



mesa·az

**UTILITY
RATES & FEES
-FY 2024/2025-**

Table of Contents

Please note the different ways to move through this pdf document: 1) Use the pdf page numbers shown below to go to each section; 2) click on the section name below to go to that section; or 3) use the bookmarks for each section.

Rates	Section	pdf pg#
District Cooling.....	D	3
Electric.....	E	5
Natural Gas.....	NG	31
Solid Waste.....	R	54
Wastewater.....	S	74
Water.....	W	90
 Sales and Delivery		
Terms & Conditions for the Sale of Utilities.....	SD01	116
Terms & Conditions for Electric Service.....	SD04	129
Electric Utility Rules & Regulations.....	SD05	142
Utility Service Fees.....	USF	157

GENERAL DISTRICT COOLING SERVICE – D3.1

Interdepartmental – D6.1

APPLICATION

These rates are applicable to all district cooling service for which no specific schedule is provided, when such service is provided at one point through one meter for the billing of utilities commencing with the August 2016 billing cycles.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILL PER METER

<u>Capacity-Demand Charge:</u>	\$8.45 per Rated-Ton
<u>Generation/Distribution Charge:</u>	\$0.07388 per Ton-hour, all Ton-hours

Electric Power Purchase cost is to be added to all per Ton-hour rates. See Adjustment 1 below.

ADJUSTMENTS

1. Subject to adjustments, based on the costs for the City's District Cooling operations for the price of electric power purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the district cooling or service sold hereunder shall be added to each utility bill.

DEFINITIONS

"Rated-Ton" – amount of cooling need a building or structure based on square footage and anticipated usage.

"Ton-Hour" – one ton-hour of cooling is 12,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

This page intentionally left blank.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to a Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (120/240 or 120/208 as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for monthly billing cycles commencing on and after the Effective Date.

RESIDENTIAL SERVICE – E1.1

APPLICATION

To all electric service required for residential purposes in individual private dwellings and in individually metered apartments, when such service is supplied at one Point of Delivery and measured through one meter.

MONTHLY BILL PER METER

		MAY/OCTOBER		NOVEMBER/APRIL
<u>Electric System Service Charge:</u>		\$19.50		\$19.50
<u>Usage Charge (\$/kWh):</u>	0 – 1,200 kWh	\$0.05231	0 – 800 kWh	\$0.04317
	> 1,200 kWh	\$0.05027	> 800 kWh	\$0.03478
<u>Minimum:</u>		\$19.50		\$19.50

ADJUSTMENTS

1. An Electric Energy Supply Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.
3. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.

THREE-PHASE SERVICE

Three-phase service is furnished under the City standards. Three-phase service is required for motors with an individual rated capacity of 3 hp. or larger.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

ELECTRIC RATE SCHEDULE

Electric service sold hereunder is delivered at single phase, approximately sixty Hertz, and at 120 volts, subject to availability and approval by the Mesa Electric Utility.

DUSK TO DAWN RESIDENTIAL LIGHTING SERVICE - E1.2

APPLICATION

To residential customers for the purpose of outdoor lighting of privately owned property within the City of Mesa Electric Service Area. Electric service is from dusk to dawn. City of Mesa will install, own, operate and maintain the complete lighting installation, including lamp replacements.

MONTHLY BILL PER INSTALLATION

<u>Rate:</u>	Installation on existing utility pole.	\$8.67
	Installation on wood pole for the purpose of outdoor lighting only.	\$14.79
<u>Minimum:</u>		\$8.67

ADJUSTMENTS

The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.

UNDERGROUND ELECTRIC SERVICE

If an underground service is required or agreed upon to service the lighting installation, the customer is required to provide the trenching and backfilling from the location of the lighting pole to the "point of service" as determined by the Mesa Electric Utility. The trench shall be in accordance with the City of Mesa specifications and shall pass inspection prior to the utility installing the conduit and wire in the trench and energizing the light.

LIGHTING INSTALLATION AGREEMENT

The customer shall sign a four (4) year lease agreement for the installation of the dusk to dawn light at the time of application for service.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to eligible customers who would otherwise receive service under Schedule E1.1, at single or three-phase, approximately sixty Hertz, and at one standard voltage (120/240 or 120/208 as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for the billing of utilities for monthly billing cycles commencing on and after the Effective Date.

RESIDENTIAL SERVICE – ECONOMY – E1.11

APPLICATION

To eligible customers for electric service required for their residential purposes in either individual private dwellings or in individually metered apartments, when such service is supplied at one Point of Delivery and measured through one meter.

ELIGIBILITY

Subject to approval by the Mesa Electric Utility, customers must satisfy the following conditions to be and remain eligible to receive service under this Schedule:

1. The electric utility account must be in the eligible customer's name, and that customer of record must be a full time permanent resident at the dwelling where service is supplied.
2. Customer of record must complete and submit the City's application; completed applications are subject to approval by City and must include all requested information, including household size. Information is subject to verification by City.
3. Eligible customers will be provided service under this Schedule for 12 months. Annual recertification will be required for the eligibility of rates under this Schedule (if available) to continue.
4. Eligibility of service under this Schedule is limited to customers of record with total verified household income (income from all sources) at or below thirty-four thousand dollars (\$34,000.00) annually, which amount shall be further adjusted annually from January 2023 by an escalation factor equal to the changes in the U.S. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), calculated in a manner consistent with the Cost-of-Living Adjustment by the United States Social Security Administration.
5. The Mesa Electric Utility may include consideration of household size in relation to income as well as U.S. Department of Health and Human Services (HHS) federal poverty level guidelines and U.S. Department of Housing and Urban Development (HUD) Fair Market Rents and Income Limits data to determine whether customers receive service under this Schedule. Consideration may also be made for customers who require life support, are disabled, or have other vulnerabilities.
6. Any customer no longer deemed eligible for service under this Schedule shall be billed, beginning the first month after ineligibility, at E1.1.

MONTHLY BILL PER METER

		JULY, AUGUST, SEPTEMBER
<u>Electric System Service Charge:</u>		\$0.00
<u>Usage Charge (\$/kWh):</u>	0-80 kWh	\$0.0000
	81-1,200 kWh	\$0.05231
	> 1,200 kWh	\$0.05027
<u>Minimum:</u>		\$0.00
		MAY, JUNE or OCTOBER
<u>Electric System Service Charge:</u>		\$19.50
<u>Usage Charge (\$/kWh):</u>	0-1,200 kWh	\$0.05231
	> 1,200 kWh	\$0.05027
<u>Minimum:</u>		\$19.50

<u>Electric System Service Charge:</u>		NOVEMBER through APRIL
<u>Usage Charge (\$/kWh):</u>		\$19.50
	0–800 kWh	\$0.04317
	>800 kWh	\$0.03478
<u>Minimum:</u>		\$19.50

ADJUSTMENTS

1. An Electric Energy Supply Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.

THREE-PHASE SERVICE

Three-phase service is furnished under the City standards. Three-phase service is required for motors with an individual rated capacity of 3 hp. or larger.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to a Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (120/240 or 120/208 as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for monthly billing cycles commencing on and after the Effective Date.

RESIDENTIAL SERVICE – ELECTRIC VEHICLE RATE - E1EV

APPLICATION

Service under this rate plan is applicable for residential purposes in individual private dwellings and in individually metered apartments, when such service is supplied at one Point of Delivery and measured through one meter. Service under this rate plan excludes resale, sub-metering and standby uses.

AVAILABILITY

Participation in this rate plan is subject to meter equipment availability and the presence of required smart meter proprietary communications in the neighborhood. Customers must have a qualified Battery Electric Vehicle (BEV) or Plug-in Hybrid Electric Vehicle (PHEV), as determined in the City's sole discretion.

MONTHLY BILL PER METER

	WEEKDAY TIME OF DAY	WEEKEND TIME OF DAY	NOVEMBER through APRIL
<u>Electric System Service Charge:</u>			\$19.50
<u>Usage Charge (\$/kWh):</u>			
On-Peak:	5:00AM through 8:59AM 5:00PM through 8:59PM		\$0.0443
Off-Peak:	9:00AM through 4:59PM 9:00PM through 10:59PM	5:00AM through 10:59PM	\$0.0222
Super Off-Peak:	11:00PM through 4:59AM	11:00PM through 4:59AM	\$0.0055
<u>Minimum:</u>			\$19.50

	WEEKDAY TIME OF DAY	WEEKEND TIME OF DAY	MAY, JUNE, SEPTEMBER or OCTOBER
<u>Electric System Service Charge:</u>			\$19.50
<u>Usage Charge (\$/kWh):</u>			
On Peak:	2:00PM through 7:59PM		\$0.1605
Off Peak:	5:00AM through 1:59PM 8:00PM through 10:59PM	5:00AM through 10:59PM	\$0.0232
Super Off Peak:	11:00PM through 4:59AM	11:00PM through 4:59AM	\$0.0073
<u>Minimum:</u>			\$19.50

	WEEKDAY TIME OF DAY	WEEKEND TIME OF DAY	JULY or AUGUST
<u>Electric System Service Charge:</u>			\$19.50
<u>Usage Charge (\$/kWh):</u>			
On Peak:	2:00PM through 7:59PM		\$0.1931
Off Peak:	5:00AM through 1:59PM	5:00AM through 10:59PM	\$0.0237
	8:00PM through 10:59PM		
Super Off Peak:	11:00PM through 4:59AM	11:00PM through 4:59AM	\$0.0076
<u>Minimum:</u>			\$19.50

ADJUSTMENTS

1. An Electric Energy Supply Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.
3. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.

THREE-PHASE SERVICE

Three-phase service is furnished under the City standards. Three-phase service is required for motors with an individual rated capacity of 3 hp. or larger.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (7200/12470, 2400/4160, 480, 277/480, 120/240 or 120/208 volts as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for the billing of utilities for the monthly billing cycles commencing on and after the Effective Date.

NON-RESIDENTIAL SERVICE – E3.1 NON-RESIDENTIAL SERVICE – Public Authorities Hospitals – E7.1 Federal – E7.2 State & Local Govts – E8.1 Schools - Non-Residential Service – E9.1

APPLICATION

To all electric service required for any purpose, where no schedule specifically applicable to the customer's classification is provided, and when such service is supplied at one Point of Delivery and measured through one meter.

MONTHLY BILL PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$19.72	\$25.74	\$19.72	\$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04866	\$0.04866	\$0.03994	\$0.03994
	> 75,000 kWh	\$0.02901	\$0.02901	\$0.02060	\$0.02060
<u>Demand Charge: (\$/kW)</u>					
<u>Generation</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$3.52	\$3.52	\$3.20	\$3.20
<u>Distribution</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$0.3968	\$0.3968	\$0.1150	\$0.1150
<u>Minimum:</u>		\$19.72	\$25.74	\$19.72	\$25.74

The City may require special service agreements for unusual or large loads as provided for in the Terms and Conditions.

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
Determination of kW - (Billing Demand)
The average kW supplied during the 30-minute period of maximum use during the month, as determined from readings of the meter.
3. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.
4. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three-phase service is required for motors of an individual rated capacity of 3 hp. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

DOWNTOWN SMALL BUSINESS ATTRACTION ELECTRIC RATE SCHEDULE – E3.6D

APPLICATION

These rates are applicable to new Non-Residential service for the billing of utilities commencing on and after the Effective Date for Customers meeting the Eligibility Criteria.

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately Sixty (60) Hertz, and at one standard voltage (7200/12470, 2400/4160, 277/480, 120/240, or 120/208 volts) as may be selected by the Customer, subject to satisfaction and eligibility criteria set forth herein.

PURPOSE

The purpose of this schedule is to attract new non- residential City electric customers to Downtown Mesa, which also generates increased economic activity in Downtown Mesa.

MONTHLY BILLING CYCLE PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$19.72	\$25.74	\$19.72	\$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04866	\$0.04866	\$0.03994	\$0.03994
	> 75,000 kWh	\$0.02901	\$0.02901	\$0.02060	\$0.02060
<u>Demand Charge: (\$/kW)</u>					
<u>Generation</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$3.52	\$3.52	\$3.20	\$3.20
<u>Distribution</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$0.3968	\$0.3968	\$0.1150	\$0.1150
<u>Minimum:</u>		\$19.72	\$25.74	\$19.72	\$25.74

Charges are subject to discount as set forth in the Adjustments Section.

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Bills subject to further adjustment as follows: the EECAF electric supply cost adjustment factor addition, energy usage charge, demand usage charge and the electric system service charge for each bill for each month during the eligibility period shall be reduced by twenty five percent (25%). Taxes not subject to adjustment.
3. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
4. Determination of kW - (Billing Demand) = The average kW supplied during the 30-minute period of maximum use during the month, as determined from readings of the meter.
5. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three-phase service is required for motors of an individual rated capacity of 3 h.p. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.

City of Mesa Rules and Regulations – Utility Department – Electric Division.

