

SCHEDULE VLL

VERY LARGE LOAD SERVICE OF 10 AMW OR MORE

12.06.266

A. APPLICABILITY.

For new loads of 10 average megawatts (aMW) or more, or existing loads that grow by 10 average megawatts or more within any consecutive 12-month period.

B. MINIMUM CONDITIONS.

For very large power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions:

1. A minimum Contract Demand (as set forth in the Contract) of not less than 10 megawatts;
2. Delivery of power at one primary voltage;
3. Metering at primary voltage but in no case at less than nominal 4,160 volts;
4. Power factor adjustment to 95 percent lagging or better;
5. Service is subject to curtailment;
6. The new power supply resource acquisition to serve the customer may be based on a Power Purchase Agreement (PPA) Tacoma Power enters with an independent power provider. If the underlying PPA is terminated for any reason, Tacoma Power may look for a different power supply resource for the customer and shall have the right to amend the Contract based on the new resource costs and terms.
7. Service is subject to the evaluation and approval of Tacoma Power's Transmission and Distribution department. Customer is responsible for the cost of substation and other necessary infrastructure to serve their load.

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12.06.266 (continued)

C. MONTHLY RATE.

The sum of the following power service, delivery, customer and other charges:

1. Power Supply Charges:

- (a) Energy: to be based on Tacoma Power's incremental cost of acquiring power to serve the customer's load including applicable taxes, plus a reasonable service fee no greater than 10% to recover ancillary services and administrative costs, pursuant to the contract between Tacoma Power and the customer.
- (b) Demand: to be based on Tacoma Power's incremental cost of acquiring power capacity to serve the customer's load including applicable taxes, plus a reasonable service fee no greater than 10% to recover ancillary services and administrative costs, pursuant to the contract between Tacoma Power and the customer. The demand costs will include any transmission costs to deliver the power from the generation sites to Tacoma Power's network delivery point, including line losses over the transmission system. The demand for billing purpose follows subsection D of this rate schedule, unless otherwise specified in the Contract.
- (c) Minimum Charge: The Energy and Demand Charge.
- (d) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). This charge is pursuant to the following formula:

$$\text{Contract Demand Overrun Charge} = \text{Excess MW} \times 300\% \times \text{DC}$$

Where: Excess MW = MW of metered Demand in excess of the Contract Demand;
DC = Demand Charge.

- 2. Delivery: Applicable delivery charge on Schedule CP if local distribution service is not required, or Schedule G if local distribution service is required.
- 3. Customer Charge: Applicable customer charge on Schedule CP if local distribution service is not required, or Schedule G if local distribution service is required.

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D. BILLING DEMAND.

Determined by means of a demand meter, 30 minute interval.

1. The Billing Demand shall be the highest of:
 - (a) The highest measured demand for the month, adjusted for power factor;
 - (b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
 - (c) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.

E. APPLICABLE INTERIM RATE

If a customer on Schedule G, Schedule HVG, Schedule CP and Schedule NLL grows its energy consumption by 10 average megawatts or more during any consecutive 12-month period, the customer will become a "New Large Single Load" as determined by Bonneville Power Administration (BPA) and will no longer be eligible for the customer's original rate schedule. To continue to receive power service, the customer will be required to enter a Power Service Agreement with Tacoma Power for specific rates, terms and conditions pursuant to TMC 12.06.266, subject to the approval by Tacoma Public Utility Board and Tacoma City Council.

During the period beginning from the month the customer becomes "New Large Single Load" and before a Power Service Agreement becomes effective (Transition Period), the customer's Power Supply Charges shall be based on BPA's New Resource Firm Power rates effective at the time plus the costs for the additional environmental attributes that the customer may require. BPA's New Resource Firm Power rates include energy charges, demand charges and all other applicable charges. The customer's Delivery Charge and Customer Charge will be based on Schedule CP if no local distribution is needed; and based on Schedule G if local distribution is needed. Additionally, the customer may be subject to mandatory curtailment based on power costs and reliability reasons at Tacoma Power's discretion during any Transition Period.

The initial Transition Period will last up to 12 months and may be extended subject to Tacoma Power's approval. If the Transition Period is not extended, the customer will be charged two times the BPA's New Resource Firm Power rates after the initial Transition Period until a Power Service Agreement becomes effective.

Tacoma Power will charge BPA's New Resource Firm Power rates as the customer's Power Supply Charges starting from the month in which the customer exceeds 10 aMW or more during any consecutive 12-month period until such time as the customer executes a Contract for service under this Schedule VLL. To the extent Tacoma Power's billing process is not immediately updated, Tacoma Power may retroactively charge the customer based on BPA's New Resource Firm Power rates in order to properly account for all consumption during the Transition Period.

TACOMA POWER

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12.06.266 (continued)

F. SERVICE CONDITIONS.

1. Power factor provision applicable; and
2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply.