

CITY OF TRAVERSE CITY, MICHIGAN
LIGHT AND POWER DEPARTMENT

ELECTRIC SERVICE RATES

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City of Traverse City
Light and Power Department
Effective: May 14, 2013

COMMUNITY SOLAR GARDEN PHASE I RATE

(Rate "SLR1")

Availability:

Available to any customer that has an active TCL&P account who has a signed TCL&P Participating Customer Solar Energy Credit Purchase Agreement or an approved Sun Alliance Solar Garden Credit Transfer form which constitutes their investment in a solar panel(s) offered through the Solar Up North Alliance for the Phase I project located at 5930 US 31 South, Grawn, Michigan in which TCL&P is a partner.

Monthly Rate:

Cherryland Electric Cooperative (Cherryland) will make monthly payments to TCL&P equal to the total of TCL&P's proportional share of the total Solar Garden net metering savings, if any, multiplied by a rate per kilowatt hour equal to Cherryland's annual wholesale cost of power, less distribution charges, which shall be calculated annually by Cherryland.

A monthly credit shall be applied to TCL&P's customer accounts based upon the customer's incremental share of the total Solar Garden monthly payment provided by Cherryland.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

POWER SERVICE COST RECOVERY

The Power Service Cost Recovery shall be derived as follows: The net purchased power costs, including MISO expenses, during the month shall be totaled and then divided by the net Traverse City energy provided to yield a cost per kWh experienced during that month. This experienced cost is then compared to the base cost of 64.57 mils/kWh with the resulting difference in mils/kWh to be multiplied by 105%; the resulting difference so multiplied shall be known as the Power Service Cost Recovery and shall be applied as follows beginning on the first day of the second month following data acquisition. If the experienced cost is higher than the base cost, the Power Service Cost Recovery shall be added onto the cost of all kWh billed. If the experienced cost is lower than the base cost, the Power Service Cost Recovery will be subtracted from the cost of all kWh billed.

The Department shall establish a (0-15 mil) DELAYED PSCR BILLING BANK to be administered by the Executive Director, or designate, for the purpose of stabilizing the PSCR as rendered.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

RESIDENTIAL SERVICE

(Rate "R")

Availability:

Available to single family residences, individually metered dwelling units in: mobile home courts, apartment buildings, condominiums, and multiple dwelling units. This rate is not available for general service or for resale purposes.

Service for single phase motors may be included under this rate, provided the individual capacity of such motors does not exceed 3 hp, nor the total capacity of 10 hp, without the specific consent of the Department.

Nature of Service:

Alternating current, 60 hertz, single phase, 120/240 nominal volts.

Monthly Rate:

Customer Charge: \$6.00 per month, plus

Energy Charge: 9.4¢ per kWh for the first 16 kWh per day

10.55¢ per kWh for all over 16 kWh per day

Water Heating Service (Rate "RH"):

When service is supplied to a Department-approved water heater with a tank capacity of 30 gallons or greater, the rate of 9.4¢ per kWh shall apply to the first 29 kWh per day. All excess kWh are billed at 10.55¢ per kWh. This provision for water heating service is not applicable to the use of electricity as an occasional or seasonal substitute for another method of water heating.

Space Heating Service (Rate "RS"):

When service is supplied to a residence which has permanently installed electric heating equipment as the primary source of space heating, the following rate shall apply during the billing months of November through May: 9.2¢ per kWh June through October: 9.4¢ per kWh for 480 kWh/month. All excess kWh billed at 10.55¢/kWh

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Effective: July 1, 2014

Residential Service (Rate "R"), cont.

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer 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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

RESIDENTIAL SENIOR CITIZEN SERVICE

(Rate "SR")

Availability:

Available to single family residences, individually metered dwelling units in: mobile home courts, apartment buildings, condominiums, and multiple dwelling units. This rate is not available for general service or for resale purposes.

Service for single-phase motors may be included under this rate, provided the individual capacity of such motors does not exceed 3 hp, nor the total capacity of 10 hp, without the specific consent of the Department.

Nature of Service:

Alternating current, 60 hertz, single phase, 120/240 nominal volts.

