day. Customers must have an average typical monthly load demand exceeding 500 kW.

(2) TYPE OF SERVICE. Sixty hertz alternating current. The District reserves the right of final determination of voltage and phase of service. Where mutually advantageous to the customer and the District, and at the option of the District, service may be metered on the primary side of the District’s transformers.

(3) RATE. The monthly billing shall be the greater of: (i) the sum of the Customer Charge, Demand Charge and Energy Charge; or, (ii) the Minimum Charge described in (4) below.

Customer Charge: 34 cents per day

Demand Charge:

<table>
<thead>
<tr>
<th>Demand</th>
<th>Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 100 kW per month of billing demand</td>
<td>All kW over 100 kW per month of billing demand</td>
</tr>
<tr>
<td>January through December $0</td>
<td>$7.53 per kW of maximum monthly demand established during the hours from 7 a.m. to 11 a.m. standard or daylight time as applicable, Monday through Saturday. All other hours, no demand charge.</td>
</tr>
</tbody>
</table>

Energy Charge:

<table>
<thead>
<tr>
<th>Energy</th>
<th>Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 30,000 kWh per month</td>
<td>All kWh over 30,000 kWh per month</td>
</tr>
<tr>
<td>All Energy</td>
<td>8.48 cents per kWh</td>
</tr>
<tr>
<td></td>
<td>6.72 cents per kWh</td>
</tr>
</tbody>
</table>

(4) MINIMUM CHARGE.

The Minimum Charge shall be 51 cents per day plus 2.280 cents per kW per day for all connected load in excess of 10 kW.

(5) ADJUSTMENTS, LIMITATIONS OF LIABILITY, AND ADDITIONAL TERMS OF SERVICE. SERVICE UNDER THIS SCHEDULE IS SUBJECT TO THE LIMITATIONS ON LIABILITY AND OTHER TERMS AND CONDITIONS OF
SERVICE DEFINED IN THE DISTRICT'S ELECTRIC SERVICE REGULATIONS AND RATE SCHEDULE 82 -- ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY. THE ABOVE RATES AND BILLING DEMANDS ARE SUBJECT TO RATE SCHEDULE 82 - ADJUSTMENTS.

(6) TAX ADDITIONS. The above rates are subject to proportional increases to compensate for any gross revenue tax imposed by any municipal body or other governmental body having jurisdiction upon the District.

(7) SURCHARGE. If a customer qualifies and elects to be served under a different District rate schedule after having been served under this Rate Schedule 24, and elects to later be served again under this Rate Schedule 24, then: The customer must first pay a surcharge to the District equal to the monthly demand charge under the schedule or schedules the customer is transferring from for each month since the customer was last served under Rate Schedule 24.

(8) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration ("BPA") adjusts its wholesale power and transmission rate to the District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

Effective Date: April 1, 2015.

[Res. No. 5708 (2015); History: 5639 (2013); 5626 (2013); 5574 (2012); 5553 (2011); 5470 (2009); 5450 (2009); 5440 (2009); 5418 (2009); 5043 (2002); 5011 (2001); 4963 (2000); 4848 (1999); 4835 (1999); 4600 (1997); 4138 (1994); 4089 (1994)]
SCHEDULE 25   GENERAL SERVICE - SMALL LOAD.

(1) AVAILABILITY. This schedule is available in all territory served by the District for commercial, industrial, governmental, institutional, agricultural, and multiple residential customers.

This schedule is not available for stand-by service, partial requirements service or service to seasonally disconnected loads with the exception of that portion of a load participating in the District’s Net Metering Program, such portion of load being eligible for service under this schedule. The portion of a customer’s load participating in the District’s Net Metering Program is defined as the nameplate capacity of the electric generator identified in the customer’s Net Metering Agreement with the District.

This rate schedule does not apply to a “New Large Single Load” as defined in Rate Schedule 37. Such loads shall be served by Rate Schedule 37 - New Large Single Loads.

(2) TYPE OF SERVICE. Service is sixty Hertz alternating current delivered to one point of delivery. The District reserves the right of final determination of voltage and phase of service. Where mutually advantageous to the customer and the District, and at the option of the District, service may be metered on the primary side of the District's transformers.

(3) RATE. The monthly charges shall be the greater of: (i) the Regular Charge; or, (ii) the Minimum Charge.

(i) Regular Charge. The Regular Charge is the sum of the:

- Customer Charge:  34 cents per day,

plus

- Monthly Energy Charge:

\[
\begin{align*}
\text{All kWh per month} & \quad 8.38\text{ cents per kWh} \\
\text{All Energy} & \\
\end{align*}
\]

(ii) Minimum Charge. The Minimum Charge shall be 51 cents per day plus
2.280 cents per kW per day for all connected load in excess of 10 kW.

(4) ADJUSTMENTS, LIMITATIONS OF LIABILITY, AND ADDITIONAL TERMS OF SERVICE. SERVICE UNDER THIS SCHEDULE IS SUBJECT TO THE LIMITATIONS ON LIABILITY AND OTHER TERMS AND CONDITIONS OF SERVICE DEFINED IN THE DISTRICT'S ELECTRIC SERVICE REGULATIONS AND RATE SCHEDULE 82 -- ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY. THE ABOVE RATES MAY BE SUBJECT TO ADJUSTMENT AS SPECIFIED IN RATE SCHEDULE 82-- ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY.

(5) TAX ADDITIONS. The above rates are subject to proportional increases to compensate for any gross revenue tax imposed by any municipal body or other governmental body having jurisdiction upon the District.

(8) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration ("BPA") adjusts its wholesale power and transmission rate to the District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

Effective Date: April 1, 2015.

[Res. No. 5708 (2015); History: 5639 (2013); 5626 (2013); 5574 (2012); 5553 (2011); 5470 (2009); 5450 (2009); 5440 (2009); 5418 (2009); 5043 (2002); 5023 (2001)]
SCHEDULE 36—LARGE PRIMARY SERVICE.

(1) APPLICABILITY; CONTRACT TERM. This schedule (this “Schedule”) is available in all territory served by the District for unregulated service to loads with demands exceeding 5,000 kW, upon execution of a primary service contract between the District and the Customer (the “Customer Contract”). The term of each Customer Contract will commence on the effective date of such contract and will, unless earlier terminated in accordance with the provisions of this Schedule or under the terms of the Customer Contract, continue until such time as such Customer Contract is terminated by mutual agreement of the District and the Customer (such term, including any extensions and renewals thereof, the “Term”).