Terms and Conditions for the Sale of Utilities

Additional Terms and Conditions:

- (i) Limited to three (3) consecutive years per eligible Customer.
- (ii) The Customer must sign a three-year agreement evidencing a commitment through the 3 year period to meeting the eligibility criteria.
- (iii) Customers may apply for the small business utility rate only within their first year of operation.
- (iv) Customers may only participate once.
- (v) Customers that do not maintain or increase their total average annual utility usage from their first year receiving the rate may be required to repay the City for the difference between this Schedule E3.6D and the otherwise applicable City electric rate schedule.
- (vi) The City may terminate, suspend or modify the rate for active and/or future participants should it serve the interests of the City.
- (vii) Customers may be required to obtain a financial instrument satisfactory to the City that protects the City from a default under the agreement and from the accumulation of delinquent and deficient charges of a Customer served under this Rate Schedule.
- (viii) Customers are required to provide employment verification each year beginning in year two (2) evidencing the employment of a minimum of two (2) full-time employees.
- (ix) If the customer experiences employee vacancies that cause it to employ less than the minimum number of employees needed to meet eligibility criteria at any given time, the customer is allowed no more than six months cumulative within a 12 month period to fill such vacancies.

ELIGIBILITY

Non-residential Customers (i) with a new customer number; (ii) with an existing customer number (but without electric service) moving to a new qualifying premise; (iii) receiving Mesa electric service and moving from an unqualified premise to a qualifying premise. To qualify, premises must be located inside the Central Business District and Town Center Redevelopment Area (CBD/TRA). Additionally, the Customer and premises must: (i) have an average total minimum actual or projected annual energy consumption of twelve thousand (12,000) kilowatt-hours (kWh) for up to the most recent twelve-month period and a maximum of eight hundred thousand (800,000) kWh for up to the most recent twelve-month period; (ii) have a single point of delivery within the CBD/TRA measured through one meter for the billing of each utility service; (iii) meets the definition of a small business as stated by the U.S. Small Business Administration; (iv) consists of a use consistent with Mesa's adopted form-based code or in a commercial or industrial zoned area where the form-based code does not apply; and (v) employs the equivalent of at least two (2) full-time employee (FTE) positions (subject to verification through unemployment tax and wage reporting or comparable records). Customers must also be current on all utility bills and any other amounts owed the City.

INELIGIBILITY OR LOSS OF ELIGIBILITY

Customers that become ineligible for service under this rate schedule will be served under the otherwise applicable City Electric rate schedule. As set forth in the Eligibility requirements, Customer may be responsible for payment of back charges under the otherwise applicable City Electric rate Schedule for service provided under this Schedule which becomes ineligible. In addition, (i) if the Customer's average electric use during the second year of the program or third year of the program is less than the Customer's average use the first year of the program, the Customer may be responsible for payment of the difference of consumption, and (ii) if the Customer experiences vacancies that cause it to employ less than the equal of two (2) full-time employees at any given time, the business is allowed no more than six months cumulative within a 12 month period to fill the vacancy or else be considered in violation of the agreement and may be responsible for payment of the difference of consumption.

ELECTRIC RATE SCHEDULE

Electric service sold hereunder is delivered at single phase, approximately sixty Hertz, and at 120 volts, subject to availability and approval by the Mesa Electric Utility. These rates are applicable for the billing of utilities for the billing cycles commencing with the August 2016 billing cycles.

DUSK TO DAWN LIGHTING SERVICE – E3.2

Interdepartmental– E6.6

APPLICATION

To commercial and interdepartmental customers for the purpose of outdoor lighting of privately owned property within the City of Mesa Electric Service Area. Electric service is from dusk to dawn. City of Mesa will install, own, operate and maintain the complete lighting installation, including lamp replacements.

MONTHLY BILL PER INSTALLATION

<u>Rate:</u>	Installation on existing wood pole	\$9.69
	Installation on new wood pole	\$15.81
	Installation on base mounted steel pole	\$20.40
<u>Minimum:</u>		\$9.69

ADJUSTMENTS

The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of gross revenues of the City and/or the price or revenue from the electric energy or service sold hereunder.

UNDERGROUND ELECTRIC SERVICE

If an underground service is required or agreed upon to service the lighting installation, the customer is required to provide the trenching and backfilling from the location of the lighting pole to the "point of service" as determined by the Mesa Electric Utility. The trench shall be in accordance with the City of Mesa specifications and shall pass inspection prior to the utility installing the conduit and wire in the trench and energizing the light.

LIGHTING INSTALLATION AGREEMENT

The customer shall sign a lease agreement for the installation of the dusk to dawn light at the time of application for service. The agreement shall be for four (4) years for installations on wood poles and ten (10) years for installations on steel poles.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

X-RAY SERVICE – E3.3
X-RAY SERVICE– Public Authorities
Hospitals – E7.3

APPLICATION

Applicable to all customers having x-ray machines in use. These rates are applicable for the billing of utilities for the billing cycles commencing with the August 2016 billing cycles.

MONTHLY BILL

<u>Rate:</u>	Any consumption in kWh and demand in kW registered on the meter shall be billed in accordance with Schedule E3.1.		
<u>Minimum:</u>	To the above-metered billing, a flat charge shall be added as follows:		
	Where connected to common transformers		\$ 16.68
	Where connected to separate transformer	10 kva size	\$ 16.68
	Where connected to separate transformer	15 kva size	\$ 25.02
	Where connected to separate transformer	25 kva size	\$ 41.70
	Where connected to separate transformer	37.5 kva size	\$ 62.55
	Where connected to separate transformer	50 kva size	\$ 83.39
	Where connected to separate transformer	75 kva size	\$125.07
	Where connected to separate transformer	100 kva size	\$166.77
	Where connected to separate transformer	112 kva size	\$186.78
	Where connected to separate transformer	150 kva size	\$250.16
	Where connected to separate transformer	over 150 kva size	\$1.67 per kva

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
3. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to customer at single or three-phase, sixty Hertz and at standard voltages of approximately 120/208, 120/240, 277/480 or 480 volts, as may be selected by customer subject to availability and approval by the Mesa Electric Utility. These rates are applicable for the billing of utilities for the billing cycles commencing with the August 2016 billing cycles.

ELECTRIC MOTOR STANDBY SERVICE – E3.4

APPLICATION

To all electric service required for standby service, when such service is supplied at one point of delivery and measured through one meter.

MONTHLY BILL PER METER

	Horsepower of Connected Load	Service Charge Per H.P. Per Month	Energy Charge to be Added to Service Charge
<u>Rate:</u>	1 to 20 HP	\$1.73	\$0.06449 /kwh
	21 to 45 HP	\$1.43	\$0.06449 /kwh
	46 to 65 HP	\$1.13	\$0.06449 /kwh
	66 to 100 HP	\$1.02	\$0.06449 /kwh
	101 HP and over	\$.91	\$0.06449 /kwh
<u>Minimum:</u>	The monthly minimum charge shall be the monthly service charge.		

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor ("EECAF") shall be added to all bills based on the cost of purchased, electric power and its delivery to the City's electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
3. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer's Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer's expense, corrective equipment to increase the Power Factor to at least 95%.

SPECIAL CONDITIONS

1. Customers connected loads are subject to the rules and regulations governing electric service as listed in the City of Mesa Electric Service Specifications.
2. The rated capacity of the customer's equipment will be the rated horsepower output of standard rated motors. Normally, such ratings will be based on the manufacturer's ratings, as shown on the nameplate or elsewhere, but may be based on test or other reliable information, at the option of the Mesa Electric Utility.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately Sixty (60) Hertz, and at one standard voltage (7200/12470, 2400/4160, 277/480, 120/240, or 120/208 volts) as may be selected by the Customer, subject to availability and approval by the Mesa Energy Resources Department.

PURPOSE

The purpose of this schedule is to provide a rate for the economic development or retention of large Non-Residential Customers.

NON-RESIDENTIAL - CUSTOMER RETENTION/ECONOMIC DEVELOPMENT – E3.6

APPLICATION

These rates are applicable to Non-Residential service for the billing of utilities commencing on and after the Effective Date and to Customers meeting the following Eligibility Criteria.

ELIGIBILITY- INITIAL TERM

1. Limited to five (5) consecutive years.
2. New and expanding Non-Residential Customers must satisfy the following conditions to be and remain eligible to receive service under this Schedule:
 - (i) Within a period of three (3) years from the date the rate is applied for new Customers, and two (2) years for expanding, existing Customers, the Customer must have a minimum projected annual energy consumption of two million four hundred thousand (2,400,000) kilowatt hours (kWh) based on meter readings at a single Premises; and
 - (ii) Either: (a) establish and maintain a number of jobs at the qualifying Premises equal to five (5) full time employees per one hundred (100) kilowatts (kW) of projected electric demand at the monthly average of the required annual minimum consumption level (subject to verification through unemployment tax and wage reporting or comparable records); or (b) make a minimum capital investment in property/facility improvements of five hundred thousand dollars (\$500,000) at the qualifying Premises (subject to initial verification through Maricopa County tax and assessment statements, building permits, or comparable records).
3. Customers that may reduce or eliminate their future consumption of electric energy and with a twelve (12) month or longer billing history at or above the minimum annual energy consumption level not meeting the Eligibility Criteria set forth in Section 2 above must satisfy the following conditions to be and remain eligible to receive service under this Schedule:
 - (i) Maintain or exceed the minimum annual energy consumption of two million four hundred thousand (2,400,000) kilowatt hours (kWh) based on meter readings at a single Premises; and
 - (ii) Enter into a five (5) year agreement, executed by the Customer and the City Manager or designee, which provides adequate assurance to City that Customer shall maintain its consumption at the required kWh throughout the five (5) years at the Premises; and
 - (iii) The initial term of service under this rate schedule and the five (5) year contract shall require the customer to obtain a financial instrument (Financial Instrument), satisfactory to the City that protects the City from a default under the agreement and from the accumulation of delinquent and deficient charges of a Customer served under this Rate Schedule
4. All Non-Residential Customers otherwise satisfying the Initial Term Eligibility requirements under this Schedule must also have no existing delinquencies relating to payment of City utility services.

ELIGIBILITY- RENEWAL TERM

Eligibility for Customers on this Rate Schedule E3.6 that may reduce or eliminate their future consumption of electric energy and desire to remain on this Schedule beyond the initial five (5) year term must satisfy the following conditions:

1. Customer has maintained and will continue to maintain an annual minimum energy consumption of two million four hundred thousand (2,400,000) kilowatt hours (kWh) at a single Premises, based on readings consolidated from no more than four (4) meters at that Premises; and
2. Customer shall enter into a one (1) year agreement, executed by the Customer and the City Manager or designee, which provides adequate assurance to City that Customer shall maintain its consumption at the required kWh through the renewal term; and
3. Customer has no existing delinquencies relating to payment of City utility services

INELIGIBILITY OR LOSS OF ELIGIBILITY

Customers that become ineligible for service under this rate schedule will be served under the otherwise applicable City Electric rate schedule. As set forth in the Eligibility requirements, Customer may be responsible for payment of back charges under the otherwise applicable City Electric rate Schedule for service provided under this Schedule which becomes ineligible.

MONTHLY BILLING CYCLE PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$19.72	\$25.74	\$19.72	\$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04866	\$0.04866	\$0.02163	\$0.02163
	> 75,000 kWh	\$0.01900	\$0.01900	\$0.00800	\$0.00800
<u>Demand Charge: (\$/kW)</u>					
<u>Generation</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$3.52	\$3.52	\$3.20	\$3.20
<u>Distribution</u>	0 – 50 kW	\$0.00	\$0.00	\$0.00	\$0.00
	> 50 kW	\$0.3968	\$0.3968	\$0.1150	\$0.1150
<u>Minimum:</u>		\$19.72	\$25.74	\$19.72	\$25.74

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
3. Determination of kW (Billing Demand) = The average kW supplied during the 30 minute period of maximum use during the month, as determined from reading of the meter.
4. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer’s expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three phase service is required for motors of an individual rated capacity of 3 h.p. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.

City of Mesa Rules and Regulations- Utility Department- Electric Division.

Terms and Conditions for the Sale of Utilities

Other Terms and Conditions.

1. Billing under this Rate Schedule E 3.6 shall continue to be administered in the same fashion as the Rate Schedule previously applicable to the Customer.
2. Term of Rate Applicability:
This rate schedule may apply to electric service for an initial term not to exceed five (5) years. Upon termination of service under this rate schedule, the requirement for any Financial Instrument required under this rate schedule may also terminate.

ELECTRIC RATE SCHEDULE

Electricity sold hereunder is delivered to the Customer at single or three-phase, approximately sixty Hertz, and at one standard voltage (7200/12470, 2400/4160, 480, 277/480, 120/240 or 120/208 volts as may be selected by the Customer, subject to availability and approval by the Mesa Electric Utility). These rates are applicable for the billing of utilities for the monthly billing cycles commencing on and after the Effective Date.

SELF GENERATION STANDBY SERVICE – E3.8

SELF GENERATION STANDBY SERVICE- Public Authorities

Hospitals – E7.8
Federal – E7.81
State & Local Govts – E8.8
Schools - Non-Residential Service – E9.8

APPLICATION

To all electric service required for any purpose, when such service is supplied at one Point of Delivery and measured through one meter where: i) the Customer is generating or is expected to generate more than fifty percent of its annual electric energy consumption through an electric generation system of any source, and ii) the Customer's generation source is greater than 50 kW.

