

ELECTRIC SERVICE RATES

The following electric service rates are **effective July 1, 2019**. 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	\$ 16.25
		All kWh	0.0858
General Service	5,8,11,12,14	Monthly Charge	\$ 24.25
		All kWh	0.1030
General Service-Demand	40,42,52,53,ECH	Monthly Charge	\$ 45.00
		0 - 2,500 kWh	0.1030
		excess kWh	0.0532
		0 - 8 kW	No Charge
		excess kW	16.75
Large Power -Secondary	46,50,51	Monthly Charge	\$ 120.00
		All kWh	0.0480
		All kW	17.75
Large Power-Primary	48	Monthly Charge	\$ 120.00
		All kWh	0.0480
		All kW	16.80
Dual Fuel-Space Htg	DF,DFC,DFH	Monthly Charge	\$ 6.50
		All kWh	0.0593
Off Peak Energy	OP,OPH	Monthly Charge	\$ 6.50
		All kWh	0.0600
Security Lights		Monthly Charge	\$ 12.00

ELECTRIC RATES – RESIDENTIAL

Each customer will also pay a power cost adjustment (PCA) each month based on the kWh that is used. The PCA is based on BPU's cost of power purchased wholesale from Minnesota Power.

The monthly service charge applies to all rate classifications, regardless of usage on meter.

Residential Service

Service Charge	\$16.25	Monthly
Energy Charge	\$0.0858	All kWh

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.

Dual Fuel

Service Charge	\$6.50	Monthly
Energy Charge	\$0.0593	All kWh

A dual fuel system uses two independent heating systems to heat your home. BPU dual fuel customers use electricity as the primary source of heat. Propane, fuel 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 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 who already have an electric service. This rate is interruptible up to 400 hours per season and will be remotely controlled by BPU to prevent excessive peak usage. The space heating load will be separately metered and may be interruptible at any time. This type of service is single phase or three phase, 60 hertz, at available secondary voltage.

Off Peak

Service Charge	\$6.50	Monthly
Energy Charge	\$0.0600	All kWh

This program is available to customers who already have an electric service. 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 120 gallon or larger, UL approved, water heater installed. The water heater storage system heats water during off peak times, typically 11:00 p.m. to 7:00 a.m. The heated water can then be used anytime during the day.

ELECTRIC RATES – COMMERCIAL

Each customer will pay a power cost adjustment (PCA) each month based on the kWh that is used. The PCA is based on BPU's cost of power purchased wholesale from Minnesota Power.

The monthly service charge applies for all rate classifications, regardless of usage on meter.

General Service

Service Charge	\$24.25	Monthly
Energy Charge	\$0.1030	All kWh

The General Service Rate applies 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 the General Service Rate.

General Service Demand

Service Charge	\$45.00	Monthly
Energy Charge	\$0.1030	0 - 2,500 kWh
	\$0.0532	Excess kWh
Demand Charge	No charge	0 - 8 kW
	\$16.75	Excess kW

The General Service Demand Rate applies to commercial customers with electric usage of more than 2,500 kWh each month, for four consecutive months, for a single or a three phase electric service supplied through one meter at the secondary voltage available at the customer's location. This rate classification will also be charged demand. The demand charge is based on the highest 15 minute interval of electric usage during the billing period.

If the customer's kWh usage is less than 2,500 kW each month for 12 consecutive months, they will then be charged the General Service Rate.

Large Power – Secondary

Service Charge	\$120.00	Monthly
Energy Charge	\$0.0480	All kWh
Demand Charge	\$17.75	All kW

Large Power –Primary

Service Charge	\$120.00	Monthly
Energy Charge	\$0.0480	All kWh
Demand Charge	\$16.80	All kW

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 following classifications

- Secondary Voltage – Single or three phase, 600 volts or less
- Primary Voltage – Three phase, 4,160 volts to 34,500 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 $(100 \cdot \text{kWh}) / \text{Sqrt}(\text{kWh}^2 + \text{kVarh}^2)$.

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 in any given month, 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

The Economic Development Rate (EDR) is offered for new load generated by General Service Demand and Large Light and Power electric customers. The following table shows the discount rate over a five (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 charges will be calculated using the current electric service rates to get the gross electric charges. The EDR discount rate is then applied to the gross electric charges 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 five (5) years, the EDR discount rate will cease.

Dual Fuel

Service Charge	\$6.50	Monthly
Energy Charge	\$0.0593	All kWh

A dual fuel system uses two independent heating systems to heat your business. BPU dual fuel customers use electricity as the primary source of heat. Propane, fuel 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 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 who already have an electric service. This rate is interruptible up to 400 hours per season and will be remotely controlled by BPU to prevent excessive peak usage. The space heating load will be separately metered and may be interruptible at any time. This type of service is single phase or three phase, 60 hertz, at available secondary voltage.

Off Peak

Service Charge	\$6.50	Monthly
Energy Charge	\$0.0600	All kWh

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 business 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 120 gallon or larger, UL approved, water heater installed. The water heater storage system heats water during off peak times, typically 11:00 p.m. to 7:00 a.m. The heated water can then be used anytime during the day.

Security Lights

BPU offers a security lighting program. The security lighting is available to both residential and commercial customers. BPU maintains the security light. This service is offered for a monthly fee of \$12.00 (+tax) per security light. A Security Light Agreement has to be signed before a light can be installed.

Distributed Generation

Please go to BPU's website, www.bpu.org, for further information on distributed generation.

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