

Garkane Energy Cooperative, Inc. Loa, Utah

INDEX OF RATE SCHEDULES

SCHEDULE

TITLE

AZ RATES

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SCHEDULE NO. RES01
STATE OF ARIZONA

RESIDENTIAL SERVICE

AVAILABILITY: At any point on the Association's interconnected system, **outside of the incorporated boundaries of Colorado City**, where there are facilities of adequate capacity subject to the Association's established rules and regulations. The capacity of individual motors served under this Schedule will not exceed 10 H.P. This rate not for resale.

APPLICATION: This Schedule is for alternating current electric service supplied at approximately 120 or 240 volts through one kilowatt-hour meter at a single point of delivery for all service required on the premises for residential purposes.

When a portion of a dwelling is used regularly for business, professional or other gainful purposes, the premises will be classified non-residential and the appropriate schedule applied. However, if the wiring is so arranged that the service for residential purposes can be metered separately, the Schedule will be applied to such service.

MONTHLY BILL: Base Rate: **\$ 22.00 per month**
 Energy Charge: **\$ 0.07180 per kwh**

MINIMUM MONTHLY CHARGE: The minimum monthly charge under the above rate shall be the monthly Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh's of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests connection or reconnection of service at the same location within a 12-month period, he shall be required to pay the monthly customer charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment, reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. IRR04
STATE OF ARIZONA

IRRIGATION SERVICE

AVAILABILITY: At any point on the Company's interconnected system where there are facilities of adequate capacity.

APPLICATION: This Schedule is for alternating current, single or three-phase electric service supplied at the Company's available voltage through a single point of delivery for service to motors on pumps, pivot sprinkler systems, and machinery used for irrigation and soil drainage subject to the Company's established rules and regulations. If energy usage for other purposes exceeds 10% of the total energy provided, the point of delivery shall be classified as non-irrigation and electric service shall be provided under the appropriate general service schedule. This rate is not for resale.

TYPE OF SERVICE: Single and three-phase, 60 cycles, at available secondary voltages.

MONTHLY BILL: For any month connected:

| | |
|----------------------------------|---------------------|
| Base Rate | |
| Base Charge, Single Phase | \$ 75.00 per month |
| Base Charge, Three Phase | \$ 125.00 per month |
| Demand Charge, per kWh per month | \$ 7.30 per kWh |
| Energy Charge, per kWh per month | \$ 0.06060 per kWh |

MINIMUM: The minimum monthly charge under the above rate shall be the monthly Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh's of electricity.

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR: The consumer agrees to maintain unity power factor as nearly as practicable. The horsepower for billing purposes may be adjusted to correct average power factors lower than 90 percent, if and when the seller deems necessary. Such adjustment will be made by increasing the horsepower 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. The above rates are subject to the imposition of any purchased power adjustment either upward or downward, which may be established and approved for billing from time to time under established procedure. Marcus – This should be the Arizona WPCA language not the Utah language.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

APPROVED: March 30, 2015

EFFECTIVE: Waiting for Arizona Corporation Commission's Approval

ELECTRIC SERVICE
SCHEDULE NO. GS105
STATE OF ARIZONA

GENERAL SERVICE NO. 1

AVAILABILITY: Available for commercial, industrial, public buildings, and three-phase farm service for all uses, including lighting, heating and power, subject to the established rules and regulations of the Company for locations outside of the incorporated boundaries of Colorado City. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements do not exceed 50 KVA of transformer capacity.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at available secondary voltage. Motors having a rated capacity in excess of ten horsepower should be three-phase unless specifically approved by the Company. All motors over ten (10) horsepower shall have the starting current limited to no more than three and one half (3.5) times the full load current for no more than 15 seconds. All Variable Frequency Drives (VFD) shall be equipped with fully functional IEEE 519 compliant harmonic filters that limit the Total Harmonic Distortion to less than ten (10) percent.