Monthly Rate:

Customer Charge: \$5.00 per month, plus

Energy Charge: 7.7¢ per kWh for the first 16 kWh per day

12.29¢ per kWh for the next 17.3 kWh per day

10.55¢ for all over

Water Heating Service (Rate "SH"):

When service is supplied to a Department-approved water heater with a tank capacity of 30 gallons or greater, the rate of 8.07¢ per kWh shall apply to the first 29 kWh's per day. All excess kWhs are billed at 10.55¢ per kWh. This provision for water heating service is not applicable to the use of electricity as an occasional or seasonal substitute for another method of water heating.

Space Heating Service (Rate "SS"):

When service is supplied to a residence which has permanently installed electric heating equipment as the primary source of space heating, the following rate shall apply during the billing months of November through May: 9.2¢ per kWh for all kWh per month June through October: 9.4¢ per kWh for 488 kWh per month and 10.55¢ per kWh for excess

City of Traverse City
Light and Power Department
Effective: July 1, 2014

Residential Senior Citizen Service (Rate "SR"), cont.

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer 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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

Senior Citizen Requirements:

To qualify for this reduction, the customer must be 62 years-of-age and head of the household. To apply for this, write or come to the City's Utility Customer Service Department at the Governmental Center, 400 Boardman Avenue, Traverse City, MI 49684. If you are applying in writing, be sure to:

1. Give your full name and utility service address.
2. State that you are 62 years-of-age or older, and supply copy of identification showing such.
3. State that you are the head of the household.
4. Sign your written request.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

LIFE SUPPORT SYSTEM SERVICE RATE

(Rates “90”, “91” and “92”)

Availability:

Subject to any restrictions, this rate is available to any residential customer who, in addition to normal household requirements, desires electric service for life support systems.

For a life support system customer to qualify for this rate, the customer must notify the Utility that a member of the household is dependent upon electrical energy for the continuous operation of a life support system.

A signed certificate must be provided by a licensed physician stating that a member of the household is dependent on electric energy for the operation of a life support device. For application of this rate, life support systems are considered to be such devices as a respirator, iron lung or kidney dialysis machine.

This rate is not available for resale purposes or for any nonresidential usage.

Nature of Service:

Alternating current, 60-hertz, single-phase, secondary voltage, the particular nature of the voltage in each case to be determined by the Utility.

Monthly Rate:

Customers will be billed on the appropriate residential service rate schedule and charges reduced by 20%.

Customers on this rate will be subject to terms and conditions for the appropriate residential rate schedule including the Power Service Cost Recovery.

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Effective: July 1, 2014

COMMERCIAL/GENERAL SECONDARY SERVICE

(Rate "C")

Availability:

Open to any customer desiring secondary voltage service. This rate is also available for service to any customer where the Department elects to provide one transformation from the available primary distribution voltage to another primary voltage desired by the customer. This rate is not available for auxiliary standby, resale service, or for street lighting service.

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.

When the service is three phase, 3-wire, lighting may be included provided the customer furnishes all transformation facilities required for such purpose and so arranges the lighting circuits as to avoid excessive unbalance of the three phase load. When the service is single phase, or 4-wire, three phase, the single phase individual motor capacity shall not exceed 3 hp, nor the total single phase motor capacity 10 hp, without the specific consent of the Department.

Where the Department elects to measure the service on the primary side of the transformers, 3% will be deducted for billing purposes from the energy measurements thus made.

Monthly Rate:

Customer Charge: \$13.00 per meter per month, plus

Energy Charge: 12.11¢ per kWh for all kWh

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer charge included in the rate except where special minimum charges are required by Department's policy.

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Effective: July 1, 2014

Commercial (Rate "C"), cont.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

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Effective: July 1, 2014

COMMERCIAL DEMAND/GENERAL SECONDARY SERVICE

(Optional Rate "CD")

Availability:

Open to any customer desiring secondary voltage service where the billing demand is 5 kW or more. This rate is also available for service to any customer where the Department elects to provide one transformation from the available primary distribution voltage to another primary voltage desired by the customer. This rate is not available for street lighting 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.

When the service is three phase, 3-wire, lighting may be included, provided the customer furnishes all transformation facilities required for such purpose and so arranges the lighting circuits as to avoid excessive unbalance of the three phase load. When the service is single phase, or 4-wire, three phase, the single phase individual motor capacity shall not exceed 3 hp, nor the total single phase motor capacity 10 hp, without the specific consent of the Department.

