

SECTION: RATES AND CHARGES**201. Rate Classification and Assignment**

Rate classification and assignment shall be made by the Cooperative in accordance with the availability and type of service provisions in the Cooperative's rate schedules. Rate schedules have been developed for the standard types of service provided by the Cooperative. If Member's request for electric service involves unusual circumstances, usage, or load characteristics not regularly encountered by the Cooperative, or if the Member qualifies for service under more than one of the Cooperative's available schedules, the Cooperative shall provide service under the rate schedule determined by the Cooperative to be most applicable, or enter into a special contract. Any special contract shall be subject to the approval of any Regulatory Authority having jurisdiction thereof.

Upon request for service by an applicant or request for a transfer of service by a Member, the Cooperative shall inform the applicant or Member of the Cooperative's lowest-priced service alternatives available at the service location, giving full consideration to equipment options and line extension charges, if any.

202. Seasonal/Minimal Service

Members requiring service only during certain seasons of the year or accounts that seldom use electric power and energy in excess of the scheduled minimum amounts shall be served in accordance with the applicable rate schedule for the appropriate class of service, except that Members shall pay not less than twelve (12) times the minimum charge under the appropriate rate schedule or line extension contract as if service were extended and used for an entire 12-month period.

Members shall pay the entire annual minimum charge for seasonal service in lump sum payment at the beginning of the applicable season.

Seasonal service includes, but is not limited to, service to water wells, hunting facilities, fishing facilities, vacation and seasonal homes, and other similar types of service.

Service under this rate shall be provided at the Member's option.

203. Rate Schedules

203.1 Residential

A. Availability

Available to all Residential-type customers requiring 49 kVa or less of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single Phase Service: \$21.50 per month

Three Phase Service: \$25.00 per month

Plus

Single Phase Service: \$.0350 per kWh for all metered kWh during the billing month.

Three Phase Service: \$.0350 per kWh for all metered kWh during the billing month.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

\$.072144 per kWh base rate for all kWh purchased.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. The minimum SPEC Distribution System Charge, or
2. The amount specified in the contract.

E. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.

5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

F. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

G. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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EFFECTIVE: 01/01/06
REVISED:

203.2 Large Residential

A. Availability

Available to all Residential-type customers purchasing electrical energy from the Cooperative which require 50 kVa and up to and including 350 kVa of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single Phase or Three Phase Service: \$150.00 per month

Plus

SPEC Distribution System Demand Charge: \$7.82 per kW for all measured kW during the billing month.

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$8.25 per kW for all kW billed during the billing month.

Plus

Cost of Electricity Energy Charge: \$.038127 per kWh for all kWh purchased during the billing month.

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The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. The minimum SPEC Distribution System Charge, or
2. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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203.3 Non-Residential

A. Availability

Available to all Non-Residential customers requiring 49 kVa or less of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Non-Residential customers will include but are not limited to water wells, barns, shops, hunting camps, fishing camps and seasonal homes not used for commercial use.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single Phase Service: \$21.50 per month
Three Phase Service: \$25.00 per month

Plus

Single Phase Service: \$.05650 per kWh for all metered kWh during the billing month.

Three Phase Service: \$.05650 per kWh for all metered kWh during the billing month.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

\$.072144 per kWh base rate for all kWh purchased.

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3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

3. The minimum SPEC Distribution System Charge, or
4. The amount specified in the contract.

E. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.

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5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

F. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

G. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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203.4 Small Commercial

A. Availability

Available to all Commercial customers requiring 49 kVa or less of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single Phase Service: \$21.50 per month

Three Phase Service: \$25.00 per month

Plus

Single Phase Service: \$.0585 per kWh for all metered kWh during the billing month.

Three Phase Service: \$.0585 per kWh for all metered kWh during the billing month.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

2. Cost of Electricity from STEC:

\$.072144 per kWh base rate for all kWh purchased.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. The minimum SPEC Distribution System Charge, or
3. The amount specified in the contract.

E. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.

5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

F. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

G. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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203.5 Large Commercial

A. Availability

Available to all Commercial customers purchasing electrical energy from the Cooperative which require 50 kVa and up to and including 350 kVa of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

6. SPEC Distribution System Charge:

Single Phase or Three Phase Service: \$150.00 per month

Plus

SPEC Distribution System Demand Charge: \$7.82 per kW for all measured kW during the billing month.

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electrical service to our members.

7. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$8.25 per kW for all kW billed during the billing month.

Plus

Cost of Electricity Energy Charge: \$.038127 per kWh for all kWh purchased during the billing month.

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

8. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

9. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

10. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

5. The minimum SPEC Distribution System Charge, or
6. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

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The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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203.6 Texas Department of Corrections (Bundled)**A. Availability**

Available to the Texas Department of Criminal Justice prison facilities requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single service location within the Cooperative's service area. Purchased power will be provided by South Texas Electric Cooperative, Inc. (STEC). Service will be provided under the Cooperative's Rules and Regulations. This rate option is only available under contract.

B. Character of Service

Three phase alternating current, 60 Hertz, at available primary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Three Phase Service: \$1,000.00 per month

Plus

SPEC Distribution System Demand Charge: \$12.50 per kW for all measured kW during the billing month.

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven (11) billing months.

The SPEC Distribution System Charge is designed to recover the costs of delivering electrical power and energy to the customer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers. This does not include the cost of electricity from STEC.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$10.80 per kW for all kW billed during the billing month.

plus

Cost of Electricity Energy Charge: \$.036983 per kWh for all kWh purchased during the billing month.

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. Customers with active accounts will pay a minimum to include the SPEC Distribution System Charge plus the minimum Cost of Electricity from STEC.
2. A customer disconnecting service under this rate will continue to receive a minimum bill calculated on 75% of the highest kW demand billed under this rate. This minimum will remain in effect until the next September billing month; or

3. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.

2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.

4. The consumer shall not resell the electric service to others.

5. Special conditions of service shall be covered by contract.

6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

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H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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203.7 Irrigation Bundled

A. Availability

Available to all Irrigation customers requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single metering point within the Cooperative's service area. Customers must have 15 horsepower (hp) or greater connected motor load. Irrigation must be used for the growing of commercial crops. Purchased power will be provided by South Texas Electric Cooperative, Inc. (STEC). Service will be provided under the Cooperative's Rules and Regulations. This rate is only available with a minimum one (1) year contract.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single or Three Phase Service: \$75.00 per month

plus

SPEC Distribution System Demand Charge: \$6.40 per kW for all demand metered during the billing month. The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month. There is no minimum demand billed under this rate.