MONTHLY BILL:

| | |
|----------------------------------|------------|
| Base Rate | \$ 25.00 |
| Demand Charge, per billing kW | 7.50 |
| Energy Charge, per kWh per month | \$ 0.05720 |
| Adjustment Charge | - |

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. Leading Power Factor is not permitted. Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months. Non-use of service for more than 12 months shall make the electrical lines and service subject to removal under the Idle Service Regulation.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: March 30, 2015

EFFECTIVE: Waiting for Arizona Corporation Commission's Approval

ELECTRIC SERVICE
SCHEDULE NO. GS206
STATE OF ARIZONA

GENERAL SERVICE NO. 1 - PUBLIC BLDGS & AUTHORITIES

AVAILABILITY: Available for commercial, industrial, public buildings, and three-phase farm service for all uses, including lighting, heating and power, subject to the established rules and regulations of the Company. This rate not for resale.

Service under this schedule is limited to Consumers whose load requirements do not exceed 50 kva of transformer capacity.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at available secondary voltage.

| | | |
|---------------|----------------|--------------------|
| MONTHLY BILL: | Base Rate: | \$ 25.00 per month |
| | Energy Charge: | \$ 0.05720 per kWh |
| | Demand Charge: | \$ 7.50 per kW |

DETERMINATION OF BILLING DEMAND: The Billing Demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. **Leading Power Factor is not permitted.** Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. SL007
STATE OF ARIZONA

STREET AND YARD SECURITY LIGHTING

AVAILABILITY: To all consumers served by the Association. This rate not for resale.

APPLICATION: This schedule is for alternating current electric service supplied at approximately 120/240 volts, singlephase at a single point of delivery, from existing secondary, subject to the rules and regulations established by the Association.

MONTHLY BILL RATE for **HPS or Equivalent LED Lamps:**

| | |
|--------------------------------|--------------------------|
| 100 Watts or less – 40 kWh/Mo: | \$ 8.15 per unit |
| 250 Watts – 100 kWh/Mo: | \$ 12.90 per unit |
| 400 Watts – 160 kWh/Mo: | \$ 17.50 per unit |
| 1000 Watts | \$ 47.50 per unit |
| 1800 Watts | \$ 85.00 per unit |

CONDITIONS FOR SERVICE:

1. Service under this schedule is unmetered.
2. The Association will maintain the light in operating condition. Consumer will assume responsibility and pay for damage caused by his own negligence or that of third parties.
3. The consumer must notify the Association that repairs or maintenance are necessary.
4. The Association will perform necessary repairs or maintenance at its earliest convenience and during normal working hours.
5. **The consumer will guarantee payment for a minimum of twelve months; if not, consumer will reimburse Association for all removal costs.**
6. **Equivalent LED light size and type to be determined by Garkane.**
7. **An additional charge may apply for customers in areas with a Dark Sky ordinance.**

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. Rates are subject to the imposition on any power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. GS208
STATE OF ARIZONA

GENERAL SERVICE NO. 2

AVAILABILITY: Available to consumers with large power loads located on or near Seller's single-phase or three-phase lines for all types of usage, subject to the established rules and regulations of the Association. A large power load is defined as any load of more than 50 kw demand. This rate not for resale.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at Seller's standard voltages.

MONTHLY BILL:

| | |
|----------------|--------------------|
| Base Rate: | \$ 30.00 per month |
| Energy Charge: | \$ 0.05810 per kWh |
| Demand Charge: | \$ 8.55 per kW |

DETERMINATION OF BILLING DEMAND: The Billing Demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. **Leading Power Factors are not permitted.** Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: March 30, 2015
EFFECTIVE: Waiting for Arizona Corporation Commission's Approval

ELECTRIC SERVICE
SCHEDULE SC
STATE OF ARIZONA

SERVICE CHARGES

This schedule sets the amounts for impact fees, various services, and other miscellaneous charges authorized in the Rules and Regulations of either the Arizona Corporation Commission for Garkane Energy Cooperative, Inc.