Service under this Schedule is subject to the terms and conditions of this Schedule, Rate Schedule 82, the Customer Contract and the District’s Electric Service Regulations (collectively, the “Customer Service Documents”). All capitalized terms used but not defined herein will have the respective meaning set forth in the Customer Contract or the other Customer Service Documents.

This Schedule does not apply to a “New Large Single Load” as defined in Rate Schedule 37. Such loads will be served by Rate Schedule 37 – New Large Single Loads.

(2) TYPE OF SERVICE. Three phase, sixty-hertz alternating current at the primary voltage available.

(3) RATE.

Demand Charge:

Demand:
January through December $3.31 per kW of monthly billing demand

Energy Charge:

Energy:
All Energy 5.47 cents per kWh

(4) MINIMUM CHARGE. The monthly minimum will be the minimum charge contracted for, but in no case less than $8,021.

(5) BILLING DEMAND. The monthly billing demand is subject to adjustment in accordance with Schedule 82, and will be:
(A) The maximum sixty-minute demand established during the hours from 7 a.m. to 10 p.m. Pacific standard or daylight time as applicable, Monday through Saturday.

(B) All other hours – no demand charge.

(6) ADJUSTMENTS, LIMITATIONS OF LIABILITY, AND ADDITIONAL TERMS OF SERVICE. SERVICE UNDER THIS RATE SCHEDULE IS SUBJECT TO THE TERMS, CONDITIONS, LIMITATIONS OF LIABILITY, AND ADJUSTMENTS TO RATES AND BILLING DEMANDS SET FORTH IN RATE SCHEDULE 82 – ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY.

(7) TRANSFER TO OTHER RATE SCHEDULES. A customer receiving service under this rate schedule whose electric power usage falls below the usage criteria in Section (1) above shall be transferred to another Rate Schedule for which it qualifies as soon as is practical. Upon the expiration of the Term or earlier termination of any of the Customer Service Documents for any reason, the Customer shall, if it requires continued electric service, commence taking service under the then-applicable retail tariff prescribed by the District for firm service to customers in its class; provided, however, that any such service shall be subject to availability.

(8) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration ("BPA") adjusts its wholesale power and transmission rates to the District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

Effective Date: April 1, 2015.
SCHEDULE 38 ---- LARGE 115 kV SERVICE.

(1) AVAILABILITY. This schedule is available in all territory served by the District for physically unregulated service to loads with demands exceeding 5,000 kW, upon execution of a contract for a term of not less than 5 years.

This rate schedule does not apply to a “New Large Single Load” as defined in Rate Schedule 37. Such loads shall be served by Rate Schedule 37 - New Large Single Loads.

(2) TYPE OF SERVICE. Three phase, sixty-hertz alternating current at 115 kilovolts.

(3) RATE. The monthly billing shall be the greater of: (i) the sum of the Demand Charge and Energy Charge; or, (ii) the Minimum Charge described in (4) below.

Demand Charge:

- January through December: $3.00 per kW of monthly billing demand

Energy Charge:

- All Energy: 5.42 cents per kWh

(4) MINIMUM CHARGE. The monthly minimum shall be the minimum charge contracted for, but in no case less than $5,754.

(5) BILLING DEMAND. The monthly billing demand is subject to adjustment in accordance with Schedule 82, and shall be:

(a) The maximum sixty-minute demand established during the hours from 7 a.m. to 10 p.m. standard or daylight time as applicable, Monday through Saturday.

(b) All other hours - no demand charge.

(6) ADJUSTMENTS, LIMITATIONS OF LIABILITY, AND ADDITIONAL TERMS OF SERVICE. SERVICE UNDER THIS RATE SCHEDULE IS SUBJECT TO THE TERMS, CONDITIONS, AND LIMITATIONS OF LIABILITY, SET FORTH IN THE
DISTRICT’S ELECTRIC SERVICE REGULATIONS AND RATE SCHEDULE 82 – ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY. THE ABOVE RATES AND BILLING DEMANDS ARE SUBJECT TO RATE SCHEDULE 82 – ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY.

(7) TAX ADDITIONS. The above rates are subject to proportional increases to compensate for any gross revenue tax imposed by any municipal body or other governmental body having jurisdiction upon the District.

(8) BPA COST ADJUSTMENT. From time to time the Bonneville Power Administration ("BPA") adjusts its wholesale power and transmission rate to the District. At the discretion of the Commission, the rates in this Schedule may be adjusted to reflect BPA rate adjustments, either up or down, on the same date the BPA rate changes become effective. The adjusted rate will be developed by incorporating the BPA cost change into the Electric Cost of Service Model and rate design policies adopted by the Commission in the most recent rate proceeding.

Effective Date: April 1, 2015.

[Res. No. 5708 (2015); History: 5639 (2013); 5626 (2013); 5574 (2012); 5553 (2011); 5470 (2009); 5450 (2009); 5440 (2009); 5418 (2009); 5345 (2008)]
SCHEDULE 80 RENEWABLE ENERGY PROGRAM (“GREEN BLOCKS”)

(1) Availability. This schedule is available in all territory served by the District for all non-residential customers.

(2) Renewable Energy Resources. This schedule is one of two optional rate schedules\(^1\) that provide customers with the voluntary option to purchase Qualified Alternative Energy Resources, as required by R.C.W. Chapter 19.29A. A Qualified Alternative Energy Resource includes any energy production facility powered by renewable technology such as wind, solar, biomass, geothermal, landfill gas, gas produced from wastewater treatment, wave action, low-impact hydro, or other renewable technologies generally accepted by the Northwest environmental community and meeting the definition of “Qualified Alternative Energy Resource” in R.C.W. § 19.29A.090(3).

Service under this schedule is provided through Renewable Energy Credits obtained by the District either through its own supply of Renewable Energy Credits or through a clearinghouse or other system which secures the verifiable evidence that a third party has produced electricity from a Qualified Alternative Energy Resource and that such third party agrees to transfer credit from such production exclusively to the District.

The purchasing customer shall have the right to claim the associated Renewable Energy Credits to the extent allowed under applicable law. A purchasing customer may not resell or otherwise transfer the Renewable Energy Credits to any other party for any purpose.

(3) Enrollment. Any non-residential customer may purchase Green Blocks from the District in one of the ways described in the District’s current customer service information. Charges for Green Blocks will be included as a separate charge on the customer’s bill and shall start immediately upon the customer’s request to purchase them.

The District will transfer a Customer’s recurring Green Blocks enrollment when a customer moves within the territory served by the District; however, a Customer may discontinue service under this schedule at any time.

