

CLEARWATER POWER COMPANY
Lewiston, Idaho 83501

POLICY BULLETIN NO. 74A

SUBJECT: Schedule 4-7 Area Lighting Service

POLICY:

AVAILABILITY: To Commercial and Industrial Members of the Cooperative subject to the established Bylaws, Policies, rules and regulations of the Cooperative.

APPLICABILITY: For area lighting.

MONTHLY RATE:

The monthly rate will be determined by the following formula:

Monthly Rate = Capital Expense + Maintenance Expense + Power Expense + Margins

DEFINITIONS:

Capital Expense = Installed Cost amortized over the term of the contract at market rates.

Installed Cost = Estimated construction cost including but not limited to the labor, direct and indirect overhead, and material.

Maintenance Expense = 5% of the Installed Cost of the system/12.

Power Expense = Estimated annual power cost based on 4,111 operating hours per year/12. The Power Expense will not apply if the area lighting is served from the Member's side of the meter.

Margins = (Capital Expense + Power Expense) X % Margin Required.

The monthly rate may be renegotiated with the Member after the initial term of the contract is fulfilled.

CONDITIONS OF SERVICE:

1. The Area Lighting Equipment (Facilities), including lamps, poles, and the necessary overhead or underground circuits, transformers and any other required equipment will be furnished and maintained by the Cooperative.

2. Upon notification by the Member, the Cooperative shall maintain the Facilities at no additional cost to the Member within a reasonable length of time.
3. The Facilities shall remain the property of the Cooperative. The Member shall protect the Facilities from deliberate damage and shall agree to pay for the cost of repairs from damage caused by negligence or malicious intent.
4. The Cooperative and Member shall execute an agreement for service under this schedule for a period not less than the term required to recover the Capital Expense.

POWER COST ADJUSTMENT: The Cooperative buys wholesale power directly from the Bonneville Power Administration (BPA) or through the Pacific Northwest Generating Cooperative (PNGC). BPA's contract contains a surcharge(s) that allows BPA to adjust its wholesale rates periodically. Should BPA or PNGC implement a surcharge(s) to raise or lower its wholesale power rates, the Cooperative's cost of wholesale power will be adjusted accordingly.

To compensate for an adjustment in wholesale power costs due to a surcharge(s), the Cooperative's retail rates may be adjusted to reflect the effect of the surcharge(s). Rate schedules may be adjusted by the percentage of surcharge(s) in each rate component so as to fully recover the amount of the adjustment during the months the surcharge(s) is in effect.

RESPONSIBILITY:

Board of Directors, General Manager, Manager of Engineering, and Director of Member Services

PROCEDURE:

As outlined in the above written policy.

SOURCE: Adopted by Board Resolution - October 23, 1996.
Amended in Part - February 18, 1998; March 21, 2001;
December 19, 2007; December 21, 2011.
Board Reviewed - October 20, 2010.