

KARNES ELECTRIC COOPERATIVE, INC.		Section II	Sheet No. 17
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<u>SECTION TITLE:</u>		<u>EFFECTIVE DATE:</u> January 28, 2003	
RATE SCHEDULES		Rate Schedules Modified: April 1, 2009	
APPLICABLE TO ENTIRE SERVICE AREA		Tariff Modified: September 1, 2010	
		Rate Effective: November 8, 2010	
		Tariff Modified: September 6, 2011	
		Tariff Modified: September 1, 2013	

203.10 Primary Oil and Gas Field Service – Rate 10

A. Availability.

Primary Oil and Gas Field Service is available to Members of the Cooperative receiving three phase, primary voltage service under either 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 ***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.***

Secondary Oil and Gas Field Service is available to Members of the Cooperative receiving three phase, secondary voltage service under either 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 ***Amendment to the Application for Membership and Electric Service Agreement Providing Special Contract Terms and Conditions for Secondary Service for Oil and Gas Field Operations Utilizing a Private Distribution System at the Specified Point of Delivery.***

B. Type of Service.

Primary electric service furnished hereunder shall be three-phase, 60 hertz, 4 wire wye, at the Cooperative's standard primary nominal voltages of either 12,500/7,200 volts or 24,900/14,400 volts.

Secondary electric service furnished hereunder shall be three phase, 60 hertz, 4 wire wye, 480/277 volt.

C. Monthly Rate

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

- (1) Basic Charge: @ \$300.00 per meter

This charge is for the availability of electric service;

and

- (2) Demand Charge: @ \$3.80 per kW of billing demand

This charge for the rate at which energy is used is applied to the maximum kilowatt demand for any period of fifteen consecutive minutes during the billing period as adjusted for power factor;

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and

(3) Energy Charge:

First 200 kWh per billing kW @	\$0.115984 per kWh
Next 200 kWh per billing kW @	\$0.087434 per kWh
Excess kWh @	\$0.058584 per kWh

This charge for the delivery of energy shall be applied to all kWh usage during a billing period

D. Minimum Charge

Each Member shall be obligated to pay the following minimum charges each billing period whether or not any energy is actually used:

- (1) The Basic Charge plus the applicable Demand Charge per billing period, plus
- (2) Any applicable billing adjustments or other charges, plus
- (3) Any applicable service fees.

E. Other Charges

Each Member shall be obligated to pay any additional charges specified in the contract for the applicable primary or secondary service to oil and gas field operations.

F. Power Factor Adjustment

The Cooperative shall 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.

G. Billing Adjustments

This rate is subject to all applicable billing adjustments as specified in Section 204.