

Tariff For Electric Service**SECTION 2: RATE, SCHEDULES FEES &
CHARGES****General Revision: Effective November 1, 2021****203.16 Industrial Service – Rate 16**A. Availability

Available to Members with a metered kW demand of 1 MW or greater, including Members in the Oil and/or Gas industries, Members whose primary products and/or services are provided to oil or gas Members, and any other qualifying Member.

B. Type of Service

The electric service furnished hereunder shall be three phase, 60 hertz, at the Cooperative's standard primary voltages.

C. Monthly Rate

Each billing period the Member shall be obligated to pay the following charges:

1. Base Charge: \$1,000.00 per meter

This charge is for the availability of electric service;

and

2. NCP Demand Charge: @ \$1.50 per kW of Billing Demand

This charge for the rate at which energy is used is applied to the maximum kW demand for any period of fifteen (15) consecutive minutes during the billing period. The kW demand may be adjusted for power factor, if applicable;

and

3. Energy Charge: @ \$0.0035 per kWh

This charge for the delivery of power shall be applicable to all kWh usage during each billing period.

4. Power Supply: @ At Cost

The cost of power to serve the Member including but not limited to capacity, delivery, ancillary, energy, fuel, and support charges for the billing period plus adjustments applied to the current monthly billing to account for differences in actual purchased electricity costs billed in previous periods. The power cost will be calculated using the billing units defined in the same manner as defined in the applicable wholesale rate and other charges to the Cooperative, including any ratchet provisions.

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The Member's billing units for power cost may be adjusted for line losses, as determined by the Cooperative, to calculate the Member's power cost at the wholesale supplier's metering point to the Cooperative.

D. Minimum Charge

The minimum monthly bill excluding Power Supply is \$7,500.00.

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 billing kW demand such that the adjusted billing kW demand and measured kVAr yield a calculated power factor of 0.97 or greater, and the billing kW demand shall be the kW demand calculated in accordance with this provision.

F. Other Conditions of Service

1. The provisions of the Agreement for Service between the Cooperative and the Member are incorporated into this tariff. This rate shall be available only to Members who execute:
 - a. the Cooperative's ***Amendment to the Karnes Electric Cooperative, Inc. Application for Membership and Electric Service Agreement Providing Special Contract Terms and Conditions for Industrial Service to Certain Oil and Gas Pipeline Facilities at the Specified Point of Delivery***, or
 - b. the Cooperative's ***Amendment to the Application for Membership and Electric Service Agreement Providing Special Contract Terms and Conditions for Primary Service for Oil and Gas Field Operations Utilizing a Private Distribution System at the Specified Point of Delivery***, or
 - c. the Cooperative's ***Amendment to the Karnes Electric Cooperative, Inc. Application for Membership and Electric Service Agreement Providing Special Contract Terms and Conditions for Industrial Service***.
2. Billing periods for application of this tariff will coincide with wholesale supplier's billing periods as close as reasonably practical.
3. This rate is subject to all applicable billing adjustments as specified in **Section 204. Billing Adjustments** except **Section 204.1 Power Cost Recovery Factor (PCRF)**.

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4. If a Member is receiving service under another of the Cooperative's rates, the Member must establish a metered peak kW demand in excess of 1,000 kW for six consecutive months before the Member is eligible for service under this rate.