MONTHLY BILL PER METER

		MAY/OCTOBER		NOVEMBER/APRIL	
		Single Phase	Three Phase	Single Phase	Three Phase
<u>Customer Charge:</u>		\$19.72	\$25.74	\$19.72	\$25.74
<u>Energy Charge: (\$/kWh)</u>					
<u>Distribution</u>	0 - 15,000 kWh	\$0.06491	\$0.06491	\$0.05375	\$0.05375
	15,001 - 75,000 kWh	\$0.04866	\$0.04866	\$0.03994	\$0.03994
	> 75,000 kWh	\$0.02901	\$0.02901	\$0.02060	\$0.02060
<u>Facility Charge: (\$/kW of</u>					
<u>Demand Determinant)</u>		\$6.670	\$6.670	\$6.670	\$6.670

The City may require service agreements as provided for in the Terms and Conditions.

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor ("EECAF") shall be added to all bills based on the cost of purchased, electric power and its delivery to the City's electric utility, as shown on the Tariff Adjustments sheet.
2. Plus the applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the electric energy sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.
3. Customer's Demand Determinant shall be the greater of (i) the Contractual Demand Determinant as set forth in Customer's Line Extension Agreement or Standby Service Agreement or (ii) the highest average kW supplied during the 30-minute period of maximum use during the prior 12 month period, as determined from readings of the meter.
4. Renewable Energy Service Rider adjustment. Eligible customers who wish to support development of renewable energy may elect the inclusion of a Renewable Energy Service Rider adjustment upon request. See the Renewable Energy Service Rider page for additional information on eligibility, availability, and applicable charges and elections.
5. Subject to possible adjustment for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer's Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer's expense, corrective equipment to increase the Power Factor to at least 95%.

THREE-PHASE SERVICE

Three-phase service is furnished under the City's standards, including the transformation equipment. Three-phase service is not furnished for motors with an individual rated capacity of less than 3 h.p., except where facilities are already in place. Three-phase service is required for motors of an individual rated capacity of 3 hp. or more.

TERMS AND CONDITIONS

See Schedule ETC: Terms and Conditions for Electric Service.
City of Mesa Rules and Regulations – Utility Department – Electric Division.

STREET LIGHT SERVICE – E6.3

APPLICATION

To all electric service required for streetlights and other attached, approved City appurtenances within the Mesa Electric Utility Service area, owned and operated by the City of Mesa. These rates are applicable for the billing of utilities for the billing cycles commencing on and after the Effective Date.

Rate: \$0.04760 per kWh for all kWh

ADJUSTMENTS

An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.

INTERDEPARTMENTAL ELECTRIC SERVICE – E6.1, E6.2

APPLICATION

To all interdepartmental electric service required for any purpose, where no schedule specifically applicable to the customer's classification is provided, and when such service is supplied at one Point of Delivery and measured through one meter. These rates are applicable for the billing of utilities for the billing cycles commencing on and after the Effective Date.

MONTHLY BILL PER METER

Electric Sales – Without Demand Meter (E6.1):

Energy Charge: \$0.07140 per kWh for all kWh

Electric Sales – With Demand Meter (E6.2):

<u>Demand Charge:</u>	first 220 kW over 10 kW, plus	\$2.50 /kW
	all additional kW	\$1.17 /kW
<u>Energy Charge:</u>	first 4000 kWh, plus	\$0.06863 /kWh
	all additional kWh	\$0.02942/kWh

ADJUSTMENTS

1. An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.
2. Less any taxes or impositions not applicable to the City

PUMPING SERVICE – E6.4

APPLICATION

To all electric service required for water pumping within the Mesa Electric Utility Service area, owned and operated by the City of Mesa. These rates are applicable for the billing of utilities for the billing cycles commencing with the August 2016 billing cycles.

MONTHLY BILL PER METER

<u>Service Charge:</u>	\$1.17 per kW for all kW
<u>Energy Charge:</u>	\$0.04443 per kWh for all kWh

ADJUSTMENTS

An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.

SPORTS LIGHTING SERVICE – E6.5

APPLICATION

To all electric service required for sports lighting within the Mesa Electric Utility Service area, owned and/or operated by the City of Mesa. These rates are applicable for the billing of utilities for the billing cycles commencing with the August 2016 billing cycles.

<u>Rate:</u>	\$0.08060 /kWh	first 4,000 kWh
	\$0.07534 /kWh	all additional kWh

ADJUSTMENTS

An Electric Energy Cost Adjustment Factor (“EECAF”) shall be added to all bills based on the cost of purchased, electric power and its delivery to the City’s electric utility, as shown on the Tariff Adjustments sheet.

RENEWABLE ENERGY SERVICE RIDER - RESR

APPLICATION

Available to Customers who are being served under Residential Electric Schedule No. E1.1, General Service Electric Schedule No. E3.1, and Other Public Authority Rate Schedules No. E7.1, E7.2, E8.1 and E9.1. All provisions of the Customer's current applicable rate schedule will apply in addition to this service rider.

DEFINITIONS

Renewable Energy: The combination of energy delivered to the Customer by Mesa plus a proportional amount of Renewable Energy Certificates (RECs) that are retired on Customer's behalf by Mesa. Renewable Energy can be sourced from biogas energy, biomass energy, hydropower energy, fuel cells (which use only fuel derived from another renewable source or use hydrogen generated from another renewable source), geothermal energy, landfill gas energy, solar energy, or wind energy. Renewable Energy may come from originally sourced, bundled RECs (RECs that are sold, delivered or purchased with the associated energy from the source renewable generation project) or from unbundled RECs (RECs that are sold, delivered, or purchased separately from the associated energy) at Mesa's discretion.

CONDITIONS

1. Customers may participate in the RESR to meet 25 percent, 50 percent, 75 percent or 100 percent of the Customer's annual kWh consumption (Elected Percentage).
2. New enrollment in the Renewable Energy Service Rider (RESR) shall be limited by Mesa at its sole discretion. On an annual basis, Renewable Energy purchased for all the Customers enrolled in the RESR may not exceed \$500,000.
3. If Mesa, at its sole discretion, continues offering the RESR into the following year, Mesa will extend an offer to the Customer to continue with the RESR, along with any changes to the RESR.

PROGRAM OPERATION

1. The standard RESR Enrollment Period shall be from April 1 to June 1. If successfully enrolled, City will account for Customer energy consumption based on the Elected Percentage as renewable energy for a term of one year beginning with the July billing cycle. Mesa reserves the right to open the RESR program for further enrollment at other times if deemed appropriate.
2. Mesa will estimate the amount of Renewable Energy that is to be purchased on behalf of participating Customer's based on a composite of historic data and the Elected Percentage. Mesa will make commercially reasonable efforts to secure Renewable Energy by purchasing, procuring or generating renewable supplies or retiring Renewable Energy Certificates (REC's) (either with or without associated energy) for a year equal to the calculated total of Customer Annual Renewable Energy demand under the RESR program. Participating Customers acknowledge that minor variances in the total amount of Renewable Energy from that calculated based on the composite Elected Percentage and demand of all RESR participants may occur, and that no representation is made as to the actual manner of generation of power and energy available from the municipal distribution system at any particular point in time.
3. A Customer may cancel service under this rider with no remaining obligations (i) after twelve billing cycles and (ii) by providing written notice to Mesa during the Enrollment Period.
 - i. If a Customer wishes to cancel service under this rider prior to twelve billing cycles and if the Customer Annual Renewable Energy that is remaining to be paid by the Customer for that year to date exceeds 100,000 kWh, the customer will be charged for all Renewable Energy above 100,000 kWh (Estimated Excess Remaining kWh) that it would have consumed in the year at the monthly RESR Premium Charge Rate (\$/kWh) multiplied by such Estimated Excess Remaining kWh. After receipt of such payment, cancellation shall become effective at the end of the billing cycle in which the notice for cancellation is received by Mesa.

MONTHLY BILL

For any Customer electing to participate in this rider, the monthly RESR Premium Charge shall be equal to the RESR Premium Charge Rate (\$0.01/kWh) multiplied by the customer's Elected Percentage multiplied by the customer's monthly billed kWh. The RESR Premium Charge shall be applied in addition to the Customer's other monthly bill charges and adjustments. The RESR Premium Charge shall not substitute for any other billing line items.

This page intentionally left blank.

RESIDENTIAL GAS SERVICE

City - G1.1, Magma - GM1.1

APPLICATION

These rates are applicable to all natural gas service required for residential purposes in individual private dwellings and in individually metered apartments served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa, when such service is supplied at one point of delivery and measured through one meter for monthly billing cycles commencing on and after the Effective Date.

Not applicable to temporary, breakdown, standby, supplementary or resale service, nor to gas used directly or indirectly for operation of prime movers.

MONTHLY BILLING CYCLE

City Service Area

Rate: For billing cycles May through October
\$17.31 Gas System Service Charge, plus
\$0.7440 per Billed Therm, Usage Charge first 25 Billed Therms and
\$0.3681 per Billed Therm, Usage Charge all additional Billed Therms

For billing cycles November through April
\$20.24 Gas System Service Charge, plus
\$0.7440 per Billed Therm, Usage Charge first 25 Billed Therms and
\$0.8072 per Billed Therm, Usage Charge all additional Billed Therms

Magma Service Area

Rate: For billing cycles May through October
\$18.30 Gas System Service Charge, plus
\$0.8203 per Billed Therm, Usage Charge first 25 Billed Therms and
\$0.4058 per Billed Therm, Usage Charge all additional Billed Therms

For billing cycles November through April
\$21.54 Gas System Service Charge, plus
\$0.8203 per Billed Therm, Usage Charge first 25 Billed Therms and
\$0.8901 per Billed Therm, Usage Charge all additional Billed Therms

A per Billed Therm Natural Gas Supply Cost Adjustment shall be included in all bills. See Adjustment 1 below.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor ("PNGCAF") shall be added to all bills based on the cost of purchased natural gas and its delivery to the City's gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

3. A residential surcharge shall be included in the Magma Gas Cost Adjustment when the City of Mesa Magma residential total billing amounts are lower than the most recent comparable market rate total billing amounts. This surcharge shall be equal to the difference between the City of Mesa Magma residential total monthly billing amounts and the calculated total billing amounts based on the most recent comparable market rates, and shall be included as such differences occur.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units)

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

RESIDENTIAL COMPRESSED NATURAL GAS SERVICE

City - G1.9, Magma - GM1.9

APPLICATION

These rates are applicable to any residential customer served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa, using natural gas for the sole purpose of compressing natural gas for use as a fuel vehicular internal combustion engine for monthly billing cycles commencing on and after the Effective Date.

Service under these schedules shall be through one or more meters at the option of the City's Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under these schedules is provided. Not applicable to temporary, breakdown, standby, supplementary, or resale service.

MONTHLY BILLING CYCLE

City Service Area

Rate: For billing cycles May through October
\$36.66 Service Charge, plus
\$0.0978 per Billed Therm, all Billed Therms

For billing cycles November through April
\$46.34 Service Charge, plus
\$0.0978 per Billed Therm, all Billed Therms

Magma Service Area

Rate: For billing cycles May through October
\$39.64 Service Charge, plus
\$0.1080 per Billed Therm, all Billed Therms

For billing cycles November through April
\$50.33 Service Charge, plus
\$0.1080 per Billed Therm, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

City Service Area

An additional charge of \$13.37 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

Magma Service Area

An additional charge of \$14.58 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor (“PNGCAF”) shall be added to all bills based on the cost of purchased natural gas and its delivery to the City’s gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

GENERAL GAS SERVICE

City – G3.1, Magma - GM3.1

Interdepartmental – G6.1

GENERAL GAS SERVICE – Public Authorities

Hospitals – City – G7.1, Magma – GM7.1

Federal – City – G7.2, Magma - GM7.2

State & Local Govts – City – G8.1, Magma – GM8.1

Schools – City – G9.1, Magma – GM9.1

APPLICATION

This rate is applicable to any nonresidential customer using the City's natural gas for any purpose, provided the customer's premises are designated by the City as suitable for service hereunder; and which (i) is served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa; (ii) if an existing customer, has average monthly billed usage in the last twelve (12) months of less than six thousand seven hundred (6,700) Billed Therms, or if a new customer or a customer with less than twelve (12) months of billing history, has anticipated average monthly billed usage in the next twelve (12) months of less than six thousand seven hundred (6,700) Billed Therms; and (iii) is supplied at one point of delivery and measured through one meter for monthly billing cycles commencing on and after the Effective Date.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILLING CYCLE

City Service Area

Rate: For billing cycles May through October
\$44.66 Service Charge, plus
\$0.5929 per Billed Therm, first 1,500 Billed Therms and
\$0.4366 per Billed Therm, all additional Billed Therms

For billing cycles November through April
\$54.34 Service Charge, plus
\$0.6421 per Billed Therm, first 1,500 Billed Therms and
\$0.6308 per Billed Therm, all additional Billed Therms

Magma Service Area

Rate: For billing cycles May through October
\$51.48 Service Charge, plus
\$0.7324 per Billed Therm, first 1,500 Billed Therms and
\$0.5393 per Billed Therm, all additional Billed Therms

For billing cycles November through April
\$63.41 Service Charge, plus
\$0.7929 per Billed Therm, first 1,500 Billed Therms and
\$0.7790 per Billed Therm, all additional Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

City Service Area

An additional charge of \$14.73 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

Magma Service Area

An additional charge of \$21.49 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

GAS LINE EXTENSION AGREEMENT

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code.