Where the Department elects to measure the service on the primary side of the transformers, 3% will be deducted for billing purposes from the demand and energy measurements thus made.

Monthly Rate:

Customer Charge: \$15.00 per meter per month, plus

Capacity Charge: \$12.95 per kW for peak kW of billing demand, plus

Energy Charge: 5.9¢ per kWh for all energy used

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

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Effective: July 1, 2014

Commercial Demand (Optional Rate "CD"), cont.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

Billing Demand:

The billing demand shall be the kW supplied during the fifteen (15) minute period of maximum use in the billing month, but not less than the 5 kW.

Adjustment of Power Factor:

When the average power factor during the billing month is less than 80% lagging, the Department reserves the right to increase the capacity charge for such billing month in the ratio that 80% bears to such power factor. The Department may, at its option, determine the power factor by test or by permanently installed measuring equipment.

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COMMERCIAL DEMAND PRIMARY METERED

(Optional Rate "D3")

THIS RATE CLASS IS CLOSED EFFECTIVE JULY 1, 2014. PRESENT CUSTOMERS WILL CONTINUE TO BE SERVED AT PRESENT LOCATION UNDER THIS RATE.

Availability:

Open to any customer desiring primary voltage service where the billing demand is 5 kW or more. This rate is also available for service to any customer where the Department elects to provide one transformation from the available primary distribution voltage to another primary voltage desired by the customer. This rate is not available for street lighting 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.

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

Where the Department elects to measure the service on the primary side of the transformers, 3% will be deducted for billing purposes from the demand and energy measurements thus made.

Monthly Rate:

Customer Charge: \$16.00 per meter per month, plus

Capacity Charge: \$12.57 per kW for peak kW of billing demand, plus

Energy Charge: 5.81¢ per kWh for all energy used

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The capacity charge included in the rate.

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Commercial Demand Primary Metered (Rate "D3"), cont.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

Billing Demand:

The billing demand shall be the kW supplied during the fifteen (15) minute period of maximum use in the billing month, but not less than the 5 kW.

Adjustment of Power Factor:

When the average power factor during the billing month is less than 80% lagging, the Department reserves the right to increase the capacity charge for such billing month in the ratio that 80% bears to such power factor. The Department may, at its option, determine the power factor by test or by permanently installed measuring equipment.

City of Traverse City
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Effective: July 1, 2014

COMMERCIAL ELECTRIC HEAT AND AIR CONDITIONING

(Rate "C1")

Availability:

Open to any commercial or industrial customer desiring service for electric space heating furnished through a separate meter to which no other device, except electric air-conditioning equipment or electric water heater(s), may be connected and provided the customer has permanently installed and uses electric heating equipment as the primary source of space heating. Electric space heating will be considered to include heating by light systems when the lighting equipment provides a major portion of the heating system as determined by the Department. This rate is not available for heating water for industrial processing or for resale purposes. This rate is not applicable as an occasional or seasonal substitute for another method of heating.

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 the Department elects to measure the service on the primary side of the transformers, 3% will be deducted for billing purposes from the energy measurements thus made.

Monthly Rate:

Customer Charge: \$13.00 per customer per month, plus

Energy Charge: 10.6¢ per kWh for all energy used

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer charge included in the rate.

City of Traverse City
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Effective: July 1, 2014

Commercial Electric Heat and Air Conditioning (Rate "C1"), cont.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

COMMERCIAL AND INDUSTRIAL WATER HEATING SERVICE

(Rate "WH")

This rate will not be available to new customers after July 1, 1982. Present customers will continue to be served at present location under this rate.

Availability (prior to July 1, 1982):

Open to any commercial or industrial customer desiring service for electric water heater(s) served through a separate meter to which no other device shall be connected. This rate is not applicable to the use of electricity for space heating service or as an occasional or seasonal substitute for another method of water heating. This rate is not available for heating water for industrial processing or for resale purposes.

Nature of Service:

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

Monthly Rate:

Customer Charge: \$11.75 per customer per month, plus

Energy Charge: 9.7¢ per kWh for all kWh used

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer charge included in the rate.

