

ELECTRIC SERVICE RATES

The following electric service rates are **effective February 1, 2017**. The energy rates, before other adjustments, will be decreased or increased for the changes in the cost of electric energy (power cost adjustment) purchased by Brainerd Public Utilities (BPU) during the month. The rates are also subject to MN sales tax and local sales tax, except where exempt by governmental authority.

<u>Class</u>	<u>Rate Code</u>	<u>Rate Component</u>	<u>Rate</u>
Residential	1,3	Monthly Charge	\$ 15.25
		All kWh	0.0739
General Service	5,8,11,12,14	Monthly Charge	\$ 24.25
		All kWh	0.0830
General Service-Demand	40,42,52,53,ECH	Monthly Charge	\$ 36.00
		0 - 2,500 kWh	0.0832
		excess kWh	0.0379
		0 - 8 kW	No Charge
		excess kW	17.25
Large Power -Secondary	46,50,51	Monthly Charge	\$ 120.00
		All kWh	0.0307
		All kW	19.50
Large Power-Distribution	48	Monthly Charge	\$ 120.00
		All kWh	0.0299
		All kW	18.30
Dual Fuel-Space Htg	DF,DFC,DFH	Monthly Charge	\$ 4.50
		All kWh	0.0495
Off Peak Energy	OP,OPH	Monthly Charge	\$ 4.50
		All kWh	0.0467
Security Lights		Monthly Charge	\$ 12.00

EXPLANATION OF ELECTRIC RATES

Residential and Residential Electric Heat (Rate Codes 01, 03)

Monthly Charge	\$ 15.25
All kWh	\$ 0.0739

The residential electric rate is available to single phase residential customers that are served through one meter at a voltage of 120/240 volts. Each apartment or dwelling unit shall be considered a single private residence.

The customer is charged the monthly charge regardless of usage on meter, unless the service has been disconnected to the residence by BPU.

General Service (Rate Codes 05, 08)

Monthly Charge	\$ 24.25
All kWh	\$ 0.0830

The general service rate is available to commercial customers, for a single or three phase electric service supplied through one meter at the secondary voltage available at the customer's location. Customers that use 2,499 kWh or less each month will be billed at General Service Rate.

The customer is charged the monthly charge regardless of usage on meter, unless the service has been disconnected to the business by BPU.

General Service Demand (Rate Codes 40, 42, 52, 53, and ECH)

Monthly Charge	\$ 36.00
0 – 2,500 kWh	\$ 0.0832
Excess kWh	\$ 0.0379
0 – 8 kW	No charge
Excess kW	\$ 17.25

The general service demand rate is available to commercial customers with usage of 2,500 or more kWh monthly, for a single or a three phrase electric service supplied through one meter at the secondary voltage available at the customer's location.

A demand meter will be installed by BPU when the customer's use exceeds 2,500 kWh for four consecutive months. The billing demand is the kW measured during the 15-minute period of the customer's greatest use during the month.

If the customer's monthly use is less than 2,500 kWh for 12 consecutive months, the demand meter will be removed.

General Service Demand (Rate Codes 40, 42, 52, 53, and ECH) (Continued)

The customer is charged the monthly charge regardless of usage on meter, unless the service has been disconnected to the business by BPU.

Large Power – Secondary (Rate Codes 46, 50, 51)

Monthly Charge	\$ 120.00
All kW	\$ 19.50
All kWh	\$ 0.0307

Large Power – Distribution (Rate Code 48)

Monthly Charge	\$ 120.00
All kW	\$ 18.30
All kWh	\$ 0.0299

Application

The entire electric service requirements on the customer's premises must be delivered at one point and metered at (or compensated to) the voltage of delivery. This rate shall apply for all customers having a demand in any month in excess of 250 kW.

Type of Service

Service will be alternating current; 60 hertz; under one of the three following classifications:

- Secondary Voltage – Single or three phase, 600 volts or less
- Distribution Voltage – Three phase, 2,400 volts to 34,000 volts, supplied from BPU

Service voltage available in any given case is dependent upon voltage and capacity of existing lines in vicinity of customer's premises. Service is in accordance to BPU Electric Service Regulations and any applicable riders.

