

ELECTRIC

GENERAL PROVISIONS

A. APPLICABILITY OF ELECTRIC RULES AND RATE SCHEDULES

These Rules apply to the electric service area of the Electric Utility of the Public Utilities Department, except as may be otherwise provided or prescribed by the Board of Public Utilities of the City of Riverside. The Public Utilities Director or his designee shall interpret the rates and rules. In the event of any dispute or disagreement regarding interpretation of Rules or Rates, the Board of Public Utilities of the City of Riverside shall determine the applicability of the Rule or Rate in question subject to review and approval by the City Council.

Any person desiring to appeal electric fees, charges and/or requirements, other than charges for monthly service and usage, shall submit a letter of appeal to the Public Utilities Director. The appeal will be reviewed by the Director and staff and will be scheduled to be considered by the Electric Committee for recommended action to be taken by the Board of Public Utilities.

Any person disputing a monthly service bill must follow Electric Rule 21, Disputed Bill Appeal Process.

B. SPECIAL CONDITIONS OF SERVICE

The Public Utilities Director or his designee may establish and enforce charges for furnishing electricity to any installation of a character not adequately provided for by these Rates and Rules, provided that such charges shall be consistent with established rates and charges.

C. POWER COST ADJUSTMENT FACTOR

The Power Cost Adjustment Factor (PCAF) is a charge per kWh which is used (1) to adjust Riverside's electric rates for the actual cost of purchasing and generating electric power and energy to service Riverside's Customers, and (2) to minimize fluctuations in rates.

The rates in each rate schedule include 7.4432 cents per kWh (hereinafter called the Basic Power Cost Component) to recover the costs of purchasing and delivering power and energy from all suppliers of power and energy, other suppliers, and the cost of power and energy from Riverside's own generating resources.

The PCAF will reflect all changes in Power and Energy Costs, including the following:

- Changes in the wholesale Fuel Cost Adjustment Billing Factor.
- Changes in any component of the wholesale rate.
- Changes in direct and indirect costs charged to Riverside due to Riverside's ownership interest in San Onofre Nuclear Generating Station (SONGS).
- Changes in SONGS fuel costs paid by Riverside due to Riverside's ownership.
- Changes in SONGS energy available to Riverside due to Riverside's ownership.
- Changes in transmission and wheeling payments.
- Changes in scheduling and dispatching payments.
- Changes in contract incremental costs.
- Changes in economy energy purchases.
- Changes in decommissioning costs and nuclear fuel disposal.
- Changes in take-or-pay obligations.
- Changes in cogenerated power purchases.

The PCAF which is set forth below shall be applied to kWh sold on and after the effective date, as also set forth below, and continuing thereafter until a new PCAF becomes effective. The amount to be added to or subtracted from each bill due to the PCAF shall be calculated by multiplying the number of kWh for which the bill is rendered by the applicable PCAF.

The PCAF, which may be either positive or negative, will be reviewed and revised quarterly to reflect (1) actual changes in excess of a plus or minus 10% of the amount stated in the basic Power Cost Component.

The Board of Public Utilities shall have responsibility for establishing the PCAF and its effective date, subject to approval by the City Council.

Power Cost Adjustment Factor

| EFFECTIVE DATE | CENTS/kWh | |
|-----------------------|------------------|-----------------------------|
| February 1, 1985 | -0.39 | (Residential) |
| | -1.00 | (All Other) |
| May 1, 1991 | -0.00 | (All Applicable Classes) |

D. REFUND CREDIT

The Board of Public Utilities shall have the responsibility to establish the amount and term in which to refund available funds by means of a REFUND CREDIT, subject to approval by the City Council. Refunds will be on the basis of kilowatt-hour sales.

The REFUND CREDIT amount (in cents/kWh) and effective date are:

| <u>Effective Date</u> | <u>Cents/kWh</u> |
|-----------------------|------------------|
| July 1, 1989 | 0.779 |
| January 1, 1991 | 0.000 |

E. TIME-OF-USE RATES

The PCAF and the Refund Credit identified in Sections C and D above SHALL NOT apply to rate Schedule TOU.

The PCAF SHALL NOT apply to rate Schedules DTOU, CS, & S (Section B).