

CITY OF SANTA CLARA

RATE SCHEDULE CB-7 LARGE COMBINED GENERAL SERVICE – MARKET BASED OPTION

Sheet 1 of 6

DESCRIPTION OF SERVICE

This Schedule is optional to Customers who occupy one or more demand-metered service addresses served by Silicon Valley Power (SVP), where electric service from SVP is in Customer's name, and where Customer's combined monthly electric billing demand is 5,000 kW or more. Customers with self-generation may also be subject to Schedule SB-1. Under this Schedule, Customers may designate a portion of their monthly energy purchased from SVP to be priced based on Note H. Customer who select this rate option will continue with this option for the full kWh volume subscribed for at least one year. Customer must also provide at least three months' written notice to terminate this option and to be billed under other applicable rate schedule. This Schedule is closed to Customers covered by a separate Electric Sales Agreement between Customer and SVP. The total combined energy for all SVP customers that may be served under this rate schedule is 30,000,000 kWh per month.

RATE OPTIONS:

CUSTOMER CHARGE

	<u>Non Time of Use</u>	<u>Time of Use</u>
For Each Service Address – per meter per month	\$306.00	\$306.00

DEMAND CHARGE:

		<u>Peak</u>	<u>Off-Peak</u>
All kW of Billing Demand, per kW:	\$19.84	\$19.84	\$0.00

ENERGY CHARGE:

		<u>Peak</u>	<u>Off-Peak</u>
First 5,000,000 kWh, per kWh	\$0.07548	\$0.07874	\$0.07262
Next 10,000,000 kWh, per kWh	\$0.07344	\$0.07670	\$0.07058
Next 5,000,000 kWh, per kWh	\$0.06936	\$0.07262	\$0.06650
Over 20,000,000 kWh, per kWh	\$0.06324	\$0.06650	\$0.06038

MARKET-BASED PRICING ADJUSTMENT:

See NOTE H

SURCHARGES:

Public Benefits Charge and State Surcharge, as set forth in Note E, will be added to the above charges.

NOTES:

(A) MAXIMUM DEMAND

The Maximum Demand in any month will be the sum of the highest average kW delivery, at each service address, of any 15-minute interval occurring between 1:00 PM and 10:00 PM Monday through Saturday, excluding holidays. However, in case the load is intermittent or subject to violent fluctuations, Silicon Valley Power may use a 5-minute interval instead of a 15-minute interval.

(B) BILLING DEMAND

The Billing Demand to be used in computing charges under this schedule will be sum of the mean of the actual Maximum Demand for the current month at each service address and the highest such

Date Effective: January 2019 Bill Cycle 680, Series 100	Resolution No. ____
Supersedes Rate Effective: Not Applicable	Resolution No. Not Applicable

CITY OF SANTA CLARA

RATE SCHEDULE CB-7 LARGE COMBINED GENERAL SERVICE – MARKET BASED OPTION

Sheet 2 of 6

demand occurring in the year ending with the current month at each service address, but not less than 5,000 KW.

(C) VOLTAGE ADJUSTMENT:

For each Service Address served at less than 12,000 volts, the Demand Charge will be increased by \$1.02 per kW. For each Service Address served at 60,000 volts directly from a customer owned substation or from a SVP-owned substation directly paid for by customer, the Demand Charge will be reduced by \$1.275 per kW. However, Silicon Valley Power is not required to supply service at a particular line voltage where it has (or will install) ample facilities for supplying at another voltage equally or better suited to the customer's electrical requirements. Silicon Valley Power retains the right to change its line voltage at any time, after reasonable advance notice to any customer receiving a discount hereunder and affected by such change, and such customer then has the option to change their system so as to receive service at the new line voltage or to accept service (without voltage discount) through transformers to be supplied by Silicon Valley Power.