City of Traverse City
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Effective: July 1, 2014

Commercial and Industrial Water Heating Service (Rate "WH"), cont.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

City of Traverse City
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Effective: July 1, 2014

PRIMARY SERVICE-HIGH LOAD FACTOR

(Rate "I1")

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.

Beginning July 1, 2014 any new the customers must purchase and retain ownership of all necessary transforming, controlling and protective equipment, and, install and maintain this equipment at their expense. The customer is responsible for all costs and liability associated with the 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: \$50.00 per meter per month, plus

Capacity Charge: \$11.00 per kW of on-peak billing demand

Energy Charge: 6.6¢ per kWh for all kWh consumed during the on-peak period,
November through May.

6.8¢ per kWh for all kWh consumed during the on-peak period, June
through October.

5.5¢ per kWh for all kWh consumed during the off-peak period.

City of Traverse City
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Effective: July 1, 2014

Primary Service-High Load Factor (Rate "I1"), cont.

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

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. 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 and Off-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.
Off-Peak Hours: 9:00 p.m. to 10:00 a.m.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

Primary Service-High Load Factor (Rate "I1"), cont.

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.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

PRIMARY INTERRUPTIBLE

(Rate "P3")

Availability:

Open to any customer desiring primary voltage service where the billing demand is 100 kW or more. The individual maximum capacity of a customer served under this schedule shall be limited to 5,000 kW. The aggregate maximum capacity of all customers served under this schedule shall be limited to 10,000 kW.

This rate is not available for standby service, street lighting service or for resale purposes.

Nature of Service:

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

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

The customer shall designate an interruptible service contract capacity in kilowatts (kW). The firm service contract capacity in kilowatts (kW) shall be the highest on-peak kW capacity during a recent 12 month continuous period preceding the customers starting date on Interruptible Rate "P3". This firm kW capacity will remain the same as long as the customer stays on this rate. Any break in service under this rate will be cause to re-determine the firm kW capacity by the maximum kW of the most recent 12 months during the interruption periods. During an interruption notice the customer will reduce the total load level to the firm service contract capacity level or be assessed a penalty of \$80.00/kW/per month for each kW over the contract capacity level. These terms, and all terms of this rate, the customer must agree to in writing when contracting for service under this rate.

The contracted interruptible and firm kW capacities will be in effect for each calendar year. The customer may change the interruptible kW capacity by giving written notification to the Executive Director of Traverse City Light and Power at any time. If no notification the interruptible kW capacity will not change.

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Effective: July 1, 2014

Primary Interruptible (Rate "P3"), cont.

In order to implement Department interruptions, the Department shall install and maintain at the customer's expense, any equipment necessary to permit the Department to notify the customer of interruptions, and to meter and/or monitor such interruptions.

Beginning July 1, 2014 any new customers must purchase and retain ownership of all necessary transforming, controlling and protective equipment and install and maintain this equipment at the their expense. The customer is responsible for all costs and liability associated with the transforming, controlling and protective equipment.

Conditions of Interruption:

The period of interruption shall be limited to no more than 600 hours per calendar year, nor more than 10 hours per day. The Department shall endeavor to provide 30 minute notice in advance of interruption and 30 minute notification after an interruption ends. The customer may be interrupted at any time of day or night on any day of the week without the 30 minute notice in the event of any emergency. Emergency interruptions also require the customer to reduce his total load level to the firm service contract kW capacity.

The Department shall not be liable for any loss or damage caused by or resulting from any interruption of service under this rate.

Monthly Rate:

Monthly Customer Charge: \$50.00

Billing Demand Charge: \$11.00 per kW of contracted firm service billing capacity

Energy Charge: 6.6¢ per kWh for all kWh consumed during the on-peak period
November through May.

6.8¢ per kWh for all kWh consumed during the on-peak period
June through October.

6.0¢ per kWh for all kWh consumed during the intermediate-peak
and off-peak period.

City of Traverse City
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Effective: July 1, 2014

Primary Interruptible (Rate "P3"), cont.

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 shall be determined from the customers Rate "I1" metering.

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The capacity charge included in the rate.

Due Date and Late Payment Charge:

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

Term and Form of Contract:

All service under this rate shall require a written contract with a minimum term subject to negotiation, and a contracted interruptible kW capacity and firm service kW capacity.

