APPLICABILITY:

This schedule is offered to industrial and commercial customers having demands of 35 kilowatts or greater in any month during the previous twelve (12) months and less than 500 kilowatts.

TERRITORY SERVED:

The entire area within the Merced Irrigation District service boundary as distribution lines and capacity are developed and declared available by the District.

MONTHLY RATES:

The sum of the following Customer, Demand and Energy Charges which are effective on the date of meter reading for each account.

<table>
<thead>
<tr>
<th></th>
<th>CUSTOMER BILLING</th>
<th>PER METER PER MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$130.00</td>
<td></td>
</tr>
<tr>
<td>Demand Charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per kilowatt (winter)</td>
<td>$8.00</td>
<td></td>
</tr>
<tr>
<td>Per kilowatt (summer)</td>
<td>$20.00</td>
<td></td>
</tr>
<tr>
<td>Energy Charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per kilowatt</td>
<td>$0.0817</td>
<td></td>
</tr>
</tbody>
</table>

Mandated Charges (PBP & Local Government Permits & Fees do not exceed 5.35%).

MINIMUM CHARGE:

The minimum charge for each month or portion thereof shall be the Customer Charge.

DEMAND DETERMINATION:

Whenever demand equals or exceeds 500 kW for three (3) consecutive months the customer will be placed on an appropriate commercial or industrial rate schedule.

NEW CUSTOMER:

Based on customer provided data and the opinion of the District, the customer will be placed on an appropriate rate schedule.
SPECIAL CONDITIONS:

1. For customers changing schedules between billing dates, the schedule in effect at the time of the end of the normal billing period will be used to compute the bill.

2. Where service is supplied through new electric facilities provided by the District, the electric service supplied shall be in accordance with a contract authorized by the District’s Board of Directors.

3. Any customer who reappplies for service within 12 months of canceling that same service must pay, before the new service will be provided, the total Charges that would have otherwise been payable between the prior cancellation date and the new service date.

4. The Demand Charge shall be prorated on opening and closing bills where the billing period is greater or less than the average 30-day period.

5. The maximum demand in any month will be the maximum kW delivery metered during any 15-minute interval in the month. The billing demand used in computing the Demand Charge will be the maximum demand for the current month.

6. No Customer Charge, Minimum Charge, Energy Charge, (Demand Charge, Power Factor Charge) or any other Charge shall be payable if the customer ceases to have any electric service requirements at the location designated in the customer’s Agreement to Provide Electric Services.

7. Mandated Charges: Public Benefits Program (PBP) is mandated by the State of California to provide services to low-income customers and to promote energy conservation and renewable energy sources. This fee is set at the existing rate of the Investor Owned Utilities, presently at 2.85%. Local Government Permits and Fees vary, but do not exceed 2.5%.

8. Seasonal Charges: The summer season is May 1 through October 31 and the winter season is November 1 through April 30.