SUBSTITUTION OF RATE

The customer may transfer to another rate for which such customer is qualified after any period of twelve (12) months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor ("PNGCAF") shall be added to all bills based on the cost of purchased natural gas and its delivery to the City's gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

INTERFERING EQUIPMENT

Whenever the customer's gas equipment has characteristics that may cause interference with City's Gas Service, including but not limited to service to other customers or interference with accurate metering, Customer shall provide facilities at customer's expense to preclude such interference prior to receiving service

COGENERATION GAS SERVICE

City – G3.5, Magma – GM3.5

Interdepartmental – G6.5

COGENERATION GAS SERVICE – Public Authorities

Hospitals – City – G7.7, Magma – GM7.7

APPLICATION

These rates are applicable to any nonresidential customer served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa using the City's natural gas service for Cogeneration or On-Site Generation for monthly billing cycles commencing on and after the Effective Date. The electricity that is required by a given facility is produced onsite by natural gas fueled engines, fuel cells, or turbines with the capability of supplementing the local electric utility's supply and/or recovering the equipment's heat of rejection for space conditioning and/or process uses.

MONTHLY BILLING CYCLE

City Service Area

Rate: \$477.51 Service Charge, plus
\$0.0988 per Billed Therm, all Billed Therms

Magma Service Area

Rate: \$586.13 Service Charge, plus
\$0.1221 per Billed Therm, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

City Service Area

An additional charge of \$14.73 billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

Magma Service Area

An additional charge of \$21.49 billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor ("PNGCAF") shall be added to all bills based on the cost of purchased natural gas and its delivery to the City's gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

LARGE GENERAL GAS SERVICE

City – G3.6, Magma – GM3.6

Interdepartmental – G6.10

LARGE GENERAL GAS SERVICE – Public Authorities

Federal – City – G7.3, Magma – GM7.3

Hospitals – City – G7.5, Magma – GM7.5

State & Local Govts – City – G8.2, Magma – GM8.2

Schools – City – G9.2, Magma – GM9.2

APPLICATION

This rate is applicable to any nonresidential customer using the City's natural gas for any purpose, provided the customer's premises are designated by the City as suitable for service hereunder; and which (i) is served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa; (ii) if an existing customer, has average monthly billed usage in the preceding twelve (12) months of equal to or greater than six thousand seven hundred (6,700) Billed Therms, or if a new customer or a customer with less than twelve (12) months of billing history, has anticipated average monthly billed usage in the next twelve (12) months equal to or greater than six thousand seven hundred (6,700) Billed Therms, and; (iii) is supplied at one point of delivery and measured through one meter for monthly billing cycles commencing on and after the Effective Date.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILLING CYCLE

City Service Area

Service Charge: \$939.36 per billing cycle

Rate: \$0.3192 per Billed Therm, all Billed Therms

Magma Service Area

Service Charge: \$1,156.58 per billing cycle

Rate: \$0.3943 per Billed Therm, for all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

City Service Area

An additional charge of \$14.73 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

Magma Service Area

An additional charge of \$21.49 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor (“PNGCAF”) shall be added to all bills based on the cost of purchased natural gas and its delivery to the City’s gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GAS LINE EXTENSION AGREEMENT

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code.

SUBSTITUTION OF RATE

The customer may transfer to another rate for which such customer is and remains qualified after any period of twelve (12) months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.

INTERFERING EQUIPMENT

Whenever any of the customer's utilization equipment has characteristics that will cause interference with service to any other customer or interfere with proper metering, suitable facilities shall be provided at the customer's expense to preclude such interference.

CUSTOMER ATTRACTION AND RETENTION GAS SERVICE

City – G3.7, Magma – GM3.7

PURPOSE

The purpose of this Schedule is to provide a rate for the attraction or retention of eligible large Non-Residential Customers.

APPLICATION

This rate is applicable to any Non-Residential Customer using the City's natural gas for any purpose, provided the customer's Premise is designated by the City as suitable for service hereunder; and which (i) is served primarily or entirely from City and Magma gate stations and other distribution infrastructure; and (ii) meets the following Eligibility Criteria. These rates are applicable for the billing of utilities for the monthly billing cycles commencing on and after the Effective Date.

ELIGIBILITY CRITERIA

1. New and expanding Non-Residential Customers must satisfy the following conditions to be and remain eligible to receive service under this Schedule. Within a period of three (3) years for new Customers and two (2) years for expanding, existing Customers, the Customer must:
 - a. Have a minimum monthly average energy consumption of thirty-six thousand (36,000) Therms as calculated on a 12 month basis from meter readings at a single Premise; and
 - b. Establish and maintain fifty (50) new or additional full time employees (subject to verification through unemployment tax and wage reporting or comparable records) at the qualifying Premise; and
 - c. Make a minimum capital investment in property/facility improvements of twenty-five million dollars (\$25,000,000) at the qualifying Premise (subject to initial verification through Maricopa County tax and assessment statements, building permits or comparable records).
2. All Non-Residential Customers otherwise satisfying the Eligibility requirements under this Schedule must also have no existing delinquencies relating to payment of City utility services.

INELIGIBILITY OR LOSS OF ELIGIBILITY

Customers that become ineligible for service under this Schedule will be served under the otherwise applicable City Natural Gas rate schedule. As set forth in the Eligibility requirements, Customer may be responsible for payment of back charges under the otherwise applicable City Natural Gas Rate Schedule for service provided under this Schedule where the Customer fails to meet the eligibility criteria.

MONTHLY BILLING CYCLE

Service Charge: \$937.36 per billing cycle
Rate: \$0.3192 per Billed Therm, Usage Charge first 90,000 Billed Therms and
\$0.2163 per Billed Therm, Usage Charge, all Billed Therms greater than 90,000 and less than or
equal to 500,000 and
\$0.1400 per Billed Therm, Usage Charge all additional Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

City Service Area

An additional charge of \$14.73 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

Magma Service Area

An additional charge of \$21.49 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor (“PNGCAF”) shall be added to all bills based on the cost of purchased natural gas and its delivery to the City’s gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GAS LINE EXTENSION AGREEMENT

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code and may include a guarantee of revenues.

SUBSTITUTION OF RATE

The customer may transfer to another rate for which such customer is and remains qualified after any period of twelve (12) months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.

INTERFERING EQUIPMENT

Whenever any of the customer's utilization equipment has characteristics that will cause interference with service to any other customer or interfere with proper metering, suitable facilities shall be provided at the customer's expense to preclude such interference.

GENERAL SERVICE COMPRESSED NATURAL GAS SERVICE – SMALL

City – G3.9, Magma - GM3.9
Interdepartmental – G6.9

APPLICATION

These rates are applicable to gas service to any non-residential customer served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa using natural gas for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines for monthly billing cycles commencing on and after the Effective Date.

Service under these schedules shall be through one or more meters at the option of the City's Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under these schedules is provided. Small general service compressed natural gas service customers are defined as those compressing natural gas using equipment rated at 30 cubic feet per minute or less, and who receive service at 5 pounds per square inch gauge or less.

MONTHLY BILLING CYCLE

City Service Area

Rate: For billing cycles May through October
\$40.66 Service Charge, plus
\$0.1534 per Billed Therm Usage Charge, all Billed Therms

For billing cycles November through April
\$50.34 Service Charge, plus
\$0.1534 per Billed Therm Usage Charge, all Billed Therms

Magma Service Area

Rate: For billing cycles May through October
\$47.48 Service Charge, plus
\$0.1896 per Billed Therm Usage Charge, all Billed Therms

For billing cycles November through April
\$59.41 Service Charge, plus
\$0.1896 per Billed Therm Usage Charge, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor (“PNGCAF”) shall be added to all bills based on the cost of purchased natural gas and its delivery to the City’s gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GENERAL SERVICE COMPRESSED NATURAL GAS SERVICE – LARGE

City – G3.9L, Magma - GM3L
Interdepartmental – G6.9L

APPLICATION

These rates are applicable to gas service to any non-residential customer served primarily or entirely from City and Magma gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa using natural gas for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines for monthly billing cycles commencing on and after the Effective Date.

Service under these schedules shall be through one or more meters at the option of the City's Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under these schedules is provided. Large general service compressed natural gas service customers are defined as those compressing natural gas using equipment rated above 30 cubic feet per minute or receiving service at more than 5 pounds per square inch gauge.

MONTHLY BILLING CYCLE

City Service Area

Rate: For billing cycles May through October
\$107.00 Service Charge, plus
\$0.1534 per Billed Therm Usage Charge, all Billed Therms

For billing cycles November through April
\$107.00 Service Charge, plus
\$0.1534 per Billed Therm Usage Charge, all Billed Therms

Magma Service Area

Rate: For billing cycles May through October
\$127.59 Service Charge, plus
\$0.1896 per Billed Therm Usage Charge, all Billed Therms

For billing cycles November through April
\$127.59 Service Charge, plus
\$0.1896 per Billed Therm Usage Charge, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

City Service Area

An additional charge of \$14.73 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

Magma Service Area

An additional charge of \$21.49 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

ADJUSTMENTS

1. A Purchased Natural Gas Cost Adjustment Factor (“PNGCAF”) shall be added to all bills based on the cost of purchased natural gas and its delivery to the City’s gas utility, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

TRANSPORTATION GAS SERVICE

City – G6.3, Magma – GM6.3

TRANSPORTATION GAS SERVICE- Public Authorities

Federal – City – G7.4, Magma – GM7.4

Hospitals – City – G7.6, Magma – GM7.6

State & Local Govts - City – G8.3, Magma – GM8.3

Schools – City – G9.3, Magma – GM9.3

APPLICATION

This rate is applicable to any Customer receiving local distribution service from City and Magma’s gate stations and other distribution infrastructure owned by the City of Mesa (“System”) (1) meeting the qualifications listed in the “Customer Eligibility” section of this rate schedule or (2) that is required by the City to receive transportation gas service due to high demand or other unique Customer characteristics, all subject to the following:

1. The Customer shall enter into a Natural Gas Transportation Agreement (“Agreement”) specified by the City.
2. The Customer has arranged for the purchase, transmission, and delivery of natural gas from third parties to the System (“Delivered Gas”) sufficient to meet the Customer’s demands.
3. City reserves the right to limit or deny service if, in its sole and absolute discretion, (1) adequate capacity is not available in or to the existing City and/or Magma System, (2) such service would adversely affect other City and/or Magma System full-requirements sales customers, or (3) such service would pose a hazard to public safety.
4. Natural gas transported by the City under this schedule may not be resold and shall be for the Customer’s consumption only.

These rates are applicable for monthly billing cycles commencing on and after the Effective Date.

CUSTOMER ELIGIBILITY

A Customer may be eligible to receive natural gas transportation service under this Transportation Gas Service Tariff if the following conditions are satisfied:

1. The Customer’s average monthly consumption on an annual basis at one of the customer’s metered points of delivery designated in the Agreement is no less than fifteen thousand (15,000) Therms.
2. The Customer’s monthly and average hourly load factor is acceptable to the City in its sole and absolute discretion and appropriate for a transportation customer. If the Customer is new to the City and Magma’s Gas system, or if the Customer is altering its operations such that its natural gas consumption will be modified, the Customer shall provide sufficient evidence, in the City’s sole and absolute discretion, that future consumption will satisfy this requirement.
3. The Customer has demonstrated to the City’s satisfaction that the Customer has procured adequate Delivered Gas necessary to meet the Customer’s natural gas requirements for a term acceptable to City. Such gas shall be of a quality and composition acceptable to the City and its upstream pipeline operators as described in the upstream pipeline operators’ gas tariff as filed with and approved by the Federal Energy Regulatory Commission (“FERC”).

4. The City has available System capacity to receive the Delivered Gas and render the requested service. City does not guarantee capacity to receive Delivered Gas in any amount and Customer is solely responsible for determining the availability of such capacity with City and the interstate pipeline provider. City's capacity to receive and transport Delivered Gas will generally be determined on a first-come first-served basis and Delivered Gas shall not be higher priority through City's gates over City-purchased gas supplies.

Additional conditions may apply and be included in the Natural Gas Transportation Service Agreement. Failure to satisfy any of these conditions may result in the cessation, limitation, or termination of transportation service at the City's sole and absolute discretion. The availability, nature, and extent of full requirements or other gas service upon any termination of transportation service shall be at the sole absolute discretion of City.