The impact fee shall be based upon the service entrance main breaker and/or fuse sets amperage and nominal service voltage. Where there are more than one service entrance main breakers and/or fuse sets the impact fee shall be based upon the sum of such devices.

Service entrances which are upgraded and result in increased capacity shall be assessed an impact fee equal to the difference between the original service entrance size and the upgraded service entrance size. Service entrances which are upgraded for safety reasons or system improvements without increase in service capacity may have the impact fee waved

In new subdivisions impact fees shall be assessed to the Subdivision Developer. The Subdivision Developer shall pay the required impact fees for a minimum 100 amp service per lot. Once the lot has been sold and the lot owner request service to the lot, the lot owner will be required to pay any additional impact fee based on his/her service requirements over the minimum 100 amp service paid by the Subdivision Developer.

This schedule sets the amounts for various service and other miscellaneous charges authorized in the Rules and Regulations of either the Arizona Corporation Commission or Garkane Energy Cooperative, Inc.

IMPACT FEES

RESIDENTIAL OR NON-DEMAND SERVICES

(Single Phase 120/240 volt Service)

OVERHEAD OR UNDERGROUND SYSTEM CONNECTION

0-60 amps \$ 150.00

61-200 amps \$ 500.00

Each additional 100 amps, or portion thereof \$1,000.00

COMMERCIAL, IRRIGATIONAL, GENERAL SERVICE, OR ALL OTHER SERVICES

Installed Meter Capacity \$ 40/kW

or Minimum Impact Fee \$ 576.00

Upgrading of existing service will require payment of the applicable impact fees based on the difference in cost between the calculation of the exiting installation size and capacity versus the cost of the new installation in size and capacity.

CHARGES FOR ELECTRIC SERVICE CONNECTIONS (EXCLUSIVE OF ANY APPLICABLE CHARGES FOR LINE EXTENSIONS)

| | | |
|----|------------------------------|----------|
| A. | NEW SERVICE | \$ 50.00 |
| B. | ADDITIONAL SERVICE | \$ 30.00 |
| C. | SERVICE CONNECTION CALLBACKS | \$ 75.00 |

Note: The charges for service connections are for standard connections. A customer who requests that service be provided in a non-standard manner will be required to pay, in addition to the service connection charge, any additional costs for such service connection in excess of the service connection charge. Additional service charges relate to requests for each additional service connection or location change to a new service address. Callback service charges relate to a return trip to connect electric service, when a customer provided an inaccurate service address, postpones, or cancels a service order already completed.

SERVICE CALLS DURING REGULAR WORKING HOURS **\$ 50.00**

SERVICE CALLS AFTER REGULAR WORKING HOURS **ACTUAL COST OR
A MINIMUM OF \$50.00**

Note: Charges for service calls relate generally to reconnects of previously disconnected service or interruptions of service caused by the consumer's negligence. After hours charges also apply for regular service connections requested by the consumer during this period.

| | |
|--------------------------------------|------------------|
| METER TEST per Rule R14-2-209F | \$ 20.00 |
| METER REREADS per Rule R14-2-209C | \$ 15.00 |
| RETURNED CHECKS | \$ 25.00 |
| LATE PAYMENT CHARGE | 1.5% (per month) |
| FIELD COLLECTION CALL | \$ 25.00 |
| DEFERRED PAYMENT PLAN FINANCE CHARGE | 1.5% (per month) |
| TEMPORARY TEST PROVISION | \$ 50.00 |

Note: Customers may request a temporary connection of service for the purpose of testing a pump or other equipment. A one-time fee is required for this service along with the applicable charge for the energy used. This service is available for a maximum connection time of seven (7) days.