\(^1\) Schedule 81 is the other optional rate schedule that provides the customer with the voluntary option to purchase Qualified Alternative Energy Resources.
(4) **Rate.** One Green Block consists of the environmental credits associated with 1000 kWh of electrical energy generated by Qualified Alternative Energy Resource. An unlimited number of Green Blocks can be purchased at a cost of $3.00 per month each. For the first billing cycle that the customer is on the program, the charges will be prorated to reflect the amount of time the customer received service under this schedule. Subsequently, the monthly charge will be the same every month and will continue until the customer cancels participation in the program, requests a change in the number of Green Blocks requested, or leaves the District. If any of these circumstances should occur, charges will be prorated to reflect the amount of time the customer received service under this schedule.

Alternatively, any non-residential customer may make a one-time purchase of Green Blocks. Under this option, a minimum of 5 Green Blocks must be purchased but above that, purchase of partial Green Blocks is allowed; the one-time charge will occur on one bill.

(5) **General Provisions.** Base rates and other terms of electric service shall be governed by the Rate Schedule under which the customer takes ordinary services. This Rate Schedule does not provide electric service or electric power. Charges specified under this Rate Schedule are in addition to the charges specified in the Rate Schedule under which the customer takes its basic electricity service.

The Billing provisions of the District’s Customer Service Regulations apply with the following modifications.

A. If the customer remits a partial payment, that payment shall first be applied to all other charges due the District with any residual payment amount applied to charges for Green Blocks.

B. If a customer does not pay for their Green Blocks charges, the District shall immediately discontinue selling Green Blocks to that customer.

Effective Date: July 1, 2013

[Res. No. 5631 (2013); History: 5387 (2008); 5019 (2001)]
SCHEDULE 82—ADJUSTMENTS, TERMS AND CONDITIONS OF SERVICE, AND LIMITATIONS OF LIABILITY.

(1) APPLICABILITY. This schedule shall apply to other District rate schedules as described below.

(2) POWER FACTOR ADJUSTMENT. This adjustment shall apply, at the District's option, to all rate schedules with demand charge provisions. The measured demand shall be increased by one percentage point for each one hundredth (0.01) of a unit by which the average power factor is less than 0.97.

The formula for determining average power factor is as follows:

\[
\text{Average Power Factor} = \frac{\text{kWh Divided By } \sqrt{(\text{kWh})^2 + (\text{Reactive Kilovolt Ampere Hours})^2}}
\]

(Note: kWh = Kilowatt Hours)

The meter for measurement of Reactive Kilovolt Ampere hours will be ratcheted to prevent reverse registration. The billing demand shall be the measured demand as adjusted by this power factor adjustment.

(3) PRIMARY OWNERSHIP DISCOUNT. Customers on Rate Schedule 20 - General Service – Medium Load, Rate Schedule 24 – Time of Use General Service, and Rate Schedule 25 – General Service – Small Load who receive service at the District's primary voltage level, own or lease, and maintain the distribution system (transformers may be leased) beyond the District's point of delivery, and enter into an agreement with the District, may receive a five percent primary ownership discount on their total bill.

(4) REDUNDANT DISTRIBUTION CAPACITY. Customers who receive service under Rate Schedule 20 - General Service – Medium Load, Rate Schedule 24 – Time of Use General Service, and Rate Schedule 25 – General Service – Small Load and who enter into an agreement with the District may obtain redundant distribution capacity to serve their connected load. Redundant distribution capacity is a delivery service that provides capacity from an alternate path for delivery of electrical power. Redundant distribution capacity does not provide standby electrical power to backup customer-owned generation or other electrical power not provided by the District. It also does not guarantee uninterrupted electrical service. The District may provide such redundant distribution capacity if in the District’s sole judgment such capacity can be reserved for the requesting customer without adversely impacting other customers,
system operations, system reliability and safety.

The following monthly rates apply:

- Redundant Distribution Capacity Delivered at Secondary Voltage  
  $1.23 per kW Connected Load per month.

- Redundant Distribution Capacity Delivered at Primary Voltage  
  $1.18 per kW Connected Load per month.

In addition, a customer requesting this service may also be subject to charges under the District’s Line Extension Policy and be required to reimburse the District for other costs incurred in establishing the requested redundant distribution capacity.

(5) **HAT ISLAND SUBMARINE CABLE CHARGE.** Hat Island is an island currently served by the District through a 3-mile long submarine cable. In order to partially fund a reserve account for submarine cable replacement, Hat Island customers will be charged:

- A flat fee of $0.63 per day

Beginning January 1, 2014, and on that date’s anniversaries, by administrative action the Hat Island cable replacement charge will be escalated by 3% to account for expected inflation in submarine cable construction costs. The charge will be reviewed periodically to account for changes in the number of electric customers served on Hat Island. This charge is in addition to all other charges on each Hat Island customer’s current rate schedule. Minimum bill customers will pay the minimum bill plus the cable charge. The charge cannot be reduced by customer discounts, BPA Residential Exchange Credits or net metering credits.

(6) **TERMS AND CONDITIONS OF SERVICE; LIMITATIONS OF LIABILITY**

(A) **PAYMENTS.**

(i) **Invoices.** Promptly after the end of each calendar month during the Term, or, at the District’s option, at the end of every other calendar month, the District will submit to the Customer an invoice for the amount due, at the applicable Rates, including applicable taxes and Penalty Amounts, from the Customer to the District for the Electric Power delivered to the Customer during such month, or the most recent period for which meter data is available, as computed from meter readings recorded by the District. Each such invoice will set forth the amount of Electric Power delivered in
the applicable month, the Rate or Rates applicable thereto, and the amount due. The invoice shall be delivered to the address set forth in Notices provision of the Customer Contract, if any, or to the address specified in the Customer’s account with the District.

(ii) Payment of Invoice Amounts. The amounts due under any invoice of the District will be paid by the Customer, in accordance with the provisions of the Customer Service Documents, within 25 days after the date of receipt of such invoice. Any such amounts remaining unpaid after the expiration of such period will bear interest, from the 26th day after receipt of the applicable invoice until paid in full to the District, at a rate equal to the lesser of (i) 125 percent of the then-current prime rate of at least 75 percent of the 30 largest banks in the United States, as published in The Wall Street Journal, or (ii) the highest rate allowed by law. The Customer will not be entitled, for any reason whatsoever, to withhold payment of all or any portion of the amount due under any invoice of the District. In the event that the Customer disputes all or any portion of any invoice of the District, the Customer will nonetheless pay the entire amount due under such invoice on or before the applicable payment due date, and any amount which may subsequently be determined (whether by agreement or otherwise) not to have been properly due from the Customer will promptly thereafter be refunded by the District to the Customer, with interest thereon at the rate provided above from the date on which such amount was paid by the Customer until the date of such refund.