MAXIMUM DAILY DELIVERY QUANTITY

1. Customer shall be subject to a Maximum Daily Delivery Quantity ("MDDQ") and Maximum Hourly Delivery Quantity ("MHDQ") (collectively, the "Maximum Delivery Quantities" or "MDQs") of Delivered Gas to be transported by City. Such MDQs shall be specified in the Natural Gas Transportation Agreement.
2. City may, in its sole and absolute discretion, from time to time, and at the advance written request of Customer (no later than 24 hours before the start of any requested "Gas Day", defined by the Transmission Provider's tariff and shall generally mean a period of twenty-four (24) consecutive hours beginning at 8:00 A.M., Mountain Clock Time ("MCT"), and pursuant to the scheduling and notification requirements of this Tariff and the Natural Gas Transportation Agreement) transport additional amounts of Delivered Gas over the MDQs. Such additional amounts of Delivered Gas shall be referred to as "Authorized Gas Over MDQ".
3. During times of maintenance or other restrictions or limitations on the System or applicable interstate pipeline systems, and subject to advance written notice by City (no later than 24 hours before the start of any requested Gas Day and pursuant to the notification requirements of this Tariff except in the event of an emergency), City may require a reduction in Customer's consumption and deliveries for a Gas Day. Such reduction amounts of Delivered Gas shall be referred to as "MDQ Reduction Quantities". Notwithstanding the foregoing, during times of emergency such as critical operating conditions on the pipeline or under circumstances where 24-hour notice is impractical, City will use commercially reasonable efforts to provide notice to Customer of required MDQ Reduction Quantities.
4. The total amount of gas authorized by City for transportation on the System is referred to as "City-Authorized Gas" and shall be equal to the Customer's Delivered Gas amount as limited by the MDQs plus any Authorized Gas Over MDQ less any MDQ Reduction Quantities.
 - a. Daily City-Authorized Gas shall be calculated based on expected gas to be drawn from the System by Customer ("Burns") and the amount of Delivered Gas expected to be received by City in a complete Gas Day; and
 - b. Hourly City-Authorized Gas shall be calculated based on expected Burns and the amount of Delivered Gas expected to be received by City in each hour.

OVERRUNS, UNDERRUNS & IMBALANCES

1. Customer must conform their Burns of gas to the amount of City Authorized Gas. The Customer's operating windows are defined as follows:
 - a. Daily Operating Window:
 - i. In any Gas Day, Customer shall have a Daily Operating Window in which Customer's Burns must match the amount of Daily City Authorized Gas such that Burns must be within the lesser of (i) plus or minus twenty percent ($\pm 20\%$) or (ii) plus or minus ten thousand ($\pm 10,000$) Therms. All gas outside of the applicable Daily Operating Window shall be considered a "Daily Overrun" (if the Burns of Gas are in excess of the City Authorized Gas) or a "Daily Underrun" (if the Delivered Gas is in excess of the Burns of Gas).

- b. Monthly Operating Window:
 - i. In any Month, Customer shall have a Monthly Operating Window under which Customer's Burns must match the amount of City Authorized Gas within the lesser of (i) plus or minus five percent ($\pm 5\%$) of the Delivered Gas or (ii) plus or minus five hundred (± 500) Therms. All gas outside of this Monthly Operating Window shall be considered a "Monthly Overrun" (if the Burns exceed the City Authorized Gas) or a "Monthly Underrun" (if the Delivered Gas exceeds the Burns).
2. Any difference between a Customer's Burns and the amount of City Authorized Gas received by City within the applicable Daily Operating Window shall be considered an "Imbalance."
 - a. Any Imbalance where Customer's Burns exceed the amount City Authorized Gas shall be considered a "Negative Imbalance" and shall be a sale of gas from the City to Customer on the day in which the Imbalance occurred.
 - b. Any Imbalance where the amount of Delivered Gas received by City exceeds the Customer's Burns shall be considered a "Positive Imbalance" and shall be a sale of gas from the Customer to City on the day in which the Imbalance occurred and such quantities shall be retained by City.
3. Any Burns in a Gas Day above Daily City-Authorized Gas shall be considered "Daily Unauthorized Gas Quantities".
4. During each Billing Period, Customer shall be charged and invoiced according to the following in a Monthly Imbalance Invoice:

Table 1) Monthly Imbalance Invoice Charges

Imbalance Type	Charge (Credit) to Customer per Dekatherm, All for the Applicable Gas Day
Daily Unauthorized Gas Quantities	The greater of (a) 200% of the inside FERC's Gas Daily – Daily Average Index for the El Paso S. Mainline/N. Baja Code ARNBAJAN or (b) City's actual cost to source and deliver gas to Customer.
Daily Overrun	150% of the inside FERC's Gas Daily – Daily Average Index for the El Paso S. Mainline/N. Baja Code ARNBAJAN
Negative Imbalance	The inside FERC's Gas Daily – Daily Average Index for the greater of El Paso Permian or El Paso San Juan
Positive Imbalance	The inside FERC's Gas Daily – Daily Average Index for the greater of El Paso Permian or El Paso San Juan
Daily Underrun	(75% of the inside FERC's Gas Daily – Daily Average Index for the greater of El Paso Permian or El Paso San Juan)

5. For all Monthly Overrun quantities or Monthly Underrun quantities, Customer shall be charged an additional \$0.25 per Dekatherm.
6. Any hourly Burns above Hourly City-Authorized Gas shall be considered "Hourly Unauthorized Gas Quantities". Hourly Unauthorized Gas Quantities shall be charged an additional \$5.00 per Dekatherm when available. City's ability to transport Hourly Unauthorized Gas Quantities may be limited by the available capacity of metering equipment, distribution system infrastructure, city gate station infrastructure, or any other factor limiting receipt by City or transportation of those quantities to Customer.
7. In addition to the charges listed above, Customer shall be responsible for:
 - a. Any incremental imbalance penalties, acquired capacity charges, taxes, charges, surcharges, increased transmission costs, and all other increased costs incurred by City resulting from Customer's Imbalances, Overruns, Underruns, and/or Daily or Hourly Unauthorized Gas Quantities ("Penalties") regardless of whether City, in its sole and absolute discretion, chooses to dispute such imposition.
 - b. The Customer will be charged a pro rata share of any upstream pipeline charges, Penalties, and/or fees that were incurred by the City attributable to the Customer.

8. Under no circumstances shall the provisions of this section be considered as giving the Customer any right to Imbalances, Overruns, Underruns, and/or Daily or Hourly Unauthorized Gas Quantities in any amount, nor shall this Section or payments thereunder be considered as a substitute for any other remedy available to the City against the Customer for failure to respect its obligation to conform its Burns to the volumes of City-Authorized Gas delivered to the System within the same period.
9. The City shall not assess Imbalance, Overrun, or Daily Unauthorized Gas Charges more than once on the same volumes of gas and where more than one such charge is authorized, the greatest charge shall be imposed.

CUSTOMER DEFAULT

The City shall not be required to perform or continue service on behalf of any Customer that fails to comply with the terms contained in this schedule and the terms of the Customer's Agreement with the Utility. The Utility shall have the right to waive any one or more specific defaults by any Customer under any provision of this schedule or the Agreement, provided, however, that no such waiver shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or different character.

MONTHLY BILLING CYCLE

The Natural Gas Transportation Service rate shall apply to all gas transported during the billing cycle.

<u>Service Charge:</u>	\$1,152.58 per billing cycle
<u>Rate:</u>	\$0.3164 per Billed Therm, Usage Charge first 15,000 Therms; and
	\$0.2871 per Billed Therm, Usage Charge, all Billed Therms greater than 15,000 and less than or equal to 90,000 Therms; and
	\$0.2163 per Billed Therm, Usage Charge, all Billed Therms greater than 90,000 and less than or equal to 500,000 Therms; and
	\$0.1400 per Billed Therm, Usage Charge, all additional Billed Therms

In addition, the Customer shall be responsible for any other costs as specified in the Agreement. The minimum charge per month shall be the Monthly Billing Cycle Service Charge, plus all adjustments set forth herein.

Customer shall be responsible for tracking all Delivered Gas and reporting the same to City in a format acceptable to City for each billing cycle, no later than the 15th day of the subsequent billing cycle. These reports will be subject to City review and approval. Notwithstanding the forgoing, City may, at its sole option, independently track Customer's Delivered Gas, Burns, Daily and Hourly Unauthorized Gas Quantities, Imbalances, Overruns, and Underruns.

ADJUSTMENTS

1. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.
2. If any sales, excise, or other new or additional taxes, licenses, or fees are hereafter imposed against the City related to services rendered to Customer, such tax or taxes, licenses or fees shall be reimbursed by Customer to City.
3. Charges incurred through the Agreement or through this rate schedule other than those Service Charge and Rates listed above may be charged during subsequent billing cycles.

POINT OF RECEIPT

Delivered Gas intended for transportation to Customer under this schedule shall be tendered to City at the outlet of the pipeline meter assigned to City and as determined by the City in its sole and absolute discretion and specified in the Agreement (“Point of Receipt”).

POINT OF DELIVERY

All Delivered Gas transported to Customer by City hereunder shall be tendered at outlet of the Customer’s meter (“Delivery Point”). If Customer has more than one Delivery Point, Customer must specify what proportion of the supplied gas is to be transported to each Delivery Point in the Agreement.

RECEIPT POINT PRESSURE

Delivered Gas received by the City for transportation hereunder must be tendered at a pressure sufficient to allow gas to enter the System but not in excess of the maximum pressures specified in City’s service agreement with El Paso Natural Gas Company (or other interstate natural gas transmission pipeline). City shall not be required to compress into its System or facilities Delivered Gas received by City under this schedule, to lower its System operating pressure, to alter the direction of gas flow and/or the gas load or other operation or utilization of its System, or otherwise to change its normal distribution operations in order to receive and transport Delivered Gas hereunder.

DELIVERY POINT PRESSURE

City shall transport Delivered Gas to each Delivery Point designated in the Agreement at such pressures as are available from time to time. Pressure is not warranted or guaranteed.

SCHEDULING AND NOMINATION INFORMATION

North American Energy Standards Board guidelines incorporated in FERC Order No. 809 applicable to the Kinder Morgan El Paso Natural Gas pipeline (or other interstate natural gas transmission pipeline) will be followed regarding nominating, confirming and scheduling gas receipts and deliveries, as they may be revised by the FERC from time to time. The Customer shall be responsible for directly contacting the City or its designee (collectively the “City”) and the upstream interstate natural gas transmission pipeline(s) to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, however, that the Customer may designate one party to serve as its Agent for such purpose. The City and upstream interstate natural gas transmission pipeline(s) require that specific information be provided to successfully process each nomination. It is Customer’s responsibility to satisfy the information requirements of both the City and the upstream interstate natural gas transmission pipeline(s).

LIMITATION ON TRANSPORTATION OBLIGATIONS

Customer’s daily Burns are to be consumed and supplied at approximately a uniform rate. On any operating day, the City may refuse to accept quantities of gas that result in fluctuations in excess of either ten thousand (10,000) Therms or twenty percent (20%) from the volumes transported during the previous operating day. Fluctuations in excess of either ten thousand (10,000) Therms or twenty percent (20%) from the previous operating day shall only be allowed if prior approval has been obtained from the City (or its designee).

City shall be under no obligation to transport natural gas quantities other than those detailed in the Agreement. City will make commercially reasonable efforts to coordinate and notify Customer of planned outage events affecting the receipt or transportation of Customer's Delivered Gas, however, nothing in the Agreement nor City's Terms and Conditions nor City's Utility Rates & Fees construe a "Firm" obligation for receipt, transportation, or delivery of natural gas supplies to Customer. Customer's Delivered Gas shall not be "priority" gas and in the event of limitations on City's ability to receive or transport gas (whether imposed by the upstream interstate pipeline or otherwise) City may reduce, interrupt or suspend transportation service to Customer. City will make reasonable efforts to inform Customer of any unplanned outage events whether due to third party damage, system failure, or other cause so that Customer may adjust its operations and gas supplies. City does not warrant or covenant that any gas delivered or transported to Customer will be free from fluctuations or intermittencies.

OPERATIONAL FLOW ORDERS

Customer shall change its nomination within twenty-four (24) hours of notice by City or its designee. If the Customer fails to timely change its nomination upon City's request, City (or its designee) may issue an Operational Flow Order (OFO). Such OFO shall thereafter establish Customer's nomination to City's system. All gas quantities delivered to and/or taken from the System in violation of City's OFO shall constitute unauthorized receipts or deliveries for which a charge of three (3) times the rate under Gas Schedule No. G3.6 shall be assessed for each Therm tendered to and/or taken from City on a daily basis in violation of City's OFO in addition to any other applicable fees and/or charges. Customer shall be exempt from Imbalance charges that result from complying with City's OFO request(s) issued under this section.

The City reserves the right to impose, at any time, any conditions upon the transportation of Delivered Gas which the City, in its sole good faith judgment, deems necessary to maintain the safe and efficient operation of its System, or to make the operating terms and conditions of service hereunder compatible with those of its upstream interstate suppliers, in either case, an "Operational Curtailment". Under such circumstances, the following conditions shall apply: (a) Any Customer that does not comply with a notice of Operational Curtailment shall be subject to, in addition to any otherwise applicable charges, a charge of \$10.00 per Therm for all unauthorized quantities during the curtailment period in addition to all other penalties, fees, charges and other costs authorized under this Tariff.