The SPEC Distribution System Charge is designed to recover the costs of delivering electrical power and energy to the customer. This includes the cost of replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers. This does not include the cost of electricity from STEC.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$6.15 per kW for all demand metered during the billing month. The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month. There is no minimum demand billed under this rate.

plus

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Cost of Electricity Energy Charge: \$.038127 per kWh for all kWh purchased during the billing month.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. Customers will pay a minimum to include the SPEC Distribution System Charge plus the minimum Cost of Electricity from STEC.
2. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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203.8 Irrigation – Coincident Peak

A. Availability

Available to all Irrigation customers requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single metering point within the Cooperative’s service area. Customers must have 15 horsepower (hp) or greater connected motor load. Irrigation must be used for the growing of commercial crops. Purchased power will be provided by South Texas Electric Cooperative, Inc. (STEC). Service will be provided under the Cooperative’s Rules and Regulations. This rate is only available with a minimum one (1) year contract.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

	<i>Power Supply</i>	<i>Customer Services</i>	<i>SPEC Distribution</i>	<i>Total</i>
Customer Charge (per meter)			\$100.00	\$100.00
NCP Billing kW	\$1.00		\$4.50	\$5.50
CP Billing kW	\$9.80	\$0.00	\$0.00	\$9.80
Energy Charge per kWh	\$0.038127	\$0.00000	\$0.000000	\$0.038127

The Customer Charge is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The coincident peak (CP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval measured at the time of the wholesale power supplier’s monthly peak demand, but not less than 100% of the average of the consumer’s CP demand, as adjusted for power factor, established during the previous months of June, July, August and September.

The Energy Charge is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power.

1. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

2. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

1. Customer Charge plus the NCP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
2. Any applicable billing adjustments; and
3. Any applicable service fees.

E. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 95 percent. The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 95 percent or higher. The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

Demand charges may be adjusted to correct for average power factors lower than 95%. Measured demand may be increased by 1% for each 1% by which the average power factor is less than 95% lagging. The power factor shall never be leading.

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F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.9 Irrigation – Time of Day

A. Availability

Available to all Irrigation customers requiring distribution delivery service from San Patricio Electric Cooperative, Inc. (SPEC) at a single metering point within the Cooperative’s service area. Customers must have 15 horsepower (hp) or greater motor load. Irrigation must be used for the growing of commercial crops. Purchased power will be provided by South Texas Electric Cooperative, Inc. (STEC). Service will be provided under the Cooperative’s Rules and Regulations. This rate is only available with a minimum one (1) year contract.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

	<i>Power Supply</i>	<i>Customer Services</i>	<i>SPEC Distribution</i>	<i>Total</i>
Customer Charge (per meter)			\$100.00	\$100.00
NCP Billing kW	\$1.00		\$4.50	\$5.50
On-Peak Billing kW	\$12.25	\$0.00	\$0.00	\$12.25
Energy Charge per kWh	\$0.038127	\$0.00000	\$0.000000	\$0.038127

The Customer Charge is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The On-Peak billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval within the On-Peak Period during the billing period as indicated or recorded by a demand meter and adjusted for power factor as provided herein, but in no event is the On-Peak billing demand less than 80% of the highest On-Peak demand, as adjusted for power factor, established during the prior June, July, August and September.

The On-Peak Period shall be the five (5) hour window beginning at 3:00 pm and ending at 8:00 pm daily during the months of June, July, August and September.

The Energy Charge is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power.

1. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

2. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

1. Customer Charge plus the NCP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
2. Any applicable billing adjustments; and
3. Any applicable service fees.

E. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 95 percent. The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 95 percent or higher. The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

Demand charges may be adjusted to correct for average power factors lower than 95%. Measured demand may be increased by 1% for each 1% by which the average power factor is less than 95% lagging. The power factor shall never be leading.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.10 Cotton Gin - Bundled

A. Availability

Available to all Cotton Gin customers requiring electric utility distribution service from San Patricio Electric Cooperative, Inc. (SPEC) at a single service location within the Cooperative's service area. South Texas Electric Cooperative, Inc. (STEC) will provide purchased power. Distribution service will be provided under the Cooperative's Rules and Regulations. Customers must negotiate an agreement for service (contract) and select the rate option before starting the ginning season.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

	<i>Power Supply</i>	<i>Customer Services</i>	<i>SPEC Distribution</i>	<i>Total</i>
Customer Charge, per meter		\$245.00		\$245.00
Billing kW (June-Sept)	\$41.20		\$7.60	\$48.80
Billing kW (Oct-May)	\$0.00		\$7.60	\$7.60
Energy Charge per kWh	\$0.038127			\$0.038127

The Customer Charge is an availability charge for providing electric distribution service and does not include any energy.

The Demand Charge for the rate at which energy is used is applied to the maximum kilowatt demand for any period of fifteen consecutive minutes during the billing period as adjusted for power factor.

The Energy Charge is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power.

1. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

2. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

1. Customer Charge plus the demand charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
2. Any applicable billing adjustments; and
3. Any applicable service fees.

E. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 95 percent. The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 95 percent or higher. The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

Demand charges may be adjusted to correct for average power factors lower than 95%. Measured demand may be increased by 1% for each 1% by which the average power factor is less than 95% lagging. The power factor shall never be leading.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.

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2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.11 Cotton Gin – Coincident Peak

A. Availability

Available to all Cotton Gin customers requiring electric utility distribution service from San Patricio Electric Cooperative, Inc. (SPEC) at a single service location within the Cooperative’s service area. South Texas Electric Cooperative, Inc. (STEC) will provide purchased power. Distribution service will be provided under the Cooperative’s Rules and Regulations. Customers, which desire to operate under a “time of day” rate, must negotiate an agreement for service (contract) and select the rate option before starting the ginning season.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate

Each billing period, the Member shall be obligated to pay the following charges:

	<i>Power Supply</i>	<i>Customer Services</i>	<i>SPEC Distribution</i>	<i>Total</i>
Customer Charge, per meter			\$245.00	\$245.00
NCP Billing kW	\$6.51		\$9.75	\$16.26
CP Billing kW	\$31.10	\$0.00	\$0.00	\$31.10
Energy Charge per kWh	\$0.038127	\$0.00000	\$0.000000	\$0.038127

The Customer Charge is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The coincident peak (CP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval measured at the time of the wholesale power supplier’s monthly peak demand.