(iii) District Account. Payment by the Customer of the amount due under any invoice of the District will be made by electronic funds transfer, Customer check, or other means acceptable to the District, sent by first-class mail to such account as is designated by the District in accordance with the notice provisions of the Customer Contract, if any, or sent by first-class mail or delivered by hand to the address specified in the District’s invoice. The District may change such account from time to time and at any time by appropriate notice to the Customer.

(iv) Special Undertakings by the District. In the event that, for the purpose of providing requested service to the Customer, the District, with the prior approval of the Customer, enters into any separate or special obligation or undertaking on behalf of the Customer, including any special conditions of service set forth in the Customer Contract, the District and the Customer will agree on the amount of any separate rates, charges or contributions which may be payable by the Customer for or in connection therewith prior to initiation of service by the District.

(B) FACILITIES AND EQUIPMENT.

(i) Ownership and Control of Facilities. The District will install, own, maintain and control all equipment and facilities for the distribution and delivery of Electric Power to the Customer, including but not limited to the metering equipment
and facilities, that is located on the District side of the Point of Delivery (the “District’s Facilities”), and the Customer will install, maintain and control all electrical equipment and facilities owned or controlled by the Customer on the Customer side of the Point of Delivery (“Customer’s Facilities”).

(ii) Maintenance of the Customer’s Facilities. The Customer shall maintain the Customer’s Facilities in proper and safe working order, and in compliance with any and all applicable national, state and local electrical codes and standards. The District will, upon reasonable advance notice to the Customer, and subject to the Customer’s safety and security rules and regulations, be entitled to inspect all or any portion of the Customer’s Facilities at any time and from time to time during the Term; provided, however, that, without in any way limiting the foregoing, the Customer acknowledges and agrees that the District will not at any time have any obligation to inspect the Customer’s Facilities (or any portion thereof). Any inspection by the District will be for the limited purpose of determining that the Customer’s Facilities are compatible with the District’s Facilities and will not be made to determine whether the Customer’s Facilities are installed and/or being operated as required by law, specifically including any electrical, safety or building code. Inspection by the District will not establish or imply any duty on the part of the District to discover or report any code violations or the existence of hazards of any nature.

(iii) Customer Impairment of District Service. The Customer agrees to operate the Customer’s Facilities in such a manner as not to impair the electric service rendered by the District to any other customers of the District. In the event that the District reasonably determines that the Customer’s use of its electric equipment and facilities in any manner impairs the District’s electric service to any other customers of the District, the Customer will promptly after notice thereof from the District take such measures as are necessary to remedy such impairment, including but not limited to the installation of proper corrective apparatus.

(iv) District Disconnect Rights. In the event that, in the judgment of the District, any violation by the Customer of Sections (5)(B)(ii-iii) of this Schedule 82 or any other provision of the Customer Service Documents creates an emergency condition that threatens any person or property, including but not limited to the integrity of the District’s electrical distribution system or any of the District’s Facilities, or impairs the District’s electric service to any other customers of the District, the District may, at its sole option, without any liability whatsoever to the Customer or any other person and without waiving any other right which it may have under the Customer Contract or applicable law, disconnect electrical service to the Customer’s Premises until such condition has been remedied to the satisfaction of the District.

(v) No Dedication of Facilities. No undertaking by the Customer or
the District under or pursuant to any provision of the Customer Service Documents will constitute or be deemed to constitute a dedication of all or any portion of the electrical system of either the District or the Customer to the other or to the public.

(C) DISTRICT ACCESS AND EASEMENT RIGHTS. The Customer shall grant to the District any and all easements, entry and access rights and rights of way, including but not limited to any and all utility easements, which the District may deem necessary or appropriate for the transmission and delivery of electricity to the Point of Delivery, and for the purposes of installation, repair, inspection, maintenance, removal or improvement of the District’s Facilities for service to Customer’s Premises. The Customer agrees to provide suitable space and facilities at the Customer’s Premises for the installation of the District’s electricity meters and associated equipment, and hereby grants to the District all rights of access to and entry upon the Customer’s property which the District may deem necessary or appropriate for purposes of reading, inspection, maintenance, repair or removal of such meters and associated equipment. Upon the expiration or termination of the service for any reason, the District will be entitled to remove any and all of the District’s Facilities from the Customer’s Premises. The Customer agrees to prepare, execute, acknowledge and record any and all instruments and agreements, including grants of easements, which the District may deem necessary or appropriate to confirm and better assure provisions of this section.

(D) FORCE MAJEURE.

(i) Suspension of Obligations. Neither Party will be liable to the other for, or be considered to be in breach of or in default under the Customer Service Documents because of, any failure or delay in performance by such Party under the Customer Service Documents to the extent such failure or delay is caused by or results from any cause or condition which is beyond such Party’s reasonable control, or which such Party is unable to prevent or overcome by exercise of reasonable diligence (any such cause or condition, a “Force Majeure”), including but not limited to: failure or threat of failure of facilities or equipment; fire, lightning, flood, earthquake, volcanic activity, wind, drought, storm and other natural disasters or acts of the elements; court order and act, of civil, military or governmental authority; strike, lockout and other labor dispute; epidemic, riot, insurrection, sabotage, cyber-attack, war and other civil disturbance or disobedience; labor or material shortage; failure of supply to the District of Electric Power which the District intended to use in its service to the Customer; and electric disturbance originating in, transmitted through, or otherwise affecting the District’s electric facilities or any electric facilities with which the District’s facilities are interconnected.

(ii) Notice; Required Efforts to Resume Performance. Except where the District is responding to an outage caused by a storm, accident, or electrical disturbance...
or disruption, any Party claiming Force Majeure will give the other Party maximum practicable advance notice of any failure or delay resulting from a Force Majeure, and will use its reasonable best efforts to overcome the Force Majeure and to resume performance as soon as possible; provided, however, that nothing in the Customer Service Documents will be construed to require either Party to settle any strike or labor dispute in which it may be involved.

(iii) No Excuse of Payment Obligations. Notwithstanding any other provision of the Customer Service Documents, in no event will a Force Majeure excuse a Party’s failure or delay to pay any amounts due and owing to the other Party under or pursuant to the Customer Service Documents.

(E) SERVICE INTERRUPTIONS AND SUSPENSIONS.

