

PRIMARY SERVICE-HIGH LOAD FACTOR

(Rate "P")

Availability:

Open to any customer desiring primary voltage service for general use where the billing demand is 100 kW or more. This rate is not available for street lighting service or for resale purposes.

Nature of Service:

Alternating current, 60 hertz, single phase or three phase, the particular nature of the voltage in each case to be determined by the Department.

Where service is supplied at a nominal voltage of 15,000 volts or less, the customer shall furnish, install and maintain all necessary transforming, controlling and protective equipment.

The customer may, at his option, choose to purchase and retain ownership of all necessary transforming, controlling and protective equipment, or agree to have the utility provide, install and maintain this equipment at the customers expense. If the customer chooses for the utility to maintain ownership of this equipment, the customer agrees by the acceptance of service under this rate to be responsible for all costs and liability associated with this transforming, controlling and protective equipment.

Where the Department elects to measure the service at a nominal voltage of less than 2,400 volts, 3% will be added for billing purposes to the demand and energy measurements thus made.

Monthly Rate: Customer charge \$40.00 per meter per month, plus

Capacity Charge: \$10.70 per kW of on-peak billing demand

Energy Charge: 5.0¢ per kWh for all kWh consumed during the on-peak period,
November through April.

5.2¢ per kWh for all kWh consumed during the on-peak period,
May through October.

3.90¢ per kWh for all kWh consumed during the off-peak period.

City of Traverse City
Light and Power Department
Effective October 1, 2006

Primary Service-High Load Factor (Rate "P"), cont.

Fuel-Power Cost Adjustment:

This rate is subject to the Department's Fuel Power Cost Adjustment.

High Load Factor Credit:

Monthly credits will be given to high load factor customers as follows:

<u>Load Factor</u>	<u>% Credit on Total Billed Amount</u>
90% - 100%	5%
80% - 89%	4%
70% - 79%	3%

Minimum Charge:

The capacity charge included in the rate.

Due Date:

The due date of the customer's bill will be shown on the bill and will be at least twenty-one (21) days after mailing. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

On-Peak Billing Demand:

The on-peak billing demand shall be the kilowatts (kW) supplied during the 30-minute period of maximum use during on-peak hours during the month, per schedule below.

Schedule of On-Peak, Off-Peak and Intermediate-Peak Hours

The following schedule shall apply Monday through Friday (except holidays designated by the Department). Weekends and holidays are off-peak.

On-Peak Hours:	10:00 a.m. to 5:00 p.m.
Intermediate-Peak Hours:	5:00 p.m. to 9:00 p.m.
Off-Peak Hours:	9:00 p.m. to 10:00 a.m.

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Holidays designated by the Department

The following are designated as holidays by the Department:

New Year's Day	Independence Day	Thanksgiving Day
Memorial Day	Labor Day	Christmas Day

Adjustment for Power Factor:

This rate requires a determination of the average power factor maintained by the customer during the billing period. Such average power factor will be determined through metering of lagging kilovar hours and kilowatt hours during the billing period. The calculated ratio of lagging kilovar hours to kilowatt hours will then be converted to the average power factor for the billing period by using the appropriate conversion factor. Whenever the average power factor during the billing period is above 0.899 or below 0.800, the capacity charge will be adjusted as follows:

- a. If the average power factor during the billing period is 0.900 or higher, the capacity charge will be reduced by 2%. This credit shall not in any case be used to reduce the prescribed minimum charge.
- b. If the average power factor during the billing period is less than 0.800, the capacity charge will be increased by the ratio that 0.800 bears to the customer's average power factor during the billing period.