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The Energy Charge is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power.

1. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

2. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

1. Customer Charge
2. Any applicable billing adjustments; and
3. Any applicable service fees.

E. Power Factor Adjustment

The Cooperative may assess a power factor penalty on any consumer with a power factor below 95 percent. The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 95 percent or higher. The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

Demand charges may be adjusted to correct for average power factors lower than 95%. Measured demand may be increased by 1% for each 1% by which the average power factor is less than 95% lagging. The power factor shall never be leading.

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F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.12 Oil Pumping – Non-Demand**A. Availability**

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require up to 49 kVa transformer capacity at a single service location within the Cooperative's service territory. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include but are not limited to pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single or Three Phase Service: \$50.00 per month

plus

SPEC Distribution System Energy Charge: \$0.0420 per kWh for all metered kWh during the billing month.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. Cost of Electricity from STEC:

Cost of Electricity Energy Charge: \$.0610 per kWh for all kWh purchased during the billing month.

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3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. Customers with active accounts will pay a minimum to include the SPEC Distribution System Charge plus the minimum Cost of Electricity from STEC.
3. A customer disconnecting service under this rate will continue to receive a minimum bill calculated on 75% of the highest kW demand billed under this rate. This minimum will remain in effect until the next September billing month; or
3. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

SECTION: RATES AND CHARGES

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.13 Oil Pumping Demand (Bundled)

A. Availability

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require 50 kVa and up to and including 350 kVa of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

Single or Three Phase Service: \$75.00 per month

plus

SPEC Distribution System Demand Charge: \$15.85 per kW for all measured kW during the billing month.

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$6.35 per kW for all kW demand measured during the billing month.

plus

Cost of Electricity Energy Charge: \$.038127 per kWh for all kWh purchased during the billing month.

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. The SPEC Distribution System Charge plus the minimum Cost of

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Electricity from STEC; or

2. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.

2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.

4. The consumer shall not resell the electric service to others.

5. Special conditions of service shall be covered by contract.

6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

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H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.14 Oil Pumping – Time of Day

A. Availability

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require 50 kVa or more of transformer capacity at a single service location within the Cooperative’s service territory. Service will be provided under the Cooperative’s Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

B. Character of Service

Single phase, or three phase where available, alternating current, 60 Hertz, at available secondary voltages. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

	<i>Power Supply</i>	<i>Customer Services</i>	<i>SPEC Distribution</i>	<i>Total</i>
Customer Charge, per meter			\$200.00	\$200.00
NCP Billing kW	1.20		\$8.30	\$9.50
On-Peak Billing kW (100% R.)	\$9.80			\$9.80
Energy Charge per kWh	\$0.038127			\$0.038127

The Customer Charge is an availability charge for providing electric distribution service and does not include any energy.

The non-coincident peak (NCP) billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute period during the billing period, as indicated or recorded by a demand meter and adjusted for power factor as provided herein.

The On-Peak billing demand shall be the maximum kilowatt demand established by the customer for any consecutive fifteen (15) minute interval within the On-Peak Period during the billing period as indicated or recorded by a demand meter and adjusted for power factor as provided herein, but in no event is the On-Peak billing demand less than 80% of the highest On-Peak demand, as adjusted for power factor, established during the prior June, July, August and September.

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The On-Peak Period shall be the five (5) hour window beginning at 3:00 pm and ending at 8:00 pm daily during the months of June, July, August and September.

The Energy Charge is for the delivery of energy and shall be applied to all kWh usage during the billing period. Cost of Electricity from STEC will be adjusted periodically to reflect actual costs of purchased power.

1. **Additional Charges**

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

2. **Tax Adjustment**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. **Minimum Monthly Charge**

Each billing period the Member shall pay the following charges as a minimum, whether or not any energy is actually used:

1. Customer Charge plus the NCP Demand Charge; or the amount stated in the Agreement for Electric Service, whichever is greater and
2. Any applicable billing adjustments; and
3. Any applicable service fees.

E. **Power Factor Adjustment**

The Cooperative may assess a power factor penalty on any consumer with a power factor below 95 percent. The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 95 percent or higher. The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

Demand charges may be adjusted to correct for average power factors lower than 95%. Measured demand may be increased by 1% for each 1% by which the average power factor is less than 95% lagging. The power factor shall never be leading.

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F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
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203.15 Large Oil Pumping

A. Availability

Available for oil pumping and associated customers purchasing electrical energy from the Cooperative which require over 350 kVa of transformer capacity at a single service location within the Cooperative's service area. Service will be provided under the Cooperative's Service Rules and Regulations.

Oil pumping and associated customers will include, but is not limited to, pump jacks, transfer pumps, saltwater disposal pumps and compressors used in the production of oil and gas resources.

B. Character of Service

Three phase alternating current, 60 Hertz, at 480 volt secondary service. Maximum of 999 kVa and 1,000 amp secondary service. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

6. SPEC Distribution System Charge:

Customer Charge: \$100.00 per month

plus

SPEC Distribution System Demand Charge: \$13.80 per kW for all measured kW during the billing month.

The billing demand for the SPEC Distribution System demand shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous eleven billing months.

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

7. Cost of Electricity from STEC:

Cost of Electricity Demand Charge: \$7.60 per kW for all kW demand measured during the billing month.

plus

Cost of Electricity Energy Charge: \$.038127 per kWh for all kWh purchased during the billing month.

The billing demand for the Cost of Electricity from STEC shall be the highest measured kW demand established in any 15 minute demand interval during the billing month but not less than 75% of customers maximum kW demand established during the previous June, July, August or September billing months.

8. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

9. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

10. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. The SPEC Distribution System Charge plus the minimum Cost of

SECTION: RATES AND CHARGES

Electricity from STEC; or

2. The amount specified in the contract.

E. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.

2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.

4. The consumer shall not resell the electric service to others.

5. Special conditions of service shall be covered by contract.

6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

SECTION: RATES AND CHARGES

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.16 Security Light

A. Availability

Available to customers, requesting private area lighting service, within the Utility's service area. Service will be provided under the Cooperative's Service Rules and Regulations. Lighting options available are listed below. Mercury vapor lighting will no longer be available after July 1, 2001.

B. Character of Service

Single phase lighting, at 60 Hertz, 120 Volts. Frequency and voltage shall be subject to reasonable variation.