(i) Customer Responsible for Protective Equipment. The District will use reasonable diligence to provide uninterrupted service to the Customer. However, the Customer will be responsible for installing any and all electrical protection equipment, such as back-up generators, surge protection devices, fusing, circuit breakers, relay protection controls and single phase protection (including but not limited to suitable protective apparatus on all motor installations to protect against single phasing of three-phase motors), that may be necessary or appropriate to prevent damage from reasonably foreseeable potential electrical disturbances such as reduced voltage, loss of service, over voltage, loss of phase wire and short circuit faults.

(ii) Notwithstanding any other provision of the Customer Service Documents, neither the District nor any electric utility or federal power marketing agency with which the District is interconnected will be in breach of or default under the Customer Service Documents, or have any responsibility or liability whatsoever to the Customer or any other person under the Customer Service Documents or otherwise, for or in connection with any service interruption, suspension, curtailment or fluctuation or disturbance of electric energy originating outside and passing through the electrical system of the District, whatever the cause, or any service interruption, suspension, curtailment or fluctuation or disturbance of electric energy originating inside the electrical system of the District caused by or resulting from any cause other than the gross negligence or willful misconduct of the District. The Customer hereby waives, and releases the District and its Commissioners, officers, employees and agents and each of the heirs, personal representatives, successors and assigns of any of the foregoing from, any and all liabilities, losses, claims, damages, costs, expenses, demands, fines, judgments and penalties in any manner caused by, resulting from or arising out of or in connection with any service interruption, suspension, curtailment or fluctuation or disturbance of electrical energy originating in, or passing through, or in parallel with, or intended for delivery to, the electrical system of the District, except to
the extent (and only to the extent) that such interruption, suspension, curtailment, fluctuation or disturbance originated inside the electrical system of the District and was caused by the gross negligence or willful misconduct of the District. Notwithstanding any other provision of the Customer Service Documents, in no event will the liability of the District or its Commissioners, officers, employees and agents or any of the heirs, personal representatives, successors and assigns of any of the foregoing for any interruption, suspension, curtailment, fluctuation or disturbance originating inside the electrical system of the District and caused by the gross negligence or willful misconduct of the District exceed, in the aggregate, the aggregate amount paid by the Customer to the District for and with respect to Electric Power purchased from the District under the Customer Contract during the six months immediately preceding such interruption, suspension, curtailment, fluctuation or disturbance. Without in any way limiting the foregoing, in the event that any service interruption, suspension, curtailment or fluctuation or disturbance of electric energy extends for a period in excess of 24 continuous hours, the District will reduce the Minimum Charge for such month on a pro rata basis in proportion to the length of such service interruption, suspension, curtailment or fluctuation or disturbance of electric energy.

(iii) Emergency Interruptions. The District will have the right, at any time during the Term, without any liability whatsoever to the Customer or any other person, to interrupt, suspend or curtail service to the Customer in the event that the District determines that a failure to do so may endanger any person or property, or is otherwise contrary to prudent utility practice as such term is used in the electric utility industry at the time of such interruption, suspension or curtailment. The District will give the Customer the maximum practicable advance notice of any such action, and will resume service to the Customer as soon as possible after the condition giving rise to the endangerment to person or property or the violation of prudent utility practice, as applicable, is resolved.

(F) INDEMNIFICATION.

(i) Indemnification by Customer. Except as otherwise provided in the Customer Service Documents, the Customer hereby indemnifies and agrees to hold harmless and release the District and each and all of its Commissioners, officers, employees and agents and each of the heirs, personal representatives, successors and assigns of any of the foregoing from and against any and all liabilities, losses, claims, damages, costs, demands, fines, judgments and penalties, together with reasonable attorneys’ fees and out-of-pocket expenses incurred in connection with any of the foregoing (“Covered Liabilities”) caused by, resulting from, or arising out of or in connection with (i) any of the Customer’s Facilities or any other facilities or equipment of the Customer, (ii) any negligence or intentional misconduct of the Customer or any of its officers, employees, agents, contractors or subcontractors, or (iii) any failure of the
Customer duly to perform or observe any term, provision, covenant, agreement or condition hereunder to be performed or observed by or on behalf of the Customer. In any and all claims against the District by any employee of the Customer, the indemnification and hold harmless obligation herein will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Customer under workers compensation acts, disability benefit acts, or other employee benefit acts; and the Customer hereby specifically and expressly waives the immunity of the Customer under such acts; provided, however, that the Customer’s waiver of immunity by the provisions of this section extends only to claims against the District by or on behalf of the an employee of the Customer, and does not include, or extend to, any claims by the Customer’s employees directly against the Customer.

(ii) Indemnification by District. Except as otherwise provided in the Customer Service Documents, the District hereby indemnifies and agrees to hold harmless and release the Customer and its directors, officers, employees and agents and each of the heirs, personal representatives, successors and assigns of any of the foregoing from and against any and all Covered Liabilities caused by, resulting from, or arising out of or in connection with (i) any of the District’s Facilities, (ii) any negligence or intentional misconduct of the District or any of its officers, employees, agents, contractors or subcontractors, or (iii) any failure of the District duly to perform or observe any term, provision, covenant, agreement or condition hereunder to be performed or observed by or on behalf of the District. In any and all claims against the Customer by any employee of the District, the indemnification and hold harmless obligation herein will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the District under workers compensation acts, disability benefit acts, or other employee benefit acts; and the District hereby specifically and expressly waives the immunity of the District under such acts; provided, however, that the District’s waiver of immunity by the provisions of this section extends only to claims against the Customer by or on behalf of employees of the District, and does not include, or extend to, any claims by the District’s employees directly against the District.

(G) LIMITATION ON LIABILITY.

Notwithstanding any other provision of the Customer Service Documents, neither the Customer nor the District will be liable under or pursuant to the Customer Service Documents for indirect, incidental, special, exemplary, punitive or consequential damages, including but not limited to damages for lost profits, revenues or benefits, loss of use of property, cost of capital, cost of purchased or replacement power or (except only as and to the extent otherwise expressly provided in a Customer Contract) claims for service interruption, even if such Party has been advised of the possibility or existence of such damages.
(H) DEFAULT AND TERMINATION.

