

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

FACILITIES RIDER

SUPPLEMENTAL TO LARGE GENERAL SERVICE PRICE PLANS E-61, E-63, E-65, E-66 AND E-67

Effective: October 2019 Billing Cycle

Supersedes: May 2019 Billing Cycle

APPLICABILITY:

To customers qualifying for power and energy under Standard Price Plans E-61, E-63, E-65, E-66 and E-67, and other customers at SRP's sole discretion.

CONDITIONS:

A. For customers served from SRP's general distribution system (secondary or primary service) and requesting enhanced reliability, or additional facilities or system capacity, the customer will pay a charge in addition to the Facilities Charge under the customer's standard price plan. Examples of additional facilities or system capacity include but are not limited to:

- 1) Automatic transfer switches.
- 2) Reserved capacity on circuits that connect to automatic transfer switches.
- 3) Dedicated feeders and/or breakers.
- 4) Reserved transformer capacity.
- 5) Cost of overhead to underground conversions.
- 6) Trenching and conduit from the load side of the service entrance section to the customer's facility when provided by SRP.

B. The following applies to substations built after May 1, 2010:

1. Unless otherwise permitted under Item B.2 or B.3 below, SRP shall own, operate, design, procure and construct, all new dedicated substation facilities.
2. SRP may, in its sole discretion, allow the customer at its cost, to design, procure, and/or construct a new dedicated substation facility, in each case in accordance with SRP standards and requirements.
3. SRP may, in its sole discretion, allow the customer to own and/or operate (in accordance with SRP's operational requirements) a new dedicated substation facility, whether it was designed, procured, and constructed by SRP or the customer. If SRP allows the customer to own or operate the substation, SRP may, in its sole discretion, require the design, construction and installation of a customer dedicated switchyard or other prevailing technology, to be selected and owned by SRP, capable of isolating the customer's equipment. SRP may,

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in accordance with its then-applicable policies, charge the customer for the costs of the design, procurement, construction, installation, maintenance, and operation of such facilities and equipment. In that event, SRP may collect the design, procurement, construction, and installation costs with an upfront Contribution in Aid of Construction (CIAC).

4. The customer shall pay SRP for all dedicated substation facilities designed, procured, and/or constructed by SRP under this rider. SRP will collect the foregoing costs with an up-front CIAC, except to the extent any such costs are, by contract, deferred, and paid over time. The CIAC will collect, at a minimum, the costs of the following:
 - a. Certain high voltage transmission and communications equipment; and
 - b. A portion of the remaining substation equipment.
 5. The customer shall pay a fixed monthly facilities charge that reflects the investment and commitment SRP made on behalf of the customer including the cost of ownership (in-lieu contributions, depreciation, operation and maintenance, replacements, etc.). Included in the cost of ownership is the risk of replacement should equipment fail. That is, upon failure, equipment will be replaced within a reasonable period of time without additional charge to the customer. In addition, customers have the benefit of 24-hour technical support, SRP's inventory of spare parts and equipment, and access to SRP's mobile backup transformers if available and compatible. Any amounts payable by the customer and not collected with the CIAC will become part of the monthly facilities charge.
 6. Terms, conditions and prices for the substation and any other facilities or equipment contemplated under this rider, including requirements and conditions with respect to any transfer of ownership and operational responsibility, will be identified in a separate written agreement between SRP and the customer.
- C. The following applies to substations in operation or under construction as of May 1, 2010:
1. SRP shall own, operate and maintain all SRP-owned substations. Customers shall continue to pay their fixed monthly facilities charges per existing agreements.
 2. For dedicated substations and bays subsequently acquired by SRP, the customer shall pay monthly facilities charges and enter into agreements and contracts consistent with SRP's then-current forms and procedures.

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3. Customers may continue to own, operate, and maintain their existing dedicated substations and bays. Upon a change in substation or bay ownership, the new customer shall enter into agreements and contracts consistent with SRP's then-current forms and procedures.

ADJUSTMENTS:

SRP will increase or decrease billings under this rider in proportion to any taxes, fees, or charges (excluding federal or state income taxes) levied or imposed by any governmental authority and payable by SRP for any services, power, or energy provided under this rider.