C. Rate:

Each billing period, the Member shall be obligated to pay the following charges:

1. SPEC Distribution System Charge:

The minimum charge per billing period shall be:

- a. 100 Watt High Pressure Sodium @\$17.00 per light. This includes 60 kWh. (Includes existing mercury vapor lights under 200 watts until phased out)

OR

- b. 250 Watt High Pressure Sodium @ \$21.00 per light. This includes 120 kWh. (Includes existing mercury vapor lights over 200 watts until phased out)

2. Cost of Electricity from STEC:

\$.052180 per kWh base rate for all kWh's included in monthly minimum charge.

3. Power Cost Adjustment:

Cost of Electricity from STEC will be adjusted periodically in compliance with the Power Cost Adjustment tariff.

San Patricio Electric Cooperative, Inc. is a member and part owner of South Texas Electric Cooperative (STEC), a generating and transmission cooperative.

SECTION: RATES AND CHARGES

4. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

5. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Power Factor Penalty

The Cooperative may assess a power factor penalty on any consumer with a power factor below 90 percent.

The power factor penalty shall be calculated by increasing the billing kW demand such that the corrected billing kW demand and measured KVAR yield a corrected power factor of 90 percent or higher.

The Cooperative may install the necessary metering equipment to determine power factor at any time, without notice to the consumer.

E. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.

2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.

4. The consumer shall not resell the electric service to others.

5. Special conditions of service shall be covered by contract.

6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more.

F. Terms of Payment

SECTION: RATES AND CHARGES

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

G. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

APPROVED: 08/22/05
EFFECTIVE: 01/01/06
REVISED:

203.17 Small Power Production and Cogeneration Under 100 kW**A. Small Power Production and Cogeneration**

This tariff shall apply to the interconnection and parallel operation of all qualifying power generating installations having a design capacity of 100 kW or less as well as to electric utility service to such generating installations. If any part of these sections shall be in conflict with any other provision of this tariff, these sections shall control. By agreement, the Cooperative and Producer may establish additional or different terms, conditions, or rates for the sale or purchase of electricity.

B. Obtaining Interconnection

Any person owning or operating a qualifying power generating installation (hereinafter "Producer") and desiring to interconnect with the Cooperative's system shall:

1. Comply with Tariff

Apply for interconnection, provide an easement satisfactory to the Cooperative, and otherwise comply with the tariff of the Cooperative.

2. Provide Information

At least sixty (60) days in advance of interconnection, Producer shall submit a plan showing the electric design of the generation installation including equipment for interconnection with the Cooperative's system. Producer shall also provide such additional information as may be required by the Cooperative. In the event Producer's plan involves the use of non-standard equipment or design techniques, the Cooperative may require such plan be approved by a registered professional engineer and the Producer shall pay all fees in obtaining this approval. Any review or acceptances of such plan by the Cooperative shall not impose any liability on the Cooperative and does not guarantee the adequacy of Producer's equipment to perform its intended function. The Cooperative disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost effectiveness, safety, durability, or reliability of generating installations.

SECTION: RATES AND CHARGES3. Pay for Extension of Cooperative's Facilities

Comply with conditions for extension of the Cooperative's distribution system as may be determined by the Cooperative in accordance with the Cooperative's Line Extension Policy, Section 313, and other operating policies.

If an extension of Cooperative's distribution system is required for sale or receipt of electric energy to or from a generating installation, whether or not in conjunction with another use, the Cooperative shall exercise prudent jurisdiction in determining the conditions under which such extension will be made. Each case shall be viewed individually considering:

- (a) cost to provide service,
- (b) longevity of the load,
- (c) annual load factor,
- (d) possibility of other loads developing along the proposed line extension,
- (e) longevity, capacity, and dependability of power to be received by the Cooperative,
- (f) anticipated annual revenue, and
- (g) compatibility with planned system improvements.

The Cooperative may require Producer to pay a nonrefundable contribution in aid of construction, and may require a contract term of up to five years.

4. Provide Liability Insurance

Furnish a certificate from Producer's insurance carrier showing satisfactory liability insurance, including contractual liability insurance covering indemnity agreements which insures Producers and names Cooperative as additional insured against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation, and maintenance of the Producer's generating equipment. The amount of such insurance coverage shall be at least \$1,000,000 per occurrence. The certificate shall also provide that the insurance policy will not be changed or canceled during its term without thirty (30) days written notice to the Cooperative.

5. Sign Contract

Sign and delivery to the Cooperative an Agreement for Interconnection and Parallel Operating of a Cogeneration or Small Power Production Installation; 100 kW or Less, the form of which has been approved by the Public Utility Commission and is contained in these tariffs.

SECTION: RATES AND CHARGES

6. Complete Construction

Construct the power generating installation and install a disconnect switch and other protective equipment as may be required by the Cooperative to protect its personnel, facilities, and operations.

7. Comply with Laws

Comply with applicable Federal, state, and local laws, ordinances, and regulations applicable to power generating installations.

8. Notify Cooperative

Notify the Cooperative in writing at least thirty (30) days in advance of energizing the small power generating installation and permit the Cooperative to inspect and test protective equipment.

9. Eliminate Conditions Preventing Interconnection

In the event that it comes to the attention of the Cooperative that there are conditions preventing safe interconnection and proper parallel operating, Cooperative shall notify Producer and Producer shall not interconnect and/or initiate parallel operation until such conditions are corrected and Producer has provided at least ten (10) days written notice to the Cooperative.

The foregoing are conditions precedent to any obligation of the Cooperative to interconnect or provide any form of electric utility service.

C. Parallel Operation

1. Installation

With the exception of only the Cooperative's Meter(s), the Producer shall own and be solely responsible for all expense, installation, maintenance, and operation of the power generating installation at and beyond the point where Producer's conductors contact Cooperative's conductors.

The Producer's generating installation shall be designed and installed in accordance with applicable codes, regulations, and prudent engineering practices.

2. Self-Protected Generating Installation

The Producer will furnish, install, operate, and maintain in good order and repair all equipment necessary for the safe operating of the power generating installation in parallel with the Cooperative's electric distribution system. The equipment will have the capability to both establish and maintain synchronism with the Cooperative's system and to automatically disconnect and isolate the generating installation from the Cooperative's system in the event of any outage of the Cooperative's system or a malfunction of the power generating installation.