APPLICABLE TAXES AND CHARGES: In the event any taxing body shall impose or increase any franchise, occupation, sales, license, excise or other tax or charge of any kind or nature, including taxes or charges based upon the charges listed above the receipts or income therefrom, the pro-rata amount thereof will be added to and, as part of the effective rate, separately itemized and billed to all Customers in the area or locality in which such tax or charge applies.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. ACC01
STATE OF ARIZONA

RESIDENTIAL SERVICE – COLORADO CITY

AVAILABILITY: At any point on the Company's interconnected system within Colorado City where there are facilities of adequate capacity subject to the Company's established rules and regulations. The capacity of individual motors served under this Schedule will not exceed 10 H.P. This rate not for resale.

APPLICATION: This Schedule is for alternating current electric service supplied at approximately 120 or 240 volts through one kilowatt-hour meter at a single point of delivery for all service required on the premises for residential purposes.

When a portion of a dwelling is used regularly for business, professional or other gainful purposes, the premises will be classified non-residential and the appropriate schedule applied. However, if the wiring is so arranged that the service for residential purposes can be metered separately, the Schedule will be applied to such service.

| | | |
|---------------|--------------------|--------------------|
| MONTHLY BILL: | Base Rate: | \$ 22.00 per month |
| | Energy Charge: | \$ 0.07180 per kwh |
| | Special Power | |
| | Adjustment Charge: | \$ 0.02800 per kwh |

MINIMUM MONTHLY CHARGE: The minimum monthly charge under the above rate shall be the monthly Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh's of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests connection or reconnection of service at the same location within a 12-month period, he shall be required to pay the monthly customer charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Company's cost of purchased power. The Company's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment, reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. ACC05
STATE OF ARIZONA

GENERAL SERVICE NO. 1 – COLORADO CITY

AVAILABILITY: Available for commercial, industrial, and three-phase farm service for all uses, including lighting, heating and power, at any point on the Company's interconnected system within Colorado City where there are facilities of adequate capacity subject to the established rules and regulations of the Company. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements do not exceed 50 KVA of transformer capacity.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at available secondary voltage. Motors having a rated capacity in excess of ten horsepower should be three-phase **unless specifically approved by the Company.** All motors over ten (10) horsepower shall have the starting current limited to no more than three and one half (3.5) times the full load current for no more than 15 seconds. All Variable Frequency Drives (VFD) shall be equipped with fully functional IEEE 519 compliant harmonic filters that limit the Total Harmonic Distortion to less than ten (10) percent.

MONTHLY BILL:

| | |
|----------------------------------|------------|
| Base Rate | \$ 25.00 |
| Demand Charge, per billing kW | 7.50 |
| Energy Charge, per kWh per month | \$ 0.05720 |
| Adjustment Charge | - |

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. **Leading Power Factor is not permitted.** Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Association's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. ACC06
STATE OF ARIZONA

GENERAL SERVICE NO. 1 - PUBLIC BLDGS & AUTHORITIES – COLORADO CITY

AVAILABILITY: Available for public buildings and public authorities, including lighting, heating and power at any point on the Company's interconnected system within Colorado City where there are facilities of adequate capacity, subject to the established rules and regulations of the Company. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements do not exceed 50 kva of transformer capacity.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at available secondary voltage.

| | | |
|---------------|-------------------------------------|--------------------|
| MONTHLY BILL: | Base Rate: | \$ 25.00 per month |
| | Energy Charge: | \$ 0.05720 per kWh |
| | Demand Charge: | \$ 7.50 per kW |
| | Special Power Adjustment Charge: | - |

DETERMINATION OF BILLING DEMAND: The Billing Demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. **Leading Power Factor is not permitted.** Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Company's cost of purchased power. The Company's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. ACC08
STATE OF ARIZONA

GENERAL SERVICE NO. 2 – COLORADO CITY

AVAILABILITY: Available for commercial, industrial, and three-phase farm service for all uses, including lighting, heating and power at any point on the Company's interconnected system within Colorado City where there are facilities of adequate capacity, subject to the established rules and regulations of the Company. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements exceed 50 kw demand.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at Seller's standard voltages.

