

Shakopee Public Utilities

Electric Rates

Effective January, 2009

RESIDENTIAL

| Availability | Service Charge (per month) | Energy Charge (per Kwh) | Variable Charge | Minimum Bill |
|-------------------------------------------|----------------------------|-------------------------|-----------------------|----------------|
| Residential Service ¹⁾ | \$8.00 | \$0.0932 | Power Cost Adjustment | Service Charge |
| Service for Senior Citizens ²⁾ | \$5.00 | \$0.0923 | Power Cost Adjustment | Service Charge |

1) Residential dwellings.

2) Residential dwelling occupied by senior citizen(s).

NON-RESIDENTIAL

| Availability | Service Charge (per month) | Demand Charge [Per Kwh (All KW of billing demand)] | Energy Charge (Per KWH) | | Variable Charge | Minimum Bill |
|----------------------------------------|----------------------------|----------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------|-----------------------|-----------------------------------|
| Commercial Service ¹⁾ | \$12.57 | — | \$0.0891 (All Kwh per month) | | Power Cost Adjustment | Service Charge |
| Large General Service ²⁾ | \$45.71 | \$8.50 | \$0.0564 (All Kwh per month) | | Power Cost Adjustment | Service Charge Plus Demand Charge |
| Large Industrial Service ³⁾ | \$80.00 | \$8.50 | \$0.0564 (up to 400 hours times the billing demand) | \$0.0504 (all Kwh's in excess of 400 hours times the billing demand) | Power Cost Adjustment | Service Charge Plus Demand Charge |

1) Non-residential customers with less than 15 KW demand.

2) Non-residential customers with demand of at least 15 KW but less than 150 KW. Service above 75 KW is 3 phase only, except by written exception.

3) Non-residential customer with demand of 150 KW and over.

Applies to All Customers

Deposit Requirements: Deposit requirements shall be consistent with terms outlined in a separate resolution of the Shakopee Public Utilities Commission.

Monthly Bills: The monthly bill is the sum of the Service Charge, Energy Charge, Power Cost Adjustment, and Conservation Charge.

Monthly bills also include the sum of the Demand Charge, and any adjustments for Power Factor and/or other adjustments referenced in this or other rate resolution of the Shakopee Public Utilities Commission.

Minimum bill provisions, late charges, penalties, and special charges also apply.

Power Cost Adjustment: There may be added to or deducted from the monthly bill a power adjustment charge, as set by the Shakopee Public Utilities Commission resolution.

Primary Metering: At the option of the electric department, secondary voltage service may be metered at the primary voltage, in which case a 2% cash discount will be allowed on the amount of the monthly bill, with the discount applied to all charges except the power adjustment charge.

Primary Voltage Service: If the customer agrees to take service at the primary voltage available at his location and to pay all costs incurred in the ownership, operation, and maintenance of transformers and substation equipment (except meters) with service to be metered at the primary

voltage, a cash discount of 5% will be allowed on the amount of the monthly bill, with the discount applied to all charges except the power adjustment charge.

Load Factor: Load factor is defined to be the quotient obtained by dividing the Kwh used during the month, by the KW demand during the same period, and dividing the result by the number of hours in that billing period.

Minimum Power Factor Requirement: The customer must maintain an average power factor not less than 90% lagging, and avoid leading power factor at any time.

Prompt Payment Provision: A penalty of 5% shall be added to the current bill if not paid on or before the 15th of the month following the date of billing.

Low Load Factor Clause

A customer whose usage characteristic is routinely below a 5 percent monthly load factor may apply to the Utilities Commission for assignment to another non-demand rate schedule. Consideration will be given to the contribution in aid of construction made by the customer to offset capital investment by the Shakopee Utilities, and may include other factors.

Any assignment granted will continue only for the period of time specified, and billing will revert to the standard rate schedule at the end of that period, except when the assignment is cancelled before the end of that period by the Utilities Commission. The Utilities Commission reserves the right to cancel an assignment granted under this section, and such cancellation may occur without prior notice.

Limited Off Peak Clause

A customer normally billed under a demand rate schedule, who anticipates a single instance usage of energy which is not typical for their service, may apply to the Utilities Commission in advance of the occurrence for an advanced waiver of the demand charges for that single instance of usage. Consideration will be given to the estimated cost of purchased power for the period of time covered by the single instance usage, the ability of the facilities in place to accommodate the unusual load, and may include other factors.

Any advance waiver granted will apply only for the period of time specified, and billing will revert to the standard rate schedule at the end of that period, except when the waiver is cancelled before the end of that period by the Utilities Commission. The Utilities Commission reserves the right to cancel the waiver granted under this section, and such cancellation may occur without prior notice.

**Questions? Contact
Shakopee Public Utilities
at 952-445-1988 or visit
www.shakopeeutilities.com**

Large General Service

Billing Demand: The billing demand shall be the customer's greatest 15 minute demand, in kilowatts, incurred during the month for which the bill is rendered, but not less than 60% of the highest demand during the preceding 11 months or 15 KW, whichever is greater.

Large Industrial Service

Determination of Billing Demand: The billing demand shall be the customer's greatest 15 minute demand, in kilowatts, incurred during the month for which the bill is rendered, but not less than 60% of the highest demand during the preceding 11 months or 15 KW, whichever is greater.

The customer agrees to maintain an average power factor at or above 90%. If the average power factor is less than 90% lagging, the billing demand shall be adjusted by multiplying the actual 15 minute demand measured during the month by the ratio of 90% to the average power factor expressed in percent.

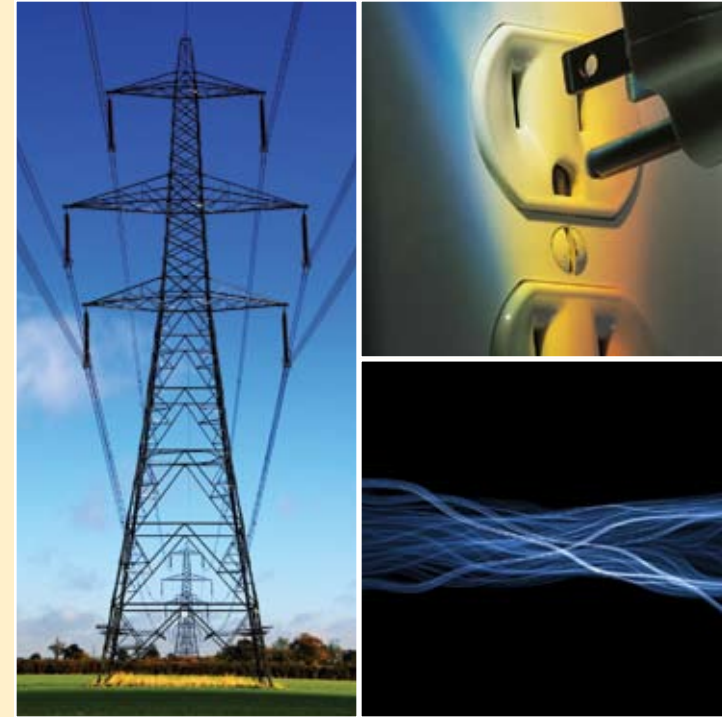
Average Power Factor: The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered in determining the average power factor.



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“Lighting the Way - Yesterday, Today and Beyond”

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