CURTAILMENT OF SERVICE

City (or its designee) will use reasonable efforts to provide transportation service to Customer. However, City (or its designee) may curtail service to Customer as necessary to assure continued service to City's full-service customers, to meet a system emergency, respond to upstream pipeline conditions including a claim of force majeure by an upstream pipeline or applicable gas supplier, or as necessary to protect system integrity. City deliveries and transportation of gas to Customer hereunder shall be subject to curtailment or interruption in whole or in part upon thirty (30) minutes notice, if practicable, by telephone or otherwise by City.

QUALITY OF GAS

All Delivered Gas shall meet all applicable specifications set out in Section 5 of the General Terms and Conditions (or successor provisions) of the Kinder Morgan El Paso Natural Gas pipeline (or other interstate natural gas transmission pipeline) FERC Gas Tariff.

DEFINITIONS

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units)

"Gas Day" – defined by the Transmission Provider's tariff and shall generally mean a period of twenty-four (24) consecutive hours beginning at 8:00 A.M., Mountain Clock Time ("MCT").

WARRANTY OF TITLE AND INDEMNIFICATION

Title to all Delivered Gas transported by City hereunder will remain with the Customer at all times. Customer warrants that it shall have good title to all gas transported under this schedule, and Customer shall agree to fully defend, protect, indemnify, and hold harmless City (or its designee) from and against any claim, demand, cost (including attorney fees and court costs), liability, injury, damage, or judgment made or asserted against City (or its designee) resulting from any dispute regarding title to Delivered Gas.

Prior to receipt of Delivered Gas by City at the Point of Receipt, as between Customer and City, Customer shall be deemed to be in control and possession of the Delivered Gas transported under this schedule. After City (or its designee) has received Delivered Gas at the Point of Receipt, City (or its designee) will be deemed in possession and control of Delivered Gas until City (or its designee) transports the Delivered Gas to the Delivery Point; thereafter, Customer shall be deemed to be in possession and control of the Delivered Gas.

When the Delivered Gas is in the control and possession of a Party, such possessing Party agrees to fully defend, protect, indemnify, and hold harmless the non-possessing Party, its agents, employees, subcontractors, and persons for whom the non-possessing Party is responsible, from and against any third-party claim, demand, cost (including attorney fees and court costs), liability (including strict liability), injury, damage, or judgment made or asserted against such non-possessing Party, its agents, employees, and subcontractors, resulting from damage, loss of whatever kind or character arising out of or in connection with the Delivered Gas by the possessing Party, its agents, employees, subcontractors, and persons for whom the possessing Party is responsible in connection with the performance or non-performance under this schedule. Such indemnification shall exclude damage or losses to the extent caused by the negligence or more culpable conduct, or fault of the non-possessing Party, its agents, employees, and subcontractors.

Notwithstanding any other provision of this Transportation Gas Service rate, City shall not be liable to Customer for any punitive, consequential, indirect, exemplary, or incidental damages, including, without limitation, damages based upon lost revenues or profits.

CONSTRUCTION, INSTALLATION, AND MAINTENANCE OF FACILITIES

City will install, at Customer's expense, all necessary equipment to permit continuous monitoring of Customer's usage. Customer shall provide a physical location and quantity of land suitable to locate the necessary metering and regulating equipment. All such equipment shall be owned, operated, and maintained by City.

Customer also shall supply, at its own expense, an electric supply and communication source, if required by City, as well as a site suitable on which to locate the Electronic Flow Measurement ("EFM") equipment, to accommodate EFM data transmission to City. City shall provide Customer with access to the EFM data generated by City's equipment at Customer's request and expense. City shall own, operate, and maintain all EFM equipment.

Customer shall also be responsible for all costs associated with any distribution infrastructure or upstream infrastructure costs required to provide transportation service to the Customer and which City can demonstrate are a result of the Customer's transportation service. All such facilities shall be installed and owned by the City.

OTHER TERMS AND CONDITIONS

Service hereunder is subject to City's Terms and Conditions for the Sale of Utilities.

This page intentionally left blank.

MESA SOLID WASTE DIVISION RATES

RESIDENTIAL TRASH AND RECYCLING SERVICE - BARRELS

R1.2, R1.2A, R1.2B, R1.21, R1.22, R1.23, R1.24, R1.25, R1.28, R1.29, R2.9A, R2.9B

APPLICATION

These rates are applicable to each residential dwelling unit at any structure or premise used as a home, residence or other form of household, including single residential units, duplexes, triplexes, fourplexes, patio homes, assisted living facilities, condominiums, townhouses or any complex of the foregoing, and apartments (4 units or less) with an active water account for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rates Applicable Per Dwelling Unit (4 or Less Residential Units Per Structure)

R1.2, R1.2A, R1.2B, R1.21, R1.22, R1.23, R1.28

Rate R1.2*:	\$33.17 per dwelling unit for once per week 90 gallon trash barrel and recycling barrel collection.
Rate R1.2A*:	\$29.60 per dwelling unit for once per week 60 gallon trash barrel and recycling barrel collection.
Rate R1.2B*:	\$27.89 per dwelling unit for once per week 35 gallon trash barrel and recycling barrel collection.
Rate R1.21:	\$15.66 per additional 90 gallon trash barrel collected on the same day as the first trash barrel. Service will be billed for a minimum of six months. This rate is only eligible for R1.2, R1.24 and R1.29 customers.
Rate R1.22:	\$15.66 per additional 60 gallon trash barrel collected on the same day as the first trash barrel. Service will be billed for a minimum of six months.
Rate R1.23:	\$35.59 for the first 90 gallon trash barrel in addition to the R1.2 or R1.24 rate for twice per week trash collection. A \$15.81 service fee applies to each additional barrel that is serviced twice per week.
Rate R1.28:	\$7.84 per 90 gallon green waste barrel collected once per week in conjunction with City of Mesa trash service. Service will be billed for a minimum of six months.

* A \$1.00 per billing cycle Mesa Green and Clean fee will be assessed to each dwelling unit

Rates Applicable Per Dwelling Unit (5 or More Residential Units Per Structure)

R1.21, R1.22, R1.23, R1.24, R1.25, R1.28

Rate R1.24*:	\$29.60 per dwelling unit for a multi-unit structure with five or more residential units for once per week 90 gallon trash barrel and recycling barrel collection when the water account servicing the units is active with one bill payee.
Rate R1.25*:	\$29.60 per dwelling unit for a multi-unit structure with five or more residential units for once per week 60 gallon trash barrel and recycling barrel collection when the water account servicing the units is active with one bill payee.
Rate R1.21:	\$15.66 per additional 90 gallon trash barrel collected on the same day as the first trash barrel. Service will be billed for a minimum of six months. This rate is only eligible for R1.2, R1.24 and R1.29 customers.
Rate R1.22:	\$15.66 per additional 60 gallon trash barrel collected on the same day as the first trash barrel. Service will be billed for a minimum of six months.
Rate R1.23:	\$35.59 for the first 90 gallon trash barrel in addition to the R1.2 or R1.24 rate for twice per week trash collection. A \$15.81 service fee applies to each additional barrel that is serviced twice per week.
Rate R1.28:	\$7.84 per 90 gallon green waste barrel collected once per week in conjunction with City of Mesa trash service. Service will be billed for a minimum of six months.

* A \$1.00 per billing cycle Mesa Green and Clean fee will be assessed to each dwelling unit

Rates Applicable Per Dwelling Unit (Every Other Week Recycling)

R1.28, R1.29, R2.9A, R2.9B

Rate R1.29*:	\$32.09 per dwelling unit for once per week 90 gallon trash barrel collection and every other week recycling barrel collection.**
Rate R2.9A*:	\$28.51 per dwelling unit for once per week 60 gallon trash barrel collection and every other week recycling barrel collection.**
Rate R2.9B*:	\$26.83 per dwelling unit for once per week 35 gallon trash barrel collection and every other week recycling barrel collection.**
Rate R1.28:	\$7.84 per 90 gallon green waste barrel collected once per week in conjunction with City of Mesa trash service. Service will be billed for a minimum of six months.

* A \$1.00 per billing cycle Mesa Green and Clean fee will be assessed to each dwelling unit

** Applicability subject to approval of the Solid Waste Division.

BARREL PULLBACK FEES

If a customer is in violation of section 8-3-5(A) of the Mesa City Code (requiring the removal of barrels no less than six feet from the curb by 6:00 a.m. the day after collection), the City shall assess \$10.00 per barrel, per occurrence, as a pullback fee.

BARREL SPECIAL EVENT FEES

The City offers temporary barrels for Special Events within the Mesa solid waste service area any day of the week, for the following fees per barrel:

60/90 Gallon Barrel	\$10.35 Set fee
	\$11.82 Service fee
	\$7.40 Removal fee

BARREL SPECIAL PICK-UP FEES

All Barrel Sizes \$16.09 per single or first barrel on the scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$14.54 trip fee shall be assessed.

\$31.44 per single or first barrel on a non-scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$28.35 trip fee shall be assessed.

RECYCLING PROGRAM REINSTATEMENT BARREL DELIVERY FEE

Customers suspended from the curbside recycling program for noncompliance, may request program reinstatement after completing the suspension period. A \$42.00 recycle barrel delivery fee will be charged.

HOMEOWNER LANDFILL FEES

Customers on a R1.2, R1.2A, R1.2B, R1.24, R1.25, R1.29, R2.9A or R2.9B rate are allowed to dispose of one load per calendar month, per customer of solid or vegetative waste for a \$15.00 fee at one of the participating transfer stations or landfills. The load must not exceed 2,000 pounds, and be delivered in a vehicle that is no larger than one-ton manufacturer rated. If the load exceeds 2,000 pounds, or the vehicle is larger than one-ton, the customer must pay the landfill directly for the entire load at the current gate rate. Customer must present a Mesa original or electronic copy of the utility bill for the current or previous month, and a picture identification card showing that the individual resides at the address that is listed on the utility bill. A list of the participating sites can be found by visiting the City's website at:

<http://www.mesaaz.gov/residents/trash-recycling/trash-recycling-for-single-family-homes/landfill-use-program>.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

RESIDENTIAL TRASH AND RECYCLING SERVICE – UNIQUE SITUATIONS – R1.9*

APPLICATION

These rates are applicable to all residential solid waste accounts where there is a unique situation for which no other Solid Waste Rate Schedule is applicable for monthly billing cycles commencing on and after the Effective Date.

* An \$1.00 per billing cycle Mesa Green and Clean fee will be assessed to each dwelling unit

MONTHLY BILLING CYCLE

The City Manager or designee is authorized to establish a rate.

BARREL PULLBACK FEES

If a customer is in violation of section 8-3-5(A) of the Mesa City Code (requiring the removal of barrels no less than six feet from the curb by 6:00 a.m. the day after collection), the City shall assess \$10.00 per barrel, per occurrence, as a pullback fee.

BARREL SPECIAL PICK-UP FEES

All Barrel Sizes \$16.09 per single or first barrel on the scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$14.54 trip fee shall be assessed.

\$31.44 per single or first barrel on a non-scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$28.35 trip fee shall be assessed.

HOMEOWNER LANDFILL FEES

Customers on a R1.2, R1.2A, R1.2B, R1.24, R1.25, R1.29, R2.9A or R2.9B rate are allowed to dispose of one load per calendar month, per customer of solid or vegetative waste for a \$15.00 fee at one of the participating transfer stations or landfills. The load must not exceed 2,000 pounds, and be delivered in a vehicle that is no larger than one-ton manufacturer rated. If the load exceeds 2,000 pounds, or the vehicle is larger than one-ton, the customer must pay the landfill directly for the entire load at the current gate rate. Customer must present a Mesa original or electronic copy of the utility bill for the current or previous month, and a picture identification card showing that the individual resides at the address that is listed on the utility bill. A list of the participating sites can be found by visiting the City's website at:

<http://www.mesaaz.gov/residents/trash-recycling/trash-recycling-for-single-family-homes/landfill-use-program>.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

TRASH AND RECYCLING SERVICE – BINS
R1.26, R1.27, R3.3, R3.5, R6.1, R7.1, R7.2, R8.1, R9.1

APPLICATION

For bin service customers served by the City for the monthly billing cycles commencing on and after the Effective Date. Collection of these bins is provided in geographical zones.

MONTHLY BILLING CYCLE

RESIDENTIAL TRASH SERVICE - BINS
R1.26, R1.27

These rates are applicable per dwelling unit to any structure or premise used as a domicile, dwelling, or habitation, including duplexes, triplexes, fourplexes, patio homes, rooming houses, boardinghouses, assisted living facilities, condominiums, townhouses or any complex of the foregoing, and apartments (4 units or less) used for residential purposes and with an active water account for monthly billing cycles commencing on and after the effective date. Collection of these bins is provided in geographical zones.

Rates Applicable Per Dwelling Unit (4 or Less Residential Units Per Structure) – R1.26

Rate R1.26*: \$33.17 per dwelling unit for duplexes, triplexes and fourplexes when the water account servicing the unit or units is active, or where the premise is otherwise located within the Mesa Solid Waste service area for bin service. Applicability of the rate shall be based on a standard volume range of 0.5 to 1.0 weekly cubic yards of service per unit.