(i) Default by the Customer. If any of the following events will occur:

(a) Material breach or material default by the Customer in the performance of any term, condition, covenant or agreement of the Customer Service Documents to be performed by the Customer, which breach or default: (i) if reasonably capable of being cured within 30 days, is not cured within 30 days after notice to the Customer from the District; or (ii) if not so capable of being cured within such 30-day period, the Customer does not commence to cure within such 30-day period or does not diligently proceed thereafter to cure with reasonable promptness; or

(b) A repeated failure or refusal by the Customer to perform, substantially in accordance with the Customer Service Documents, any or all of its obligations under the Customer Service Documents, thereby committing a material breach which substantially impairs the value of the Customer Contract to the District, which failure or refusal recurs after notice to the Customer from the District that such material breach will, if repeated, constitute a default entitling the District to terminate the Customer Contract; or

(c) The institution against the Customer of any proceeding seeking to adjudicate the Customer as a bankrupt or insolvent, or the making by the Customer of a general assignment for the benefit of its creditors, or the appointment of a receiver on account of the insolvency of the Customer, or the filing by or against the Customer of a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, composition, or readjustment of debts and, in the case of any such proceeding instituted against (but not by) the Customer, such proceeding is not dismissed within 60 days after such filing and notice to the Customer from the District;

then, in such event, the District will be entitled, at its sole option, and without prejudice to any other rights or remedies available to the District under the Customer Service Documents or applicable law, to terminate the Customer Service Documents and each and all of its obligations thereunder, effective immediately upon notice to the Customer, without liability to the District or any other person, except as otherwise expressly provided in this section.

(ii) Default by the District. If any of the following events will occur:

(a) Material breach or material default by the District in the performance of any term, condition, covenant or agreement of the Customer Service Documents to be performed by the District, which breach or default: (i) if
reasonably capable of being cured within 30 days, is not cured within 30 days after notice to the District from the Customer; or (ii) if not so capable of being cured within such 30-day period, the District does not commence to cure within such 30-day period or does not diligently proceed thereafter to cure with reasonable promptness; or

(b) A repeated failure or refusal by the District to perform, substantially in accordance with the Customer Service Documents, any or all of its obligations under the Customer Service Documents, thereby committing a material breach which substantially impairs the value of the Customer Contract to the Customer, which failure or refusal recurs after notice to the District from the Customer that such material breach will, if repeated, constitute a default entitling the Customer to terminate the Customer Contract.

then, in such event, the Customer will be entitled, at its sole option, and without prejudice to any other rights or remedies available to the Customer under the Customer Service Documents or applicable law, to terminate the Customer Service Documents (as they apply to Customer) and each and all of its obligations thereunder, effective immediately upon notice to the District, without liability to the Customer or any other person, except as otherwise expressly provided in this section.

(iii) Provisions Exclusive for Termination for Breach. This Section (5)(H) provides the exclusive means to terminate the Customer Service Documents for breach absent agreement between the Parties; provided, however, that without in any way limiting the foregoing, nothing in this section will preclude or limit any other remedy which a Party may have at law or in equity for breach by the other Party.

(7) TAXES.

(A) Taxes. In addition to the Rates payable by the Customer hereunder for Electric Power, the Customer will pay all taxes, which are applicable for or with respect to such purchase of Electric Power, at the applicable rates.

(B) Tax Increases or Surcharges. In the event that federal or state regulatory changes during the Term result in an increase in any taxes or surcharges payable by the District for or with respect to sales of Electric Power or other services provided under or in connection with the Customer Contract, the District will, in accordance with any and all requirements of applicable law and of the applicable policies and procedures of the District, and effective upon notice to the Customer, be entitled to increase the Rates payable by the Customer hereunder by an amount which the District determines on a fair and nondiscriminatory basis to be the amount of such increased taxes or surcharges attributable to such sales or services under or in connection with the Customer
(8) EFFICIENT USE OF ENERGY. The Customer will consider installing cost-effective energy efficiency measures and will consider buying cost-effective energy efficient equipment when purchasing new equipment or replacing existing equipment. The District will offer suggestions for efficient energy use and inform the Customer of financial and technical assistance available through District programs for energy conservation and efficiency purposes.

(9) DEFINITIONS. For purposes of any applicable Rate Schedule and any Customer Contract, the terms set out below are defined as follows:

1. **Commission** means the District’s elected Board of Commissioners.

2. **Customer Service Documents** means the documents defining the terms and conditions of the District’s provision of Electric Power to the Customer, comprising the Schedules, the Regulations, the Customer Contract, if any, and any other contract agreed to between the District and the Customer setting forth the terms and conditions of any special condition of service or undertaking (such as redundant delivery points) related to provision of Electric Power by the District to the Customer, provided that, contracts related to the provision of energy conservation services, demand response services, customer-owned generation, and leasing of transformers and other electrical equipment shall not be included in the definition of Customer Service Documents.

3. **Electric Power** means electric energy and capacity.

4. **Point of Delivery** means: (a) the Point of Delivery identified in the Customer Contract, if any; (b) if no Customer Contract is in place, the Point of Delivery as defined in the Customer Service Regulations; and, (c) if no Customer Contract is in place and the Customer belongs to a class for which no definition appears in the Customer Service Regulations, the Point of Delivery shall be the Customer side of the District’s meter used to serve the Customer (it being understood that the District owns the meter and associated equipment).

5. **Rates**, if not otherwise defined in the Customer Contract, mean at any given time, the then-current rates and charges, as set forth in the Rate Schedule applicable to power purchasers in the Customer’s class, as they may be amended from time to time and at any time by the District’s Board of Commissioners (the “Commission”), payable by the Customer for Electric Power and related services under this Contract.

Service, or any successor thereto.

1.7. Schedules, if not otherwise defined in the Customer Contract, means the District’s Rate Schedule applicable to the Customer plus this Rate Schedule 82, collectively.

1.8 Term, unless otherwise specified with respect to a particular obligation undertaken by the District in a Customer Contract, means the period during which the Customer takes Electric Power from the District, provided that any obligation arising prior to termination of service shall remain in force until satisfied.

All capitalized terms used but not defined herein will have the respective meanings set forth in this Rate Schedule 82 or other applicable Rate Schedule, in the Regulations, or in the Customer Contract, if any. Unless otherwise expressly stated, the terms of the Rate Schedules shall prevail over any conflicting terms in a Customer Contract or the Regulations, and the terms of a Customer Contract shall prevail over any conflicting terms in the Regulations.

(10) INDEPENDENT CONTRACTORS. The Parties to the Customer Service Documents are independent contractors and will not be deemed to be partners, joint venturers, franchisors, franchisees, or agents of each other for any purpose whatsoever under or in connection with the Customer Contract.

(11) ASSIGNMENT; BINDING AGREEMENT.