The Producer's power generating installation will also be designed, installed, and maintained to be self-protected from normal and abnormal conditions in the Cooperative's electric distribution systems. The conditions for which the power generating installation shall be self-protected will be compatible with the Cooperative's system protection arrangements and operating policies. Specialized protective functions may be required by the Cooperative when, in the sole judgment of the Cooperative, the particular generating installation characteristics and/or distribution system characteristics so warrant.

3. Quality of Service

Producer's generating installation will generate power at the nominal voltage of the Cooperative's electric distribution system at the Producer's delivery point plus or minus five percent (5%) at the nominal system frequency of 60 Hz plus or minus one-tenth (1/10) Hz. Producer shall generate at a power factor that is as near one hundred percent (100%) as is practicable. In the event that the power factor is less than ninety-five percent (95%) lagging or leading, the Producer will provide factor correction within ten percent (10%) of unity or reimburse the Cooperative for the cost of any necessary correction.

The overall quality of the power provided by Producer including, but not limited to, the effects of harmonic distortion, voltage regulation, voltage flicker, switching surges, and power factor, will be such that the Cooperative's electric distribution system is not adversely affected in any manner. In the event that adverse effects are caused in whole or in part by Producer's power generating installation, the Producer will correct the cause of such effects or reimburse the Cooperative for the cost of any required correction.

SECTION: RATES AND CHARGES4. Safety Disconnect

The Producer, or at the Producer's option, the Cooperative, shall provide and install, at the Producer's expense, a visible break disconnect switch. The disconnect switch will be located so as to be readily accessible to Cooperative personnel in a location acceptable to both the Producer and the Cooperative. It shall be the type of switch which can be secured in an open position by the Cooperative padlock. The Cooperative shall have the right to lock the switch open whenever, in the judgment of the Cooperative:

- (a) it is necessary to maintain safe electric operating or maintenance conditions;
- (b) the Producer's power generating installation adversely affects the Cooperative's electric distribution system;
- (c) there is a system emergency or other abnormal operating condition which warrants disconnection;
- (d) the Producer fails to maintain acceptable liability insurance;
- (e) the Producer fails to reimburse the Cooperative for costs incurred as a result of the Producer's power generating installation.

The Cooperative reserves the right to operate the disconnect for the protection of the Cooperative's system even if it affects Producer's power generating installation. In the event that the Cooperative opens and closes the disconnect switch it shall not be responsible for energization or restoration of parallel operation of the generating installation. The Cooperative will make reasonable efforts to notify the Producer in the event the disconnect switch has been operated. The Producer will not bypass the disconnect switch at any time for any reason.

5. Access

Persons authorized by the Cooperative will have the right to enter the Producer's property for the purpose of operating or inspecting the disconnect switch or metering. Such entry onto the Producer's property may be without notice. If the Producer erects or maintains locked gates or other barriers, the Producer will furnish the Cooperative with convenient means to circumvent the barrier for access to the disconnect switch and meter(s).

6. Modifications of Cooperative System

In the event that it is necessary at the time of initial interconnection or at some future time for the Cooperative to modify its electric distribution system in order to purchase or continue to purchase Producer's output, the Producer will reimburse the Cooperative for all just and reasonable costs of modifications which are allocable to the Producer's small power generating installation. The modifications may include, but are not limited to, special interconnection equipment, protective devices, control devices, or upgrading of distribution system components.

7. Liability for Injury and Damages

Producer assumes full responsibility for electric energy furnished to him at and the past the point of interconnection and will indemnify the Cooperative against and hold the Cooperative harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises owned or operated by Producer arising from electric power and energy delivered by Cooperative or in any way arising directly or indirectly from Producer's generating installation except:

- (a) when the negligence of Cooperative or its agent(s) was the sole proximate cause of injuries, including death there from, to Producer or to employees of Producer or in the case of a residential Member/Producer, to all members of the household; and
- (b) as to all other injuries and damages, to the extent that injuries or damages are proximately caused by or result in whole or in part from
 - (i) any negligence of Cooperative or its agent(s) independent of and unrelated to the maintenance of Cooperative's facilities or any condition on Producer's premises; or
 - (ii) the breach by Cooperative of any provision of any contract regarding purchase and/or sale of electric energy or service between Cooperative and Producer.

SECTION: RATES AND CHARGES

The Cooperative shall not be liable for either direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the Cooperative, including, but not limited to, acts of God, public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in a bona fide adverse legal proceeding or action, or any order of any commission, tribunal or governmental authority having jurisdiction.

For claims resulting from failures, interruptions, or voltage and wave form fluctuations occasioned in whole or in part by the negligence of the Cooperative or its agent(s), the Cooperative shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or reasonable replacement of electric equipment proximately caused by the negligent acts of the Cooperative or its agent(s). the Cooperative shall not be liable in any event for consequential damages.

8. Metering

If the output of the Producer's generating installation is to be purchased by the Cooperative, it will be measured by meters and metering configurations as required for the metering option chosen by the Producer. Under one option, the Producer would sell net surplus output in excess of other requirements, and under the other option Producer would sell total output. Any necessary meter(s) or meter modifications in addition to one standard service meter will be installed, maintained, and operated by the Cooperative at the Producer's expense. A connection will be provided for the meter(s) at the Producer's expense in a location that is acceptable to both the Cooperative and the Producer.

The metered output of Producer's generating installation will be read by the Cooperative.

The meter(s) will, by comparison with accurate standards, be tested and calibrated as often as necessary. The Producer or the Cooperative may reasonably request such test, and shall be given notice of not less than five (5) working days when such tests are to be made. Both the Producer and the Cooperative will have the right to be present at such tests. If a meter is found to be inaccurate, it shall be restored to an accurate condition or replaced. If the tests disclose that no unacceptable inaccuracies exist in the meter(s), then

the party requesting the tests shall bear the expense of the tests. A report of the results of any tests shall be furnished promptly by the party making such tests to the other party. Any meter(s) registering a deviation of not more than two percent (2%) from normal shall be deemed accurate. The readings of any meter(s) which have been inaccurate shall be corrected according to the percentage of inaccuracy as determined by the test for a period of no more than ninety (90) days prior to the tests. If any meter fails to register for any period, the facility output during such period shall be estimated in the best manner possible as agreed upon by the Cooperative and the Producer.

