

KARNES ELECTRIC COOPERATIVE, INC.		Section II	Sheet No. 16A
Tariff For Electric Service		Revision	Page
<u>SECTION TITLE:</u> RATE SCHEDULES APPLICABLE TO ENTIRE SERVICE AREA		<u>EFFECTIVE DATE:</u> January 28, 2003 Rate Schedules Modified: April 1, 2009 Tariff Modified: September 1, 2010	

E. Power Factor Adjustment

The Cooperative may assess a power factor adjustment if the necessary meters and equipment are installed and if the power factor during Member's peak kW demand is less than 0.97. The power factor adjustment shall be calculated by increasing the kW demand such that the adjusted kW demand to be billed and the measured kVAR yield a calculated power factor of 0.97 or greater, and the kW demand to be billed shall be the kW demand calculated in accordance with this provision.

F. Billing Adjustments

This rate is subject to all applicable billing adjustments as specified in Section 204.