City of Traverse City
Light and Power Department
Effective: January 1, 2015

METAL MELTING PRIMARY SERVICE

(Rate "MM")

Availability:

Open to any customer who provides metal melting and heat treating services and is desiring primary voltage service for general use where the billing demand is 500 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 supplies at a nominal voltage of 15,000 volts or less, the customer shall furnish, install and maintain all necessary transforming, controlling and protective equipment.

Beginning July 1, 2014 any new customers must purchase and retain ownership of all necessary transforming, controlling and protective equipment, and, install and maintain this equipment at their expense. The customer is responsible for all costs and liability associated with the 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:	\$8.48 per kW of the highest on-peak billing demand for the past twelve months
Energy Charge:	6.4¢ per kWh for all kWh consumed during the on-peak period, November through May. 6.7¢ per kW for all kWh consumed during the on-peak period, June through October 5.0¢ per kWh for all kWh consumed during the off-peak period.

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

City of Traverse City
Light and Power Department
Effective: January 1, 2015

Metal Melting Primary Service (Rate"MM"), cont.

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. 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 and Off-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.
Off-Peak Hours:	5:00 p.m.	to	10:00 a.m.

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

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Light and Power Department
Effective: January 1, 2015

Metal Melting Primary Service (Rate"MM"), cont.

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 Metal Melting Primary Service (Rate"MM"), cont.

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.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

MUNICIPAL PUMPING SERVICE (SECONDARY)

(Rate "P1")

Availability:

Open to municipalities for secondary voltage service for water pumping and/or sewage disposal.

Nature of Service:

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

Where the Department elects to measure the service on the primary side of the transformers, 3% will be deducted for billing purposes from the energy measurements thus made.

Monthly Rate:

Customer Charge: \$19.00 per month per service location, plus

Energy Charge: 9.9¢ per kWh for all kWh

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer charge in the rate applied to each service location.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

City of Traverse City
Light and Power Department
Effective: July 1, 2014

MUNICIPAL PUMPING SERVICE (PRIMARY)

(Rate "P2")

Availability:

Open to municipalities for primary voltage service for water pumping and/or sewage disposal.

Nature of Service:

Alternating current, 60 hertz, single phase or three phase, 2,400 volts or more, the particular nature of the supply 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.

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 energy measurements thus made.

Monthly Rate:

Customer Charge: \$22.00 per month per service location, plus

Energy Charge: 9.2¢ per kWh for all kWh

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer charge in the rate applied to each service location.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

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MUNICIPAL PUMPING SERVICE AT 103%

(Rate "M3")

Availability:

Open to municipalities for primary voltage service for water pumping and/or sewage disposal.

Nature of Service:

Alternating current, 60 hertz, single phase or three phase, 2,400 volts or more, the particular nature of the supply 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 Utility shall furnish, install, and maintain all necessary 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 energy measurements thus made.

Monthly Rate:

Customer Charge: \$19.00 per month per service location, plus

Energy Charge: 10.2¢ per kWh for all kWh

Power Service Cost Recovery:

This rate is subject to the Department's Power Service Cost Recovery.

Minimum Charge:

The customer charge in the rate applied to each service location.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

PRIVATE AREA LIGHTING SERVICE

(Rate "PAL")

Availability:

Open to any customer desiring photoelectric-controlled, un-metered Private Area Lighting (also referred to as "Security Lighting" or "Dusk-to-Dawn" lighting).

Nature of Service:

The Department will install, own and maintain un-metered, photoelectric-controlled luminaries in mutually-agreeable locations as required by the customer. Standard overhead equipment includes wood poles and non-decorative fixtures. Any lighting system other than this will be charged based on expected life and a 5% carrying cost of capital. The Light and Power Board retains the right to self-fund special lighting projects that it determines are in the best interest of the City.