9. Notice of Change in Installation

Producer will notify the Cooperative in writing fifteen (15) days in advance of making any change affecting the characteristics, performance, or projection of the generating installation. If it comes to the Cooperative's attention that the modification will create or has created conditions which may be unsafe or adversely affect the Cooperative's system, then it shall notify Producer and Producer shall immediately correct such condition.

10. Insurance

Producer shall continue to maintain insurance as required by the Cooperative prior to interconnection and shall provide proof of such insurance to the Cooperative at least annually.

D. Sales to Producer

Producer's rate class shall be designated by the Cooperative in accordance with the availability and type of service provisions in its rate schedules for all services including Backup, Supplementary, Interruptible, and Maintenance.

E. Purchase from Producer

1. Rate

The Cooperative will pay Producer for all power purchased at the following rates:

SECTION: RATES AND CHARGES

-
-
- (a) Capacity – No payment except by separate firm power contract between the Producer and the Cooperative.
 - (b) Energy – The metered kWh output from the Producer will be purchased at the Cooperative’s total energy and fuel cost divided by the total kWhs purchased as calculated from the most recent wholesale power bill.

In the event that the Producer exercises the option to sell power to the Cooperative, there will be, in addition to the minimum monthly bill requirements under the applicable service rate schedule(s), a customer service charge of \$12.00 per month for metering and billing.

2. Refusal to Purchase

The Cooperative may, at certain times and as operating conditions warrant, reasonably refuse to accept part or all of the output of the Producer’s facility. Such refusal shall be based on system emergency constraints, special operating requirements, adverse effects of the Producer’s facility on the Cooperative’s system or violation by the Producer of the terms of the Agreement for Interconnection and Parallel Operation of Cogeneration and Small Power Installations; 100 kW or Less.

F. Definitions

- 1. Power Generating Installation, Generating Installation – shall mean a small power production or cogeneration facility which is a “qualifying facility” under Subpart B of the Federal Energy Regulatory Commission’s Regulations under Section 201 of the Public Utility Regulatory Policies Act of 1978, including any generator and associated equipment, wiring, protective devices, or switches owned or operated by Producer.
- 2. Producer means any person, firm, corporation, partnership, or other entity owning or operating a power generating installation.

APPROVED: 5/29/86
EFFECTIVE: 5/29/86
REVISED: 08/22/05

SECTION: RATES AND CHARGES**203.18 Distribution Generation Rate Rider**Application.

Applicable to Distributed Generation Facilities that are Qualifying Facilities smaller than 700 kW of connected generation, rated to produce an amount of electricity less than or equal to the amount of electricity the Customer for whom the DG is installed is reasonably expected to consume and connected in parallel operation to the Cooperative's electric system in accordance with the Cooperative's service rules and regulations and the Cooperative's *Distributed Generation Procedures and Guidelines Manual for Members* (available on request). This rate is not applicable to temporary, shared, or resale service.

The Customer may connect multiple Distributed Generation Facilities behind a single Cooperative meter to the Customer, but the total of the connected maximum rated output shall not exceed the tariff limit. This rate is applicable to service supplied at one point of delivery.

If any part of these sections shall be in conflict with any other provision of this tariff, these sections shall control. By agreement, the Cooperative and Customer may establish additional or different terms, conditions, or rates for the sale or purchase of electricity.

Sales to Customer

Sales to a Distributed Generation Customer shall be consistent with the applicable retail rate tariff established by the Cooperative and in use by the Customer as if there were no Distributed Generation installation. In addition to all other charges, the Cooperative may bill the Member for any additional facilities charges as determined by the Cooperative and appended to the Interconnection Agreement.

Purchases from a Customer:

Determination of billing shall be accomplished by metering that can identify both all energy supplied by the Cooperative and all energy supplied by the Customer in excess of the Customer's on-site consumption.

For energy produced in excess of on-site requirements, the Customer shall be compensated at the Cooperative's avoided cost which will be provided monthly by the Cooperative's generator.

The Cooperative may, at its sole discretion, purchase energy from non-qualifying Customers on a non-discriminatory basis under the terms of this section.

The Cooperative shall not be required to make any purchases that will cause the Cooperative to no longer be in compliance with any applicable contracts or all-power contract requirements with its power supplier(s) unless required by law or state regulation.

The Cooperative shall compensate the DG Customer by direct payment or bill credit on a monthly basis for the energy supplied by the DG Customer to the Cooperative.

Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges in addition to all charges indicated on his/her base rate:

SECTION: RATES AND CHARGES

Customer Charge

For additional metering and billing costs

For DG of 10 kW or less @ \$ 12 per meter/month

For DG greater than 10 kW @ \$ 40 per meter/month

Data Access – Communications Links

In addition the all other charges in the Customer's tariff and this rider, the Customer will provide the Cooperative and/or its Power Supplier at the Customer's expense a communications link as approved at the sole discretion of the Cooperative and/or its Power Supplier for remotely obtaining meter readings at a time or times of the month as determined at the Cooperative's sole discretion.

Meter Reading Charge

If Cooperative personnel or agents must read the DG Customer meter in an area in which the cooperative normally reads meters remotely, the following charge shall apply:

Monthly Meter Reading Charge @ \$ 25.00 per meter/month

Agreements

An Interconnection Agreement and between the Customer and the Cooperative shall be required.

APPROVED: 11/23/09
EFFECTIVE: 11/23/09
REVISED:

203.20 Generation Resource – Standby and Auxiliary Delivery ServiceA. Application.

Applicable to all Generation Resource customers taking the type of service described in this rate schedule. Service will be furnished under this rate schedule subject to the established rules and regulations of the Cooperative covering this type of service, including all applicable billing adjustments. All service is supplied at one delivery point and taken through a single meter for auxiliary service to the Customer. In this rate schedule, "Generation Resource" refers to facilities that are used for generating electricity, including but not limited to wind, solar, nuclear, hydro, coal and lignite, combined cycle, simple cycle, gas steam, and diesel. Customer's Generation Resource may be operated in parallel with Cooperative's system in accordance with the Cooperative's parallel generation and interconnection requirements, provided Customer installs such protective equipment as Cooperative may reasonably require to protect both Customer's equipment and Cooperative's equipment in the event of a malfunction of either system.

This service is available only if the Cooperative's existing facilities are adequate or if adequate facilities can be built or rebuilt, at Customer's expense, to provide such service, and if service to Customer will not, in the Cooperative's sole judgment, impair the Cooperative's ability to serve the requirements of its other customers at any time.