The City Manager or designee is authorized to combine multiple R1.26 rate customers and offer the R3.3 rate if (1) there are greater than 20 units; (2) there is a single bill payer for trash services; (3) there is a commonality among the units i.e. common bin placement, shared parking, community pool, etc.

Rates Applicable Per Dwelling Unit (5 to 20 Residential Units Per Structure) – R1.27

Rate R1.27*: \$29.60 per dwelling unit for a multi-unit structure with five to twenty residential units when the water account servicing the units is active with one bill payee, or where the premise is otherwise located within the Mesa Solid Waste service area for bin service. Applicability of this rate shall be based on a standard volume range of 0.5 to 1.0 weekly cubic yards of service per unit.

* An \$1.00 per billing cycle Mesa Green and Clean fee will be assessed to each dwelling unit

HOMEOWNER LANDFILL FEES

Customers on a R1.26 or R1.27 rate are allowed to dispose of one load per calendar month, per customer of solid or vegetative waste for a \$15.00 fee at one of the participating transfer stations or landfills. The load must not exceed 2,000 pounds, and be delivered in a vehicle that is no larger than one-ton manufacturer rated. If the load exceeds 2,000 pounds, or the vehicle is larger than one-ton, the customer must pay the landfill directly for the entire load at the current gate rate. Customer must present a Mesa original or electronic copy of the utility bill for the current or previous month, and a picture identification card showing that the individual resides at the address that is listed on the utility bill. A list of the participating sites can be found by visiting the City's website at: <http://www.mesaaz.gov/residents/trash-recycling/trash-recycling-for-single-family-homes/landfill-use-program>.

RESIDENTIAL TRASH SERVICE – BINS CONTINUED

Rates Applicable to Multi-Unit Dwellings for Trash (Greater than 20 Residential Units Per Structure) – R3.3

This rate is applicable to all multi-unit structures with greater than twenty (20) residential units, Manufactured Home and Recreational Vehicle developments as set forth in Table 1. An additional charge is assessed for customers requesting collection on non-zone days.

COMMERCIAL TRASH SERVICE

Commercial – R3.5, Interdepartmental – R6.1, Hospitals – R7.1, Federal – R7.2, State & Local Govts – R8.1, Schools – R9.1

The applicable rates for all structures or premises used for retail, wholesale, warehouse, store, factory, production, processing, manufacturing, restaurant, construction, service, hospitals, governmental entities, public authorities (schools), apartments (5 or more residential units for rent or lease that are subject to Title 33, Chapter 10 of Arizona Revised Statutes), or offices as set forth in Table 1. An additional charge is assessed for customers requesting collection on non-zone days.

TRASH CHARGES TABLES

Residential – R3.3, Commercial – R3.5, Interdepartmental – R6.1, Hospitals – R7.1, Federal – R7.2,
State & Local Govts – R8.1, Schools – R9.1

Table 1

Zone Day Factors

First in-zone day = 1.0

Each additional in-zone day = 0.95

Base Rates		
Bin Size* (Cubic Yard)	Front Load Bin	Front Load Compactor
2	\$89.00	\$125.00
3	\$97.00	\$148.00
4	\$105.00	\$171.00
5	N/A	\$188.00
6	\$122.22	\$199.25
8	\$139.69	N/A

Non-Zone Day Factors

Each non-zone day = 1.0 plus \$28.00

Bin Factor Matrix			
Quantity of Bins	2, 3, 4 Cubic Yard	6 Cubic Yard	8 Cubic Yard
1	1.000	1.000	1.000
2	1.640	1.690	1.720
3	2.280	2.380	2.440
4	2.920	3.070	3.160
5	3.560	3.760	3.880
Each Additional	0.640	0.690	0.720

* For customers with 2-yard compactor(s), the 6 cubic yard multi-bin factors will apply. For all other size compactors, the 8 cubic yard multi-bin factors will apply.

The City does not provide front load compactors. However, the Solid Waste Division is capable of servicing front load compactors.

CALCULATION OF TRASH BIN MONTHLY CHARGES

To calculate the monthly collection rate, determine the quantity and size of the bin(s) in the bin factor matrix located in Table 1. Multiply the bin factor by the sum of the zone and non-zone day factors, times the applicable base rate.

The monthly rate is calculated based on a customer having the same size bin and pick-up days. If there are special circumstances, which require varying different sizes of bins and pick-up days, these rates will be calculated under the R3.9 rate type.

Trash bin rates are calculated based on an average weight of 100 pounds per bin yard for non-compacted material. If a customer is disposing of material that exceeds the average weight, the City reserves the right to assess a higher rate. See Table 2 to calculate additional weight charges.

Table 2
TRASH ADDITIONAL WEIGHT TABLE
Monthly Charge by Weight Range per Weekly Yard of Service

Weight Class		<u>Weight Ranges</u> <u>(Pounds Per Yard)</u>						
		A	B	C	D	E	F	G
		0-100	101-150	151-200	201-250	251-300	301-350	351-400
Number of Service Days Per Week	1	\$0.00	\$4.80	\$9.60	\$14.40	\$19.20	\$24.00	\$28.80
	2	\$0.00	\$9.60	\$19.20	\$28.80	\$38.40	\$48.00	\$57.60
	3	\$0.00	\$14.40	\$28.80	\$43.20	\$57.60	\$72.00	\$86.40
	4	\$0.00	\$19.20	\$38.40	\$57.60	\$76.80	\$96.00	\$115.20
	5	\$0.00	\$24.00	\$48.00	\$72.00	\$96.00	\$120.00	\$144.07
	6	\$0.00	\$28.80	\$57.60	\$86.40	\$115.20	\$144.00	\$172.80
	7	\$0.00	\$33.62	\$67.23	\$100.85	\$134.47	\$168.09	\$201.70

1. Find the applicable weight charge per yard in Table 2 by cross-referencing the weight range and the number of service days per week.
2. Multiply the appropriate weight charge per yard by the number of yards per pickup to determine the monthly additional weight charge.

Other Fees and Charges:

1. Bins requiring special moving or handling service may be charged at a monthly rate of \$3.15 per bin with once per week service. Additional bins and additional service days will be charged accordingly.
2. Customers will be assessed an initial set fee of \$80.00 per bin for new service.
3. Customers requesting a bin to be removed from their property will be assessed a removal fee of \$110.00 per bin.
4. Customers requesting relocation of bins within the same service site will be assessed a service fee \$85.00 for the first bin and \$10.00 for each additional bin. Bin relocations must comply with all applicable City Codes.
5. Customers requesting a change in bin size will be assessed a change in size fee of \$90.00 per bin.
6. Customers sharing a bin shall be charged a prorated share of the base rate in proportion to their respective solid waste volume.
7. Customers desiring casters on 2, 3, and 4 yard bins will be charged \$4.99 per month per bin. Customers desiring casters on 6 and 8 yard bins will be charged \$5.99 per month per bin. Customers will also be subject to a one-time caster installation charge of \$76.44 per bin. The City reserves the right to charge an installation fee for casters that are damaged beyond normal wear and tear, and therefore require replacement.
8. An automatic locking device can be installed by the City on the bin(s) at the customer's request. Customers will be subject to a one-time installation fee of \$64.99 per device. The customer will be responsible for providing the lock for the automatic locking device.
9. Customers requesting that a trash bin be exchanged or cleaned more than once every six months shall be charged \$56.27 per bin each time a bin is exchanged or cleaned. Restaurant bins may be changed out or cleaned every three months at no charge. The City reserves the right to charge customers for the cleaning of bins due to unsanitary conditions as determined by the City in its sole discretion.

RECYCLING BIN CHARGES TABLES

Residential – R 3.3, Commercial – R3.5, Interdepartmental – R6.1, Hospitals – R7.1, Federal – R7.2,
State & Local Govts – R8.1, Schools – R9.1

Table 3

Day Factors

First day = 1.0

Each additional day = 1.0

Base Rates	
Bin Size (Cubic Yard)	Front Load Bin
2	\$74.52
3	\$80.99
4	\$87.47
6	\$102.25
8	\$120.55

Bin Factor Matrix	
Quantity of Bins	
1	1.000
2	1.690
3	2.380
4	3.070
5	3.760
Each Additional	0.69

Other Fees and Charges:

1. Bins requiring special moving or handling service may be charged at a monthly rate of \$3.15 per bin with once per week service. Additional bins and additional service days will be charged accordingly.
2. Customers will be assessed an initial set fee of \$80.00 per bin for new service.
3. Customers requesting a bin to be removed from their property will be assessed a removal fee of \$110.00 per bin.
4. Customers requesting relocation of bins within the same service site will be assessed a service fee \$85.00 for the first bin and \$10.00 for each additional bin. Bin relocations must comply with all applicable City Codes.
5. Customers requesting a change in bin size will be assessed a change in size fee of \$90.00 per bin.
6. Customers sharing a bin shall be charged a prorated share of the base rate in proportion to their respective recycling volume.
7. Customers desiring casters on 2, 3, and 4 yard bins will be charged \$4.99 per month per bin. Customers desiring casters on 6 and 8 yard bins will be charged \$5.99 per month per bin. Customers will also be subject to a one-time caster installation charge of \$76.44 per bin. The City reserves the right to charge an installation fee for casters that are damaged beyond normal wear and tear, and therefore require replacement.
8. An automatic locking device can be installed by the City on the bin(s) at the customer's request. Customers will be subject to a one-time installation fee of \$64.99 per device. The customer will be responsible for providing the lock for the automatic locking device.
9. Cardboard bins shall be assessed a \$60.00 special pick-up fee to service the first bin and \$30.00 for each additional bin.

ADDITIONAL/SPECIAL PICK-UP FEES

For special pick-ups of front load trash bins, fees of \$60.00 will be charged to service the first bin and \$30.00 for each additional bin.

Additional/special pick-up fees for front load compactors will be charged the disposal fees listed in Table 4. If more than one customer is to use the same bin, one bill from the City to the main user is preferred.

Table 4
FRONT LOAD COMPACTOR ADDITIONAL/SPECIAL PICK-UP

Size (Cubic Yard)	Disposal Fee
2-4	\$55.29
5-6	\$110.60

The City does not provide front load compactors. However, the Solid Waste Division is capable of servicing front load compactors.

TEMPORARY BIN RENTAL AND ADDITIONAL/DISPOSAL FEES

Temporary bins can be rented upon request provided that the period of rental is less than six months.

Customers will be assessed an initial set fee of \$80.00 per bin for new service.

Customers will be assessed a removal fee of \$110.00 per bin.

Customers requesting a change in bin size will be assessed a change in size fee of \$90.00 per bin.

See Table 5 for Disposal Fee pricing.

The bin must be serviced a minimum of once every 14 days. No construction or demolition debris shall be placed into bins, however, temporary roll-off boxes are suitable for this type of debris.

The following fee structure shall apply to temporary front load bins:

Table 5

Bin Size (Cubic Yard)	Disposal Fee*	
	Initial Disposal	Each Additional Disposal
2	\$36.87	\$18.44
3	\$43.01	\$21.50
4	\$49.16	\$24.58
6	\$55.29	\$27.65
8	\$60.00	\$30.00

* Initial disposal fee applies when servicing the first bin. If a customer requests more than one bin to be emptied and/or the same bin to be emptied multiple times while the service vehicle is still on site, the additional bin(s) serviced will be charged half the disposal fee for the applicable bin size. The initial disposal fee will be charged to the largest bin size if the location has various bin sizes. If the truck leaves the property and is requested to return to empty one or more bins, the Initial (and applicable additional) disposal fees apply.

Other Fees and Charges:

1. Customers desiring casters on 2, 3, and 4 yard bins will be charged \$4.99 per month per bin. Customers desiring casters on 6 and 8 yard bins will be charged \$5.99 per month per bin. Customers will also be subject to a one-time caster installation charge of \$76.44 per bin. The City reserves the right to charge an installation fee for casters that are damaged beyond normal wear and tear, and therefore require replacement.
2. An automatic locking device can be installed by the City on the bin(s) at the customer's request. Customers will be subject to a one-time installation fee of \$64.99 per device. The customer will be responsible for providing the lock for the automatic locking device.

CONTRACTS

The City Manager or designee is authorized to offer and enter contracts for a discounted rate for those eligible customers operating business or commercial establishments (including as of July 1, 2016 apartments (5 or more units) for rent or lease that are subject to Title 33, Chapter 10 of the Arizona Revised Statutes) that enter into written service agreements of at least one year with the City. The discount to the rate may be up to two percent (2%) per year, with additional discounts of up to two percent (2%) for each year added to the term of the contract (maximum discount of six percent (6%). The discount shall be applicable during the term of the contract, and a subsequent like term renewal, and shall also be available to Customers entering a new contract on termination of existing discounted contracts. As an alternative to the discounted rate, the City Manager or designee is authorized to offer and enter firm price contracts, whereby the contract rate as set forth in this Schedule on the date of the contract shall remain fixed for a period of up to two years from such date notwithstanding any increase in the pricing adopted by the City and set forth and established in Schedules R3.5, R7.1, R7.2, R8.1, and R9.1. In addition, each service agreement shall authorize its early termination if the contracted rate increases in an amount greater than 10% during an annual fiscal cycle.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

ROLL-OFF BOX AND COMPACTOR SERVICE – R3.6

APPLICATION

These rates, fees and charges are applicable to all residential properties, commercial businesses, multi-unit dwellings, Manufactured Home and Recreational Vehicle developments for monthly billing cycles commencing on and after the Effective Date.