(i) Assignment Prohibited Without Consent. Neither the District nor the Customer will, without the prior written consent of the other Party, which consent will not be unreasonably withheld, assign, pledge or transfer all or any part of, or any right or obligation under, the Customer Service Documents, whether voluntarily or by operation of law. Any attempted assignment, pledge or transfer of all or any part of, or any right or obligation under, the Customer Service Documents in violation of the foregoing requirements will be null and void.

(ii) Contract Binding on Successors and Assigns. The Customer Service Documents are binding on and will inure to the benefit of the District and the Customer and their respective successors and assigns and legal representatives.

(12) NO THIRD PARTY BENEFICIARIES. Except as expressly set forth in this Rate Schedule 82, none of the provisions of the Customer Service Documents will inure to the benefit of or be enforceable by any third party.
(13) **ENTIRE AGREEMENT.** The Customer Service Documents sets forth the entire agreement of the Parties and supersedes any and all prior agreements with respect to the subject matter of the Customer Service Documents. The rights and obligations of the Parties thereunder will be subject to and governed by the Customer Service Documents. The headings used herein are for convenience of reference only and will not affect the meaning or interpretation of the Customer Service Documents.

(14) **WAIVERS.** Except as otherwise provided herein or as agreed by the District and the Customer, no provision of the Customer Service Documents may be waived except as documented or confirmed in writing. No waiver at any time by a Party of any right with respect to a default under the Customer Service Documents, or with respect to any other matter arising in connection therewith, will be deemed a waiver with respect to any subsequent default or matter. Either Party may waive any notice or agree to accept a shorter notice than specified in the Customer Service Documents. Such waiver of notice or acceptance of shorter notice by a Party at any time regarding a notice will not be considered a waiver with respect to any subsequent notice required under the Customer Service Documents.

(15) **INVALID PROVISION.** The invalidity or unenforceability of any provision of the Customer Service Documents will not affect the other provisions of the Customer Service Documents, and the Customer Service Documents will be construed in all respects as if such invalid or unenforceable provisions were omitted.

(16) **FURTHER ASSURANCES.** Each Party hereto covenants and agrees to do all things necessary or advisable, including but not limited to the preparation, execution, delivery and recording of any instruments or agreements, in order to confirm and better assure the intent and purposes of the Customer Service Documents.

(17) **GOVERNING LAW; VENUE.** The Customer Service Documents shall be governed by and construed in accordance with the laws of the State of Washington (regardless of the laws that might otherwise govern under applicable principles of conflicts of law of such state). Any lawsuit or judicial action or proceeding arising out of or relating to the Customer Service Documents must be heard in the Superior Court of the State of Washington in and for Snohomish County or the United States District Court for the Western District of Washington, Seattle, subject to all applicable requirements of notice and exhaustion of remedies at the District.

(18) **RULES OF CONSTRUCTION.** Whenever in the Customer Service Documents the context so suggests, references to the masculine shall be deemed to include the feminine, references to the singular shall be deemed to include the plural, and references to “or” shall be deemed to be disjunctive but not necessarily exclusive. No provision of the Customer Service Documents shall be construed in favor of or
against either any Party by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which such provision or any other provision or provisions of the Customer Service Documents is or are inconsistent with any prior draft thereof.

Effective Date: April 1, 2015.

[Res. No. 5709 (2015); History: 5626 (2015); 5626 (2014); 5626 (2013); 5613 (2012); 5574 (2012); 5470 (2009); 5418 (2009); 5200 (2005); 5023 (2001); 5011 (2001); 4848 (1999); 4835 (1999); 3908 (1993); 3405 (1990); 3386 (1990); 2879 (1985); 2726 (1983); 2345 (1979); 2202 (1978); 1996 (1975); 1371 (1966)]
SCHEDULE 90—COGENERATION AND SMALL POWER PRODUCTION PURCHASES FROM FACILITIES WITH CAPACITIES OF 100 kW OR LESS.

(1) AVAILABILITY. This schedule is available in all territory served by the District to any customer accepted by the District as a cogenerator or small power producer who executes a contract with the District regarding such status. The schedule shall apply to power generated by cogeneration or small power production facilities with a nameplate capacity of 100 kW or less.

(2) RATE. The District shall purchase power from an eligible facility at a rate equal to the energy component of the retail rate at which the District provides electrical service to the facility. Energy component means the annual average cost in cents per kWh of electricity excluding any Washington State revenue taxes.

Such rate may be modified by Commission resolution, subject to the criteria set forth in the District's Cogeneration and Small Power Production Service Policy, and FERC rules adopted pursuant to PURPA, Section 210.

(3) TERMS OF SERVICE. Service under this schedule shall be in accordance with the District's Cogeneration and Small Power Production Service Policy, as well as interconnection, safety, and reliability standards, and any other applicable District standards, policies or procedures.

Effective Date: April 1, 2009.

[Res. No. 5260 (2006); History: 4848 (1999); 3908 (1993); 3405 (1990); 2473 (1981)]
SCHEDULE 200 – NET METERING PROGRAM.

(1) APPLICABILITY. This rate schedule shall apply to other District rate schedules as described below.

(2) DEFINITIONS.
(A) “Cogeneration Facility” means a facility that provides or is capable of providing from a common fuel source both (i) thermal energy that is made available for processes and applications other than electrical generation and (ii) electric energy. To qualify under this Schedule 200, the Cogeneration Facility must meet the standards for “new qualifying facilities” established under 16 U.S.C. § 824a-3(n) and 18 C.F.R. § 292.205.

(B) “Net Metering System” means a fuel cell, a Cogeneration Facility, or a facility that produces electric energy using water, wind, solar energy or biogas from animal waste as a fuel if the facility:
   • has a nameplate capacity of not more than one hundred (100) kilowatts;
   • is located on the customer-generator’s premises;
   • operates in parallel with the District electric distribution system; and
   • is intended primarily to offset part or all of the customer-generator’s requirements for electricity.

(C) “Aggregated Meter” means a District meter located on customer-generator’s premises that the customer has requested be aggregated with the Net Meter for purposes of applying the energy from the customer’s Net Metering System.

(D) “Program Year” means the period from May 1 through April 30.

(E) “Premises” means any residential property, commercial real estate, or lands, owned or leased by a customer-generator within the service area of the District.

(F) “Net Metering Aggregation” means the administrative combination of metered kWh from the customer-generator’s Net Meter and all Aggregated Meters, regardless of the rate class, on premises owned or leased by the customer-generator located within the District.

(3) AVAILABILITY. The Net Metering Program is available to customers (i) who have a Net Metering System that can be interconnected to the District’s electric system without exceeding the limitations on the number of customer-owned generators that may be interconnected to the relevant distribution feeder line, circuit, or network as may be established by the District to protect public safety and system reliability, (ii) who purchase electric power from the District under the provisions of another District.
rate schedule, and (iii) who sign a Net Metering Agreement with the District allowing
them to interconnect to and operate in parallel with the District electric distribution
system.

The Net Metering Program is available to new participants on a first-come, first-served
basis until such time as the cumulative nameplate capacity of fuel cells and generators
participating in the program exceeds 3.638 megawatts (0.25% of the District’s peak
demand in 1996). Not less than 1.819 megawatts (one-half of the District’s 1996 peak
demand available for net metering systems) shall be reserved for the cumulative
generating capacity attributable to Net Metering Systems that use water, wind, solar
energy or biogas from animal waste as a fuel. Starting January 1, 2014, the Net
Metering Program is available to new participants until such time as the cumulative
nameplate capacity of fuel cells and generators participating in the program exceeds
7.275 megawatts (0.50% of the District’s peak demand in 1996). Also starting January 1,
2014, not less than 3.638 megawatts (one-half of the District’s 1996 peak demand
available for net metering systems) shall be reserved for the cumulative generating
capacity attributable to Net Metering Systems that use water, wind, solar energy or
biogas from animal waste as a fuel.

The District will not provide wheeling or transmission services for a customer-
generator.

(4) BILLING ADJUSTMENT. District charges for electric energy are adjusted
as follows.

The customer shall pay for the net energy used by the customer in accordance with the
following formula: (a) the customer shall pay for all electric energy used in any billing
period in excess of the amount of electricity produced by the customer during that
billing period; (b) the customer shall receive a credit for all electric energy produced
during a billing period in excess of the amount of electric energy supplied by the
District during that period, such credit to be applied to the customer’s future electric
bills, except that; (c) any energy balance remaining in favor of the customer under the
provisions of subparagraph (b) on April 30 of any calendar year shall be zeroed out
with no further liability to the District and no credit to the customer for that balance.
For the purposes of the Net Metering Program, “billing period” shall be the billing
period applied to customers of the same class and in the same geographic area as a
customer participating in the Net Metering Program. The price for electric energy
provided to or credited to a customer under the Net Metering Program shall be the
price charged for such electric energy by the District under the provisions of the rate
schedule under which the customer receives service, as such rate schedule may be
revised from time to time by the District’s Board of Commissioners. A customer
participating in the Net Metering Program shall be billed on the schedule applicable to customers in the same class and geographic area as that customer and shall be subject to the payment terms specified in the District’s Customer Service Regulations.

The Net Metering Program billing adjustment only applies to charges for energy. A customer participating in the Net Metering Program is subject to all other charges, rates, terms and conditions, including any minimum charges, of the District rate schedule under which the customer receives service.

(5) SPECIAL TERMS AND CONDITIONS FOR NET METERING AGGREGATION. In addition to all other provisions of this schedule, the following provisions apply when the customer-generator requests Net Metering Aggregation:

(a) Aggregated Meter(s) must be and remain on customer-generator’s Premises.

(b) Aggregated Meter(s) must be and remain billed to the customer-generator.

(c) Aggregated Meter(s) and Net Meter(s) aggregated at the request of the customer-generator shall each have a Net Metering Aggregation Basic Charge applied annually to every meter requested by the customer-generator to be aggregated. The Net Meter Aggregation Basic Charge is non-refundable.

(d) Net Meter Aggregation requests must be received by the District 30 days prior to conclusion of the Program Year and accompanied by payment of the Net Metering Aggregation Basic Charge. See District’s Customer Service Regulations.

(e) Generated energy and excess generated kWh shall be subtracted from the metered kWh registered on the Net Meter first. At the conclusion of the program year, excess generated kWh shall be subtracted from the eligible charges on all Aggregated Meters on an equal kWh basis. Excess generated kWh which cannot be applied shall be zeroed out with no further liability to the District and no credit to the customer for that balance.

(f) All meters requested to be aggregated shall not change rate classes or rate schedules as a result of Net Metering Aggregation.

Effective Date: August 1, 2012

[Res. No. 5583 (2012); History: 5261 (2006); 4920 (2000); 4848 (1999); 4819 (1998)]
SCHEDULE 210 – DEMAND EXCHANGE.

(1) AVAILABILITY. This schedule is available in all territory served by the District for commercial, industrial, governmental, institutional, agricultural, and other consumers with qualifying loads. This schedule does not apply to service locations with measurable, maximum hourly demand of less than (500 kW).

(2) PROGRAM DESCRIPTION. Participants in the District’s Demand Exchange program are offered the opportunity to voluntarily curtail electric usage (minimum hourly curtailment: 500 kW) at their service location(s), at distinct times of day, in exchange for billing credits to their District power bill. Exchange offers will be made by the District, at times when power demand on the District system is such that load reductions would provide a tangible economic benefit to the District’s consumers. Participation in the Demand Exchange program does not guarantee that the District will offer to purchase demand curtailments or that it will confirm and take delivery of purchases of demand curtailment if offered. Nor does participation in the Demand Exchange program guarantee that the District will pay any particular price for purchase of demand curtailments.

(3) BILLING CREDIT. The value of the power bill credit will be determined based upon the hourly exchange price offered by the District, the amount of load, measured in kW, for which the District confirms delivery during those specified hours, relative to the hourly amount (baseline) the customer(s) would be expected to consume during those hours, based upon recent consumption history, and the duration (hour(s)) of the agreed upon curtailment, provided that the customer supplies at least 95% of the amount confirmed for delivery.

(4) TERMS OF PROGRAM PARTICIPATION. Customers interested in participating in the program are required to sign an Agreement with the District. The Agreement establishes the specific terms, conditions, performance requirements and resulting billing credit associated with program participation.

(5) PROGRAM DURATION. Duration of the program will be governed by the terms of individual contracts signed with District program participants.

(6) PROGRAM CREDIT CONTINGENCY. Participating customers will not be entitled to a credit under this schedule for any reductions of consumption for which such customer may otherwise be compensated by the District.
(7) WAIVER. The District reserves the right to waive any one or more irregularities: (I) in a customer’s pledge of an amount of hourly energy to be exchanged by the customer during an exchange event; and (II) in the deadlines set forth in the customer’s Demand Exchange contract, or the District’s confirmation of an hourly amount of energy to be exchanged by such customer during an exchange event.

Effective Date: July 24, 2001

[Res. No. 5000 (2001)]