(D) POWER FACTOR ADJUSTMENT:

For each service address where Billing Demand has exceeded 300 kW for three consecutive months bills will be adjusted for weighted monthly average Power Factor as follows: the sum of Customer Charge, Demand Charge, Energy Charge, Secondary Voltage Adjustment (as applicable) and 60kV Delivery Adjustment (as applicable) for any month as computed on the above rates will be decreased or increased, respectively, by 0.1 % for each 1 % that the average Power Factor is greater or less than 85%. Such average Power Factor to be computed (to the nearest whole percent) from the ratio of lagging kilovolt-ampere-hours to kilowatt- hours consumed in the month, provided, however, that no Power Factor correction will be made for any month when the Maximum Demand of such service address, is less than 10% of the highest demand in the preceding eleven months.

Power Factor Adjustment will be discontinued for any service address that falls below 200 kW for 12 consecutive months.

(E) SURCHARGES:

PUBLIC BENEFITS CHARGE:

The Public Benefits Charge is a state required non-bypassable surcharge on all sales of electricity and electrical services. It is used to fund public goods research, development, and demonstration, as well as, energy efficiency activities, renewable energy, and low income assistance programs. The surcharge is equal to the sum of the Meter Charge and Capacity Reservation Charge, times 0.0285.

STATE SURCHARGE:

The State Surcharge is required by California state law, and supports funding for the California Energy Commission. The surcharge is equal to kWh billed times \$0.00029 per kWh.

(F) CALCULATION OF ENERGY CHARGES AT EACH SERVICE ADDRESS:

Date Effective: January 2019 Bill Cycle 680, Series 100	Resolution No. ____
Supersedes Rate Effective: Not Applicable	Resolution No. Not Applicable

CITY OF SANTA CLARA

RATE SCHEDULE CB-7 LARGE COMBINED GENERAL SERVICE – MARKET BASED OPTION

Sheet 3 of 6

The energy charges calculated under this Schedule CB-7 will be apportioned to each service address as follows:

1. Energy Charges for each service address will be determined as the ratio of the kWh usage at each service address divided by the sum of kWh usage at all applicable service addresses.
2. After such apportionment, each service address will be subject to the applicable Voltage Adjustment, Power Factor Adjustment, Public Benefits Charge and State Surcharge provisions set forth above.
3. Payment for bills rendered at each service address shall be made by wire transfer, automated clearing house (ACH) transfer, check or credit card. Payments made by credit card will be subject to the applicable credit card transaction fees.

(G) TIME OF USE OPTION:

Customers who select the time of use option will need to provide at least one month written notice and continue with this option for at least one year. Customers who select the time of use option will pay a one-time TOU Meter Installation Charge, which reflects the cost difference (including installation) between a non-time of use meter and a time of use meter. This Charge is set forth in the City of Santa Clara Municipal Fee Schedule. The manufacturer and model of such meter shall be at the sole discretion of Silicon Valley Power. Time of use periods are as set forth below:

Peak Period: Monday through Saturday, except holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day), beginning at 1:00 PM and ending at 10:00 PM.

Off-Peak Period: All other hours. The TOU meter is used to measure kWh and kW in the peak and off-peak period.

(H) MARKET BASED PRICING ADJUSTMENT (MBPA):

Upon at least 30 days' notice, customers may designate up to 100%, but not less than 2,000,000 kWh of their monthly usage to be priced based on market indices as set forth below. The total combined amount of energy that may be available (Total Available) to all Customers under this MBPA shall be determined solely by SVP and it's on a first come first serve basis. SVP shall give 90 days' notice of any change in such total amount, and endeavor to make such changes effective January 1 of each calendar year. If the Total Available is changed to an amount lower than actually being allowed, SVP will reduce existing customers' allowable amounts on a prorated basis, and this schedule will be closed to new customers.

Market Based Pricing Adjustment is calculated as the Market Cost Adjustment Rate times the full kWh subscribed under this rate option. The Market Cost Adjustment Rate is the Current Market Cost of Energy minus the Base Energy Rate. Such difference may be positive or negative.

Date Effective: January 2019 Bill Cycle 680, Series 100	Resolution No. ____
Supersedes Rate Effective: Not Applicable	Resolution No. Not Applicable

CITY OF SANTA CLARA

RATE SCHEDULE CB-7 LARGE COMBINED GENERAL SERVICE – MARKET BASED OPTION	Sheet 4 of 6
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The Current Market Cost of Energy is determined as set forth in the CB-7 Market Based Option Bill Determinants attached here and as posted. The Current Market Cost of Energy for each calendar month will be sent to Customer served under this option with the monthly bill.