THE CUSTOMER AGREES TO ASSUME LIABILITY FOR ANY AND ALL DAMAGES AS A RESULT OF PARALLEL OPERATION TO THE EXTENT ATTRIBUTABLE TO THE CUSTOMER'S GENERATION RESOURCE AND AS FURTHER PROVIDED IN THE COOPERATIVE'S PARALLEL GENERATION AND INTERCONNECTION REQUIREMENTS.

B. Type of Service.

- (1) Three-phase retail service at transmission level voltage.
- (2) Retail service to the Customer through a Cooperative Wholesale Delivery Point.

C. Monthly Rate.

Each billing period the Customer shall be obligated to pay the following charges:

- | | | |
|-----|-----------------------------|---------------------------|
| (1) | <u>Basic Service Charge</u> | \$500.00 per meter |
| (2) | <u>NCP Demand Charge:</u> | \$1.50 per NCP Billing Kw |

The non-coincident peak (NCP) billing demand shall be the highest of the following:

SECTION: RATES AND CHARGESPage 2 of 3

- (a) The maximum kilowatt demand for any period of ERCOT-settlement interval (currently 15 consecutive minutes) during the billing period, as indicated or recorded by a demand meter and adjusted for power factor,
- (b) The maximum NCP kW established in the previous eleven (11) billing periods; or
- (c) The contract capacity specified in the Agreement for Electric Service between the Customer and the Cooperative.

(3) Power Supply Charges:

An amount equal to the total power supply cost incurred by the Cooperative in providing service to the Customer.

D. Minimum Charge.

The minimum monthly charge shall be the greater of the amount as set forth in the Agreement for Electric Service referenced in 2(c) above, or the Basic Service Charge plus NCP Demand Charge. POWER SUPPLY CHARGES DO NOT apply toward fulfilling the minimum monthly charge.

E. Billing Adjustments.

This rate is subject to all applicable billing adjustments, with the exception of the Power Cost Recovery Factor adjustment.

F. Agreement.

An Agreement for Electric Service for a specified term, a specified contract capacity, and required contribution in aid of construction of additional facilities, if applicable, will be required by the Cooperative. The Cooperative will supply service under this rate up to but not exceeding the contract capacity amount stated in the Agreement for Electric Service. This rate schedule may be changed by the Cooperative's board of directors and service hereunder is subject to the Cooperative's tariff for electric service.

G. Other Conditions of Service.

- (1) All wiring, pole lines and other electrical equipment beyond the metering point shall be considered the system of the Customer and shall be furnished and maintained by the Customer.

SECTION: RATES AND CHARGES

- (2) The Cooperative shall not be responsible for the purchase of any power generated by the Customer.
- (3) Customer shall be responsible for all termination fees, penalties, and any other costs incurred by the Cooperative associated with the power supply for service to the Customer.
- (4) Customer shall be responsible for all costs incurred by the Cooperative in arranging for special wholesale power supply on behalf of the Customer
- (5) The Customer will be subject to all transmission-related cost responsibility incurred by the Cooperative directly associated with providing service to the Customer, even if such cost recovery should occur after the Customer has terminated service. To the extent that such cost is not included in the Monthly Rate, Customer shall be responsible for the incremental transmission cost.
- (6) This rate schedule may be changed by order or consent of regulatory authorities having jurisdiction, or if none, by the Cooperative's board of directors in accordance with applicable laws.
- (7) All other conditions of service hereunder are subject to the Cooperative's tariff for electric service.

APPROVED: 07/27/09
EFFECTIVE: 07/27/09
REVISED:

204. Billing Adjustment

The Cooperative shall adjust all bills in accordance with the following adjustments, if applicable:

204.1 Power Cost Recovery Factor (PCRF)

A. Applicability

The Cooperative shall adjust all bills in accordance with the following adjustment. The Utility shall, if the purchased power expense is increased or decreased above or below the base purchased power cost, flow through to the users such increases or decreases. Purchased power expense shall include cost of power, ancillary services and competitive retail services provided by the power supplier.

B. Power Cost Adjustment for All Customer Classes.

The utility shall, if the purchased power expense is increased or decreased above or below the average base purchased power cost of \$.070000 per kWh sold, flow to all users such increases or decreases.

204.2 Tax Adjustments

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering service, or any other object or event incidental to the rendition of the service.

204.3 Gross Receipts Fees and Franchise Taxes

The Cooperative may increase each Member's bill for service rendered within the incorporated limits of a municipality that imposes a gross receipts adjustment or franchise tax upon the revenues received by the Cooperative from its Members.

204.4 State Agencies

Billing is made in accordance with Public Utility Commission Substantive Rule 25.29. Notwithstanding any provisions in the rate schedules with respect to when bills become past due and imposing an increased amount if bills are not paid within a

specified time, all bills rendered to “State Agencies,” as that terms is defined in Article 601f, V.A.T.S., shall be due and shall bear interest if overdue as provided in said Article 601f.

205. Services and Charges**205.1 Trip Fees**

As set forth below, the following charges are applicable to recover costs incurred by the Cooperative from persons causing or benefiting from the services.

A. Connect Fee with New Construction

A fee of \$100.00 will be charged for connecting a service at customer’s premises when electric distribution utility facilities must be constructed. Such connection shall be made only during normal business hours. Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays.

B. Connect Fee with Existing Facilities

A fee of \$55.00 will be charged for re-connecting an existing service (when there are electric distribution utility facilities) at customer’s premises. Such connection shall be made only during normal business hours. Business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays.

If the customer requests reconnection after business hours, the reconnect fee required will be \$200.00. The customer will be advised of the applicable fee before the connection is made.

C. Collection Fee

A fee of \$75.00 will be charged if Cooperative personnel are dispatched to a customer’s premises for the purpose of collecting payment on a delinquent account. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive Energy Assistance Program agencies (the “Agency”) will be subject to terms and conditions specified in the “Vendor Agreement” by and between the Cooperative and the Agency.

D. Reconnect Fee for a Delinquent Account

If service is discontinued because of non-payment of a delinquent account, a reconnect fee of \$75.00 will be charged to reconnect services during normal business hours. If the customer requests reconnection after business hours, the reconnect fee charged will be \$200.00. Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays. The customer will be advised of the applicable fee before the reconnection is made. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive

SECTION: RATES AND CHARGES

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Energy Assistance Program agencies (the "Agency") will be subject to terms and conditions specified in the "Vendor Agreement" by and between the Cooperative and the Agency.