TEMPORARY SETS

A temporary set is a roll-off box placed at the same location/premise for six months or less. A temporary roll-off box is required to be hauled at least once every 14 days (a maximum extension of three (3) days is available at \$10.00 per day).

PERMANENT SETS

A permanent set is a roll-off box placed at the same location/premise for more than six months. Permanent roll-off boxes will be charged a minimum of one (1) haul per month.

TRASH ROLL-OFF BOXES*

Size (Cubic Yard)	Haul Fee	Minimum Disposal Fee (3 Tons)	Additional Disposal Fee (Per Ton)	Standard Rate Limit	Fee for Weight Above the Limit (Per Ton)
15	\$135.00	\$143.25	\$47.75	Nine (9) tons	\$54.91
20	\$135.00	\$143.25	\$47.75	Nine (9) tons	\$54.91
30	\$145.00	\$143.25	\$47.75	Nine (9) tons	\$54.91
40	\$160.00	\$143.25	\$47.75	Nine (9) tons	\$54.91

TRASH COMPACTORS

Compactor Type	Haul Fee	Minimum Disposal Fee (3 Tons)	Additional Disposal Fee (Per Ton)	Standard Rate Limit	Fee for Weight Above the Limit (Per Ton)
Non-self- contained	\$155.00	\$143.25	\$47.75	Nine (9) tons	\$54.91
Self-contained	\$155.00	\$143.25	\$47.75	Six (6) tons	\$54.91

GREEN WASTE ROLL-OFF BOXES*

(Contaminated green waste roll-off boxes will be charged as a trash roll-off box)

Size (Cubic Yard)	Haul Fee	Minimum Disposal Fee (3 Tons)	Additional Disposal Fee (Per Ton)	Standard Rate Limit	Fee for Weight Above the Limit (Per Ton)
15	\$135.00	\$166.50	\$55.50	Nine (9) tons	\$63.85
20	\$135.00	\$166.50	\$55.50	Nine (9) tons	\$63.85
30	\$145.00	\$166.50	\$55.50	Nine (9) tons	\$63.85
40	\$160.00	\$166.50	\$55.50	Nine (9) tons	\$63.85

*Initial Set = \$150.00

**The City does not provide or maintain roll-off compactors but is capable of hauling compactors.

Other Charges:

1. Customers requesting that roll-off boxes or compactors be cleaned more than once per year shall be charged a fee of \$112.53 per roll-off box or compactor each time it is cleaned.
2. The City reserves the right to charge customers \$112.53 for the cleaning of roll-off boxes or compactors due to unsanitary
3. conditions for each cleaning, as determined by the City in its sole discretion.
4. A \$90.00 fee will be charged:
 - a. If the driver cannot haul the roll-off box due to the box having excessive weight, being overloaded and/or blocked, if the doors are unable to be securely closed, or if the box is otherwise unserviceable.
 - b. If the driver has to return to the location to relocate the roll-off box per the customer's request.
 - c. If service is not cancelled one business day before the scheduled service date.
 - d. If a customer-owned compactor is transported to or from a vendor per the customer's request.
5. Customers who dispose of construction and demolition (C&D) debris will be charged the initial set and haul fees indicated in the trash roll-off boxes in the above table. In addition, the customer will be charged the current disposal rate for C&D material plus a \$27.00 fee per the current agreement with the disposal site in lieu of the three-ton minimum.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

MANUFACTURED HOME AND RECREATIONAL VEHICLE DEVELOPMENTS
TRASH AND RECYCLING SERVICE - BARRELS
R3.7, R3.7A, R3.7B, R3.7C, R3.71, R3.72, R3.73

APPLICATION

These rates are applicable to Manufactured Home and Recreational Vehicle developments and assessed for each occupied space receiving solid waste barrel service for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate R3.7*:	\$23.18 for once per week 90 gallon trash barrel collection.
Rate R3.7A*:	\$29.60 for once per week 90 gallon trash barrel collection and once per week recycling barrel collection.
Rate R3.7B*:	\$23.18 for once per week 60 gallon trash barrel collection.
Rate R3.7C*:	\$29.60 for once per week 60 gallon trash barrel collection and once per week recycling barrel collection.
Rate R3.71*:	\$17.81 for once per week, single-sided 35 gallon trash barrel collection and every other week recycling barrel collection.
Rate R3.72*:	\$20.44 for once per week, single-sided 60 gallon trash barrel collection and every other week recycling barrel collection.
Rate R3.73*:	\$23.62 for once per week, single-sided 90 gallon trash barrel collection and every other week recycling barrel collection.

* An \$1.00 per billing cycle Mesa Green and Clean fee will be assessed for each occupied space.

The City Manager or designee is authorized to develop and distribute the requirements for determining monthly occupancy.

BARREL SPECIAL PICK-UP FEES

All Barrel Sizes	\$16.09 per single or first barrel on the scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$14.54 trip fee shall be assessed.
	\$31.44 per single or first barrel on a non-scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$28.35 trip fee shall be assessed.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

COMMERCIAL TRASH AND RECYCLING SERVICE – BARRELS

Commercial - R3.8, R3.8A, R3.8I, R3.82, R3.83, R3.88, R3.89
Interdepartmental - R6.2, R6.2A, R6.2I, R6.22, R6.23, R6.28, R6.29

APPLICATION

These rates are applicable to retail, wholesale, warehouse, store, factory, production, processing, manufacturing, restaurant, construction, service, hospitals, governmental entities (including City of Mesa departments), public authorities (schools), apartments (5 or more units for rent or lease that are subject to Title 33, Chapter 10 of Arizona Revised Statutes), and offices. This applies for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate R3.8, R6.2:	\$33.17 for the first 90 gallon trash barrel for once per week collection.
Rate R3.8A, R6.2A:	\$29.60 for the first 60 gallon trash barrel for once per week collection.
Rate R3.8I, R6.2I:	\$15.66 per additional 90 gallon trash barrel for once per week collection on same geographic in-zone day as the first barrel. This rate is only eligible for R3.8 and R6.2 customers. Service will be billed for a minimum of six months.
Rate R3.83, R6.23:	\$15.66 per additional 60 gallon trash barrel for once per week collection on same geographic in-zone day as the first barrel. Service will be billed for a minimum of six months.
Rate R3.82, R6.22:	\$35.59 for the first 90 gallon trash barrel in addition to the above R3.8, R6.2 rate for twice per week collection. A \$15.81 service fee applies to each additional barrel that is serviced twice per week.
Rate R3.89, R6.29:	\$10.00 per 90/60 gallon recycling barrel collected once per week in conjunction with City of Mesa trash service. Service will be billed for a minimum of six months.
Rate R3.88, R6.28:	\$7.84 per 90 gallon green waste barrel collected once per week in conjunction with City of Mesa trash service. Service will be billed for a minimum of six months.

BARREL PULLBACK FEES

If a customer is in violation of section 8-3-5(A) of the Mesa City Code (requiring the removal of barrels no less than six feet from the curb by 6:00 a.m. the day after collection), the City shall assess \$10.00 per barrel, per occurrence, as a pullback fee.

BARREL SPECIAL EVENT FEES

The City of Mesa Solid Waste Division offers temporary barrels for Special Events any day of the week within the Mesa Solid Waste service area for the following fees per barrel:

60/90 Gallon Barrel	\$10.35 Set fee
	\$11.82 Service fee
	\$7.40 Removal fee

BARREL SPECIAL PICK-UP FEES

All Barrel Sizes	\$16.09 per single or first barrel on the scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$14.54 trip fee shall be assessed.
	\$31.44 per single or first barrel on a non-scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$28.35 trip fee shall be assessed.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

COMMERCIAL AND MULTI-UNIT DWELLING TRASH AND RECYCLING SERVICE UNIQUE SITUATIONS – R3.9

APPLICATION

This rate is applicable to all accounts where there is a unique situation for which no other Solid Waste rate schedule is applicable for the monthly billing cycles commencing on and after the Effective Date.

ADDITIONAL INFORMATION

The City Manager or designee is authorized to administer blended rates for customers that receive two or more trash or cardboard services per week. This occurs when a customer has bins of different sizes or when all bins are not serviced on the same days, cardboard services are excluded from the multi-day discount. The service which has the highest weekly bin yards shall be the base service. Blending may reduce a customer's monthly bill by application of the multiple bin factor to any secondary service. To qualify for blended rates, secondary service bins must be serviced at the primary service site on the same day(s) as the base service. If more than one customer is to use the same bin, one bill from the City to the main user is preferred.

MONTHLY BILLING CYCLE

The City Manager or designee is authorized to establish a rate.

BARREL PULLBACK FEES

If a customer is in violation of section 8-3-5(A) of the Mesa City Code (requiring the removal of barrels no less than six feet from the curb by 6:00 a.m. the day after collection), the City shall assess \$10.00 per barrel, per occurrence, as a pullback fee.

BARREL SPECIAL PICK-UP FEES

All Barrel Sizes	\$16.09 per single or first barrel on the scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$14.54 trip fee shall be assessed.
	\$31.44 per single or first barrel on a non-scheduled service collection day and \$15.19 for each additional barrel collected. Customers must cancel a special pick-up prior to arrival of the collection vehicle at the address or a \$28.35 trip fee shall be assessed.

CONTRACTS

The City Manager or designee is authorized to offer and enter contracts for a discounted rate for those eligible customers operating business or commercial establishments (including as of July 1, 2016 apartments (5 or more units) for rent or lease that are subject to Title 33, Chapter 10 of the Arizona Revised Statutes) that enter into written service agreements of at least one year with the City. The discount to the rate may be up to two percent (2%) per year, with additional discounts of up to two percent (2%) for each year added to the term of the contract (maximum discount of six percent (6%). The discount shall be applicable during the term of the contract, and a subsequent like term renewal, and shall also be available to customers entering a new contract on termination of existing discounted contracts. As an alternative to the discounted rate, the City Manager or designee is authorized to offer and enter firm price contracts, whereby the contract rate as set forth in this Schedule on the date of the contract shall remain fixed for a period of up to two years from such date notwithstanding any increase in the pricing adopted by the City and set forth and established in this Schedule R3.9. In addition, each service agreement shall authorize its early termination if the contracted rate increases in an amount greater than 10% during an annual fiscal cycle.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

APPLIANCE RECYCLING AND BULK ITEM COLLECTION – R3.91

APPLICATION

This rate is applicable to all customers using bulk item and appliance recycling services who also have a City of Mesa service for monthly billing cycles commencing on and after the Effective Date.

The City Manager or designee is authorized to establish and charge reasonable fees for the collection of bulk items (such as furniture and brush), appliances and environmental compliance fees (such as refrigerant recovery), and any other fee not falling under rate application.

APPLIANCE RECYCLING COLLECTION PROGRAM

The City offers an appliance recycling program for the collection of metal appliances such as, but not limited to, refrigerators, freezers, washers/dryers, and water heaters.

- a. City Solid Waste customers will be assessed a \$19.00 fee for each appliance collected.
- b. For customers that do not utilize City of Mesa Solid Waste services, a \$28.42 fee will be assessed for each appliance collected.
- c. An additional refrigerant removal charge based on the current market removal rate may be assessed on all appliances requiring refrigerant extraction.
- d. Customers must cancel a scheduled pick-up prior to the collection crew arriving at the address or an \$19.00 fee will be assessed if there are no appliances located at the scheduled address when a crew arrives.

BULK ITEM COLLECTION PROGRAM

The City offers curbside collection for bulky items and smaller bundled, boxed, or bagged items that do not fit into a trash bin or barrel. The maximum volume of one load is equivalent to 128 cubic feet, with a maximum number of four (4) loads per scheduled bulk pick-up and each load subject to the fee.

- a. City Solid Waste customers will be assessed a \$29.00 fee per load.
- b. Smaller items must be bundled, boxed, bagged, or otherwise properly contained. Items that are loose and uncontained will not be collected and a \$29.00 trip fee will still be assessed.
- c. For customers that do not utilize City of Mesa Solid Waste services, a \$37.59 fee will be assessed per load.
- d. Customers must cancel a scheduled pick-up prior to the collection crew arriving at the address or a \$29.00 fee will still be assessed even if there are no bulk items located at the scheduled address when a crew arrives.

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate share of any taxes or governmental impositions, which are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services, sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

ZONES

The City Manager or designee will establish the geographic zones and pick-up schedule.

This page intentionally left blank.

RESIDENTIAL WASTEWATER SERVICE - COMBINED

Inside City Limits – \$1.1, Outside City Limits – \$2.1

APPLICATION

These rates are applicable to all dwelling units receiving