The Base Energy Rate is reflected in the above Energy Charge rates, and is SVP's determination of the annualized unit cost that a creditworthy customer would incur for receiving bundled energy with renewable and GHG characteristics from publicly owned energy service providers like SVP. The Base Energy Rate will be updated annually in conjunction with changes in the Energy Charge rates.

The Market Based Pricing Adjustment, which can be positive or negative, will be applied to the Energy Charge prior to Voltage Adjustment, Power Factor Adjustment and Surcharges.

Date Effective: January 2019 Bill Cycle 680, Series 100	Resolution No. ____
Supersedes Rate Effective: Not Applicable	Resolution No. Not Applicable

CITY OF SANTA CLARA

RATE SCHEDULE CB-7 LARGE COMBINED GENERAL SERVICE – MARKET BASED OPTION

Sheet 5 of 6

CB-7 MARKET BASED OPTION BILL DETERMINANTS

The total combined amount of energy that is available (Total Available) to all Customers under MBPA for Calendar Year 2019 is **30,000,000 kWh per month**.

Base Energy Rate for Calendar Year 2019 is \$0.0588 per kWh.

Current Market Cost of Energy includes:

1. PG&E Hourly DLAP Price which is the CAISO DLAP_PGAE - APND for the Day Ahead Market (DAM). If any hourly DLAP Price is less than zero, the effective DLAP price for such hour shall be zero.
2. Transmission loss which is 2% of PG&E Hourly DLAP price calculated above.
3. CAISO High Voltage Transmission Access Charge ("HV TAC") for month (\$/MWh)

The CAISO HV TAC price is the daily average PG&E effective HV TAC rate for Santa Clara for the applicable month, and is obtained using the following site(s) information:

<http://www.caiso.com/market/Pages/Settlements/Default.aspx>

4. CAISO Low Voltage Transmission Access Charge ("LV TAC") price is the daily average PG&E effective LV TAC rate for Santa Clara for the applicable month, expressed in \$/MWh, and multiplied by 0.5. The CAISO LV TAC monthly price is the PG&E listed price for Santa Clara, and is obtained using the following site(s) information:

<http://www.caiso.com/market/Pages/Settlements/Default.aspx>.

5. Market Price of Renewable Energy Credit =

Market price of RECs for Month * 33% (SVP applicable RPS percentage for current compliance year)

The average monthly market price of RECs is obtained using the following site(s) information:

The data for California Bucket 1, 2, and 3 RECs are obtained from Megawatt Daily. The average monthly market price is then calculated based on SVP weighted average for Bucket 1, 2 and 3 RECs. For current compliance year, the Bucket 1 is 75%, Bucket 2 is 15% and Bucket 3 is 10%.

Date Effective: January 2019 Bill Cycle 680, Series 100	Resolution No. ____
Supersedes Rate Effective: Not Applicable	Resolution No. Not Applicable

CITY OF SANTA CLARA

RATE SCHEDULE CB-7 LARGE COMBINED GENERAL SERVICE – MARKET BASED OPTION

Sheet 6 of 6

6. CAISO Grid Management Charge (“GMC”) (\$/MWh) = Charge Code 4560 (Market Services Charge) + Charge Code 4561 (System Operations Charge)

The CAISO GMC is obtained using the following site(s) information (and will be updated as it is updated at the CAISO:

http://www.caiso.com/Documents/GMCRatesfor2004-2018EffectiveAug12018_071218.pdf If any of the sources for the above described rate components are no longer available, SVP will diligently seek an alternative but equivalent source for that rate component.

If new or additional components affect the Current Market Cost of Energy due to new legislation or other circumstances, bill determinants will be added or adjusted to reflecting any impacting mandates or regulations. Customers will be provided notification of such additions or adjustments no less than 30 days prior to implementation. .

**Date Effective: January 2019
Bill Cycle 680, Series 100**

Resolution No. ____

Supersedes Rate Effective: Not Applicable

Resolution No. Not Applicable