Billing Demand

Billing demand is the kW measured during the 15-minute period of customer's greatest use during the month, as adjusted for the power factor. When customer's average monthly power factor is less than 85 percent lagging, the maximum measured demand will be adjusted by multiplying 85 percent and dividing by the average monthly power factor in percent. The average monthly power factor will be computed by the formula, average monthly power factor equal $(100 * kWh) / \text{Sqrt}(kWh^2 + kVarh^2)$.

Large Power Distribution (Rate Code 48) (Continued)

A customer will be removed from large power if the demand remains below 250kW for 12 consecutive months. The customer will then be charged the rate for general service demand. However, if the demand meets or exceeds 250kW again, the customer will then be classified a large power customer with the next month's billing cycle and will remain at this rate according to BPU's Electric Service Rate Policy.

Economic Development Rate

The Economic Development Rate (EDR), effective **January 26, 2016**, is offered for new load generated by General Service Demand (GSD) and Large Light and Power (LLP) electric customers. The following table shows the discount rate over the 5 year period.

<u>Year</u>	<u>GSD</u>	<u>LLP</u>
1	21%	13%
2	17%	11%
3	13%	9%
4	9%	7%
5	5%	5%

All the components of the electric bill will be calculated using the current electric service rates to get the gross electric bill. The EDR discount rate is then applied to the gross electric bill and will show as a credit on the customer's utility bill. Each year on the anniversary of the customer's service start date the EDR discount rate will decrease and at the end of 5 years the EDR discount rate will cease.

Dual Fuel – Space Heating (Rate Codes DF, DFC, and DFH)

Monthly Charge \$ 4.50
All kWh \$ 0.0495

A dual-fuel system uses two independent heating systems to heat your home or business. BPU dual-fuel customers use electricity as the primary source of heat. Propane, oil or natural gas can be used as the back-up heat source. The back-up heat source must be automatic and of adequate size to heat your home or business during peak interruptions. For example, an electric heat source, such as a plenum heater, with fuel oil, propane, natural gas or electric storage heat as the back-up heating system would qualify.

This program is available to customers receiving electric service along with another electric rate schedule. This rate is interruptible up to 400 hours per

Dual Fuel – Space Heating (Rate Codes DF, DFC, and DFH)-(Continued)

season and will be remotely controlled by BPU to prevent excessive peak usage. The space-heating load will be separately metered and may be interrupted at any time. This type of service is single phase or three phase, 60 hertz, at available secondary voltage.

Off Peak Energy (Rate Codes OP and OPH)

Monthly Charge	\$ 4.50
All kWh	\$ 0.0467

This program is available to customers receiving electric service along with another electric rate schedule. This rate is for interruptible service to energy loads, which are remotely controlled by BPU. This space-heating load will be separately metered. Service under this schedule will be available for approximately eight (8) hours per day, normally 11:00 p.m. to 7:00 a.m., or as established by BPU. This type of service is single phase or three phase, 60 hertz, at available secondary voltage.

Off Peak Heating

An off peak heating customer uses electricity as their primary source of heat. An off peak heating system utilizes a thermal (heat) storage system that heats up during off-peak times, typically 11:00 p.m. to 7:00 a.m. In-floor electric mats, electric boilers for in-floor hot water heat, and brick storage units are all examples of storage heat system. The heat is then released into your house the following day to provide 100% of your heating as needed.

Off Peak Electric Hot Water Storage

An off peak water heating customer is required to have a 100 gallon or larger, UL approved, water heater installed. The water heater storage system heats water during off peak times, typically 11:00 p.m. – 7:00 a.m. The heated water can then be used any time during the day.

To receive an application to have Off Peak and Dual Fuel installed, please contact BPU at 829-2193.

Stormwater

This charge is billed on behalf of the City of Brainerd. The revenue collected for this charge is used to maintain and improve the existing stormwater drainage system for impervious surfaces. Residential customers are charged a \$3.15 monthly fee and commercial customers are charged according to the amount of impervious surface their property has.

Baxter Franchise Fee

Effective September 1, 2016, Baxter residential and commercial customers will be charged a monthly Baxter Franchise Fee, in accordance with City of Baxter Ordinance 2016-023. The fee is determined by the electric rate classification that the customer is charged. The fees are as follows:

<u>RATE CLASS</u>	<u>MONTHLY FEE</u>
Residential	\$ 3.00
Commercial (< than 2,500 kWh)	13.00
Demand (> than 2,500 kWh; < 250kW Demand)	52.00
Large Power (> 250kW Demand)	138.00