| | | |
|---------------|--------------------|--------------------|
| MONTHLY BILL: | Base Rate: | \$ 30.00 per month |
| | Energy Charge: | \$ 0.05810 per kWh |
| | Demand Charge: | \$ 8.55 per kW |
| | Special Power | |
| | Adjustment Charge: | - |

DETERMINATION OF BILLING DEMAND: The Billing Demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. **Leading Power Factors are not permitted.** Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Company's cost of purchased power. The Company's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. ACC09
STATE OF ARIZONA

GENERAL SERVICE NO. 2 – PUBLIC BLDGS & AUTHORITIES – COLORADO CITY

AVAILABILITY: Available for public buildings and authorities, including lighting, heating and power at any point on the Company's interconnected system within Colorado City where there are facilities of adequate capacity, subject to the established rules and regulations of the Company. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements exceed 50 kw demand.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at Seller's standard voltages.

| | | |
|---------------|-------------------------------------|--------------------|
| MONTHLY BILL: | Base Rate: | \$ 30.00 per month |
| | Energy Charge: | \$ 0.05810 per kWh |
| | Demand Charge: | \$ 8.55 per kW |
| | Special Power Adjustment Charge: | - |

DETERMINATION OF BILLING DEMAND: The Billing Demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Company's cost of purchased power. The Company's base cost of power is \$0.025580. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**

ELECTRIC SERVICE
SCHEDULE NO. ACG33
STATE OF ARIZONA

NET METERING SERVICE
(Residential)

APPLICABILITY: Applicable to “eligible facilities” as defined in S.B. 84, Net Metering Programs, which meet ALL of the following conditions:

1. Generator must be installed at a service receiving electric service on or adjacent to the customer’s Primary Service, subject to the company’s service requirements. (Primary Service).
2. Generator must be incidental to the Primary Service, installed on the customer’s premises, and used to supply some or all of the customer’s loads.
3. Generator capacity shall not be more than 25 kilowatts for a residential facility, or not more than 2 megawatts for a non-residential facility, unless the governing authority approves a greater generation capacity.
4. Generator must have a maximum output of less than 10% of the nearest source side primary voltage protective device, and must be less than 80% of the installed transformer capacity at the Primary Service.
5. Generator must have the same output voltage and phasing as the Primary Service.
6. Generator must be a fuel cell or other renewable energy powered generator controlled by an inverter which has been designed, tested, and UL certified to UL1741 and IEEE1547 standards.
7. Generator must have positive “anti islanding” capability per UL1741.
8. Generator must have output voltage with less than 3% Total Harmonic Distortion (THD), current output with less than 2% THD, and be operated with a 1.0 to .95% lagging Power Factor. Leading power factor operation will not be permitted.
9. Generator must be provided with a “Visible Disconnect Switch” per NESC requirements, which can be padlocked in the OPEN position and is accessible to Garkane personnel at all times. Disconnect must be permanently and visibly marked as “GENERATOR DISCONNECT” in letter at least 2” high.
10. The electrical function, operation, or capacity of a customer generation system, at the point of connection to the electrical corporation’s distribution system, may not compromise the quality of service to the electrical corporation’s other customers.
11. Service under this schedule will require the installation of In/Out Directional Metering prior to the initiation of service. Customer shall pay for the cost of the Directional Meter.
12. “Net electricity” means the difference between the amount of electricity that an electrical corporation supplies to a customer participating in a net metering program and the amount of customer-generated electricity.

METERED ENERGY: “Net metering” means measuring for the applicable billing period the difference between the amount of electricity that an electrical corporation supplies to a customer participating in a net metering program and the amount of customer-generated electricity.

MONTHLY BILL:

| | |
|----------------------------------|---------------------------|
| Base Rate | \$ 35.00 per month |
| Energy Charge, per kWh per month | \$ 0.07180 per kWh |
| Energy Credit – | |
| All kWh delivered to the system | \$.02600 per kWh |

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a consumer requests reconnection of service at the same location, he shall be required to pay the Base Rate for each of the intervening months. Non-use of service for 12 months shall make the premises subject to removal under the Idle Service Regulation.