Monthly Rate:

TYPE OF LUMINAIRE	Nominal Rating of Lamps (One Lamp Per Luminaire)		Rate per month
	<u>Watts</u>	<u>Lumens</u>	
HIGH PRESSURE SODIUM			
High Level Light	100	8,500	\$10.61
High Level Light	250	24,000	\$14.71
Low Level Pedestrian Light	35	3,600	\$12.17
Low Level Pedestrian Light (Energy and maintenance only)	35	3,600	\$ 6.04
Low Level Pedestrian Light	50	5,100	\$12.54
Low Level Pedestrian Light	100	8,500	\$13.72
LED			
Low Level Pedestrian Light	50	3,300	\$ 7.33
High Level Light	54	15,000	\$ 8.19
High Level Light	62	6,500	\$ 9.78
High Level Light	112	8,500	\$ 9.87
High Level Light	119	12,900	\$11.57
High Level Light	137	15,000	\$12.12
High Level Light	283	30,000	\$17.31

City of Traverse City
Light and Power Department
Effective: February 1, 2017

Private Area Lighting Service (Rate "PAL"), cont.

The charge per pole (per month) shall be:

POLES

Wood pole	\$ 3.56
Fiberglass pole	\$ 9.49
Candy cane pole	\$15.94
Acorn pole	\$10.59

Terms and Conditions:

Initial minimum term is one (1) year for each installation.

Special Conditions:

Where the customer desires other than standard wood poles or desires underground wiring or special equipment not covered herein, the Department, at its option, will provide such facilities by special agreement. In addition, the customer agrees to furnish the Department with a trenchable route across their property, if needed, and agrees to restore any damage due to trenching at their cost.

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.

Michigan Sales Tax:

This tax shall be added to all bills, including minimum, where applicable.

STREET LIGHTING SERVICE

(Rate "GV")

Availability:

Open to the State of Michigan or any political subdivision or agency thereof having jurisdiction over public streets or roadways for street lighting service for any system consisting of one or more luminaries where the Department has an existing distribution system with secondary voltage available.

Nature of Service:

The Department will furnish, install, and own all equipment comprising the street lighting system. The Department will supply the energy and maintain the entire equipment with the replacement of the asset subject to the utility's Decorative Lighting Policy and Street Lighting Operations and Maintenance Policy. In areas where the Department has installed a residential underground electric distribution system, the street lighting system will be served from said underground electric distribution system. In all other areas, the street lighting system will normally be served from either overhead lines or from underground cables as available. Standard overhead equipment includes wood poles and non-decorative fixtures. Any lighting system other than this will be charged based on expected life and an 5% carrying cost of capital. The Light and Power Board retains the right to self-fund special lighting projects that it determines are in the best interest of the City.

Monthly Rate:

The charge per luminaire (per month) shall be:

Type of Luminaire	Nominal Rating of Lamps (One Lamp Per Luminaire)		Rate Per Luminaire (per month)
	Watts	Lumens	
HIGH PRESSURE SODIUM			
High Level Light	100	8,500	\$ 10.61
High Level Light	250	24,000	\$ 14.71
Low Level Pedestrian Light	35	3,600	\$ 12.17
Low Level Pedestrian Light	50	5,100	\$ 12.54
Low Level Pedestrian Light	100	8,500	\$ 13.72
Designated Areas (LL)	35	3,600	\$ 6.04
Designated Areas (LL)	50	5,100	\$ 6.41
Tart Trail Globe Lights (LL)	70	6,300	\$ 9.16

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Street Lighting Service (Rate "SL"), cont.

Type of Luminaire	Nominal Rating of Lamps (One Lamp Per Luminaire)		Rate Per Luminaire (per month)
	<u>Watts</u>	<u>Lumens</u>	
LED			
High Level Light			
High Level Light	45	3,300	\$ 7.43
High Level Light	54	15,000	\$ 8.19
High Level Light	112	8,500	\$ 9.87
High Level Light	130	28,000	\$ 11.11
Low Level Pedestrian – Candy Cane	157	28,000	\$ 12.56
Low Level Pedestrian– Garland Street (Energy only)	50	3,300	\$ 7.33
Low Level Pedestrian– Silver Drive	75	7,482	\$ 4.50
	86	4,630	\$ 12.76

The charge per pole (per month) shall be:

Pole Type	Rate Per Pole (per month)
West Front Street (includes lighting component)	\$ 19.64
Silver Drive	\$ 8.53
Candy Cane	\$ 15.94
Acorn	\$ 10.59

Near intersections, the Department, at its option and expense, may install a 50 watt lamp in lieu of a 35 watt lamp.

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. Payments received after the due date are considered late, and a penalty charge of 2% shall be imposed as a one-time charge.