E. Intermittent Service Disconnect Fee

When service is disconnected to an intermittent customer a \$55.00 disconnect charge shall be collected. This charge is to recover a portion of the cost of disconnecting the service. An Intermittent Customer is defined as "a customer that requires a connect and disconnect for the same customer, at the same location, within a twelve (12) month period".

F. Meter Reading Fees

The utility must have accurate and timely meter readings. In the case of customer read meters, if a meter reading has not been turned in over the past three months, then the Cooperative will send a meter reader to the premises to obtain an updated meter reading. The customer will be charged \$40.00.

G. False Call for Repair Services or Outages

When a customer, member or non-customer calls for electric distribution utility service during normal business hours and the trouble or problem is on the customer's side of the point of delivery, a False Call for Service fee of \$90.00 will be charged. If the customer requests service after normal business hours, the False Call for Service Fee will be \$200.00. Business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding holidays. The customer will be advised of the applicable fee before the service call is initiated.

205.2 Transfer Fee

A \$10.00 transfer fee will be charged when a customer wishes to establish or transfer service locations where there is an active meter as of the reading date at the service location. The Cooperative will not take a trip to the service location and the transfer will be done on the meter reading date and through an office procedure.

205.3 Returned Check Fee

A fee of \$30.00 will be charged to the customer's account for checks issued to the Cooperative, which are returned by the bank unpaid. This charge will apply to all checks issued payable to the Cooperative.

205.4 Meter Test Fee

When a customer requests a meter test and the meter tests within acceptable limits a meter test fee of \$60.00 will be charged. Acceptable limits are defined as within 2% fast or 2% slow. No charge will be applied if the meter is found to be operating greater than 2% fast. An adjustment will be made to the account to reflect the meter test results if the meter is found to be operating outside the acceptable limits.

SECTION: RATES AND CHARGES**205.5 Meter Tampering Charge**

When the meter seal has been broken or when evidence of meter tampering has occurred, a charge of \$150.00 per meter for the first offense and \$300.00 per meter for each subsequent offense will be made. In addition to the above charges, the Cooperative shall be entitled to reimbursement from the customer for (a) the cost of repairing and/or replacing damaged equipment and (b) the estimated loss of revenue

to the Cooperative resulting from the electric energy diverted as a result of the meter tampering. The rate schedule applicable to the customer's service shall be used to compute the revenue loss.

205.6 Repair of Damages to Electric Facilities

When a customer, member or non-customer does damage to the electric distribution utility equipment or facilities of the utility, the repairs will be charged at the Cooperative's current cost of material, labor and overheads as applicable.

205.7 Late Payment Fee for Delinquent Accounts

A 3% late payment fee will be charged to all accounts with a current bill that is past due. The late payment fee will be applied (3) three days after the due date stated on the original billing and will only be applied to the current month's unpaid balance. Accounts subject to payment guarantees made by the Community Action Council of South Texas or other authorized Comprehensive Energy Assistance Program agencies (the "Agency") will be subject to terms and conditions specified in the "Vendor Agreement" by and between the Cooperative and the Agency.

205.8 Request for Special Services

When a customer, member or non-customer calls for electric distribution utility service other than those detailed in this rate, the service will be charged at the Cooperative's current cost of material, labor and overheads as applicable.

205.9 Financial Institution Transaction Fee

If you elect to pay your electric bill by credit card or other financial institution transaction that charges a fee, a three (3) percent processing fee will be added to the transaction. This is three (3) percent of the total amount paid. This amount is to recover the costs charged by financial institution to process a credit card transaction.

205.10 Administrative Charge

When an adjustment is made to a customers account due to incorrect readings or estimated readings an administrative charge of \$10.00 will be applied.

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206. Idle Services

A. Availability

Will apply to all disconnected distribution facilities that are to remain disconnected for periods greater than three (3) months. Under this rate the Cooperative will continue to maintain and operate its distribution facilities. Service will not be retired and can be reinstated under the applicable rate at the customer's request. Energy will not be delivered under this rate.

C. Rate:

1. SPEC Distribution System Charge:

The SPEC Distribution System Charge will be equal to the SPEC Distribution System Charge billed prior to the disconnect.

RESIDENTIAL SINGLE PHASE	\$ 21.50
RESIDENTIAL MULTI PHASE	\$ 25.00
NON RESIDENTIAL SINGLE PHASE	\$ 21.50
NON RESIDENTIAL MULTI PHASE	\$ 25.00
SMALL COMMERCIAL SINGLE PHASE	\$ 21.50
SMALL COMMERCIAL MULTI PHASE	\$ 25.00
IRRIGATION	\$ 75.00
LARGE COMMERCIAL	\$150.00
OIL PUMPING DEMAND	\$ 75.00
OIL PUMPING NON-DEMAND	\$ 50.00

The SPEC Distribution System Charge is designed to recover costs of providing electric service to the consumer. This includes the cost of installing, replacing and maintaining the poles, wire, and transformers necessary to provide safe and reliable electric distribution service to our customers.

2. Additional Charges

Additional charges may be established in accordance with the Cooperative's Line Extension Policy or by special contract between the consumer and the Cooperative.

3. Tax Adjustment

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the Cooperative and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege event incidental to the providing of service.

D. Minimum Monthly Charge

The minimum charge per billing period shall be the higher of the following:

1. The minimum SPEC Distribution System Charge, or
2. The amount specified in the contract.

F. Conditions of Service

1. The Cooperative's Rules, approved by the Board of Directors for San Patricio Electric Cooperative, Inc. shall apply.
2. All wiring, poles, electric lines and other electrical equipment on the load side of the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.
3. The consumer's installation shall conform to City, State and National Electric Codes and Electrical Safety Codes.
4. The consumer shall not resell the electric service to others.
5. Special conditions of service shall be covered by contract.
6. The Cooperative reserves the right to remove facilities that remain idle for six (6) months or more and if the customer does not elect to pay the SPEC Distribution System Charge under the Idle Service Tariff.

G. Terms of Payment

The above rates are net, and each bill for service, regardless of the nature of the service, is due within sixteen (16) days after issuance unless such day falls on a weekend or holiday, in which case the payment will be due on the following work day. If full payment is not received at the Cooperative's office on or before the due date the customer's account shall be considered delinquent and subject to disconnection and applicable late fees.

H. Billing Period

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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