ELECTRIC SERVICE REGULATIONS: Service under this schedule will be in accordance with the above conditions and the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Public Service Commission of Utah, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The above rates are subject to the imposition of any purchased power adjustment either upward or downward, which may be established and approved for billing from time to time under established procedures.

TERMS OF PAYMENT: Credits due under this account will be credited to the Primary Service Account. Unused credits expire at the end of each calendar year.

APPROVED: **March 30, 2015**

EFFECTIVE: **April 30, 2015**

ELECTRIC SERVICE
SCHEDULE NO. ACG34
STATE OF ARIZONA

NET METERING SERVICE
(General Service)

APPLICABILITY: Applicable to “eligible facilities” as defined in S.B. 84, Net Metering Programs, which meet ALL of the following conditions:

1. Generator must be installed at a service receiving electric service on or adjacent to the customer’s Primary Service, subject to the company’s service requirements. (Primary Service).
2. Generator must be incidental to the Primary Service, installed on the customer’s premises, and used to supply some or all of the customer’s loads.
3. Generator capacity shall not be more than 25 kilowatts for a residential facility, or not more than 2 megawatts for a non-residential facility, unless the governing authority approves a greater generation capacity.
4. Generator must have a maximum output of less than 10% of the nearest source side primary voltage protective device, and must be less than 80% of the installed transformer capacity at the Primary Service.
5. Generator must have the same output voltage and phasing as the Primary Service.
6. Generator must be a fuel cell or other renewable energy powered generator controlled by an inverter, which has been designed, tested, and UL certified to UL1741 and IEEE1547 standards.
7. Generator must have positive “anti islanding” capability per UL1741.
8. Generator must have output voltage with less than 1% Total Harmonic Distortion (THD), current output with less than 2% THD, and be operated with a 1.0 to .95% lagging Power Factor. Leading power factor operation will not be permitted.
9. Generator must be provided with a “Visible Disconnect Switch” per NESC requirements, which can be padlocked in the OPEN position and is accessible to Garkane personnel at all times. Disconnect must be permanently and visibly marked as “GENERATOR DISCONNECT” in letter at least 2” high.
10. The electrical function, operation, or capacity of a customer generation system, at the point of connection to the electrical corporation’s distribution system, may not compromise the quality of service to the electrical corporation’s other customers.
11. Service under this schedule will require the installation of In/Out Directional Metering prior to the initiation of service. Customer shall pay for the cost of the Directional Meter.
12. “Net electricity” means the difference between the amount of electricity that an electrical corporation supplies to a customer participating in a net metering program and the amount of customer-generated electricity.

METERED ENERGY: “Net metering” means measuring for the applicable billing period the difference between the amount of electricity that an electrical corporation supplies to a customer participating in a net metering program and the amount of customer-generated electricity.

MONTHLY BILL:

| | |
|----------------------------------|------------|
| Base Rate | \$ 35.00 |
| Energy Charge, per kWh per month | \$ 0.05720 |
| Demand Charge > 3kW | \$ 7.20 |
| Energy Credit per kWh | \$ 0.02600 |

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kwh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a consumer requests reconnection of service at the same location, he shall be required to pay the Base Rate for each of the intervening months. Non-use of service for 12 months shall make the premises subject to removal under the Idle Service Regulation.

ELECTRIC SERVICE REGULATIONS: Service under this schedule will be in accordance with the above conditions and the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Association on file with and approved by the Public Service Commission of Utah, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The above rates are subject to the imposition of any purchased power adjustment either upward or downward, which may be established and approved for billing from time to time under established procedures.

TERMS OF PAYMENT: Credits due under this account will be credited to the Primary Service Account. Unused credits expire at the end of each calendar year.

APPROVED: **March 30, 2015**

EFFECTIVE: **Waiting for Arizona Corporation Commission's Approval**