

DELAYED PAYMENT CHARGE

The above rate is net if paid in full on or before the due date of the bill. On all accounts not so paid, an additional charge of five (5) per cent of the amount of such bill will be made.

FUEL CLAUSE

For each kWh sold under this rate, the customer will be credited or charged at the same rate that the City is credited or charged by the Indiana and Michigan Electric Company, based upon the "MRS" rate as filed with the Federal Energy Regulatory Commission on August 9, 1984 as amended by the correction of an error and through negotiations.

MEASUREMENT OF ENERGY AND DETERMINATION OF DEMAND

Energy supplied hereunder will be delivered through not more than 1 polyphase meter. Billing demand in KVA shall be taken each month as the highest registration of a 15-minute integrating demand meter or indicator, or thermal type demand meter or indicator, divided by the average monthly power factor established during the month, corrected to the nearest KVA. Monthly billing demand established hereunder shall not be less than 60% of the customer's contract capacity. In no event shall the monthly billing demand be less than **50 KVA**.

POWER FACTOR

The rate set forth in the preceding tariff is based upon the maintenance by the customer of an average power factor of 85% for each month. When the average monthly power factor is above or below 85%, leading or lagging, the kWh as metered will be multiplied by the constant, rounded to the nearest 0.0001, derived from the following formula:

$$\text{Constant} = 0.9510 + (0.1275 ((\text{RKVAH}/\text{kWh}) \text{ squared}))$$

Constants for other than the effective power factors will be determined from the same formula listed above.

TERMS OF CONTRACT

Contracts under this tariff will be made for not less than 1 year with self-renewal provisions for successive periods of 1 year each, until either party shall give at least 60 days' written notice to the other of the intention to discontinue at the end of any yearly period. The City will have the right to require contracts for periods of longer than 1 year.

Recommended by the Board of Utilities

Approved by Council on June 8, 2009 retroactive to June 1, 2009