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Effective: March 1, 2015

TELECOMMUNICATIONS RATE

(Rate "TC")

Availability:

Available to customers, on an individually-negotiated basis, other than public utilities located within the Department's existing Service Area. This rate is offered at the discretion of the Light and Power Board and may not be available if the Board determines, in any particular case, that it is not in the public interest to do so. A signed Agreement is required, which describes terms and conditions of service to which this rate applies.

Nature of Service:

Attachments to the Department's poles must conform to applicable federal, state, and local electrical code requirements as well as Department's standards – particularly with conformance to separation of services. The Department reserves the right to remove attachments at any time, without notice, if removal is required for safety or emergency reasons. The Department will not be liable for damage to telecommunications facilities. If any such damage should occur, customer must pay for replacement, relocation, or repair.

Rates and Charges:

One time license agreement fee:	\$360.00
Permit application fee	\$50.00
Annual Pole Attachment Fee:	\$12.40/pole

The Annual Pole Attachment Fee shall be adjusted annually by any change in the Index known as "United States Bureau of Labor Statistics, Consumer Price Index – All Urban Consumers, base period 1982-84 – 100, (CPI-U)," herein referred to as the "Index."

Any unauthorized attachment penalty fee will be five times the annual attachment fee, per occurrence.

Failure to timely transfer, abandon or remove facilities or improperly assign penalty will be 1/5th the annual attachment fee per day, per pole, first thirty (30) days; after the initial thirty (30) days the penalty shall be equal to the annual attachment fee per day, per pole.

Whenever this Agreement requires Licensee to pay for work done or contracted by Utility, the charge for such work shall include reasonable material, labor, engineering, administrative and applicable overhead costs. If Licensee was required to perform work and fails to perform such work, necessitating completion of the work by Utility, Utility may charge an additional ten percent (10%) of its costs or assess the penalty specified above.

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Effective: March 1, 2015

Telecommunications (Rate "TC"), cont.

Due Date:

Payment of the Applicable Annual Rates shall be due no later than July 31 of each year for the previous rental period. The initial annual rental period shall commence upon the execution of this Agreement and conclude on June 30 of the next year and each subsequent annual rental period commence on the following July 1 and conclude on June 30 of the subsequent year.

The due date for billings will be thirty (30) days after the billing is mailed. A late charge of 1% per month compounded for any delinquent payments.

SOLAR GOVERNMENTAL RENEWABLE POWER COST RECOVERY RATE

Availability:

Available for meters where a governmental customer consumes energy for their operations and wishes for all or a part of it to be from a renewable source and TCL&P has available renewable energy sources.

Rate:

For the Heritage Sustainable Energy project, the Solar Governmental Renewable Power Cost Recovery Rate shall be derived as follows: An initial estimate has been created calculating the average solar renewable power cost recovery rate over the term of the contract taking into consideration the avoided cost of solar (the component costs of the utility to purchase energy off the market), which include energy, capacity, transmission and renewable energy credits and comparing it to the costs of the M-72 solar purchase power contract with Heritage Sustainable Energy, LLC (“M-72 solar”).

Rates for other projects will be established as that renewable energy source becomes available and customers subscribe to buy the energy from a project.

The initial Solar Governmental Renewable Power Cost Recovery Rate as calculated above will be \$24,794 or \$.0023 per kWh (average of the difference between the avoided cost of solar and the purchase power contract) spread among the applicable meters on a per kWh basis.

In March, after each full calendar year of operation, the avoided cost will be recalculated and the difference between it and the purchase power contract of a project will be inputted into the initial estimate calculation providing a new average solar governmental renewable power cost recovery rate starting in July and ending in June the following year. The final year of the tariff rate will true up the difference between the amount charged to the customer and the actual cost and or discount of the solar governmental renewable power cost recovery rate.

The cost per kWh will be based on the annual load of the previous fiscal year.

Term:

The term of the rate is from the date of Commercial Operation of Solar Energy and for the life of the purchase power agreement for the project plus one year to true up the cost and or discount between the difference of the amount charged to the customer and actual cost and or discount of the solar governmental renewable power cost recovery rate. A customer wanting this rate shall subscribe to it for this term.

Power Service Cost Recovery:

Customers on this rate are subject to the Department’s Power Service Cost Recovery as it is the basis for to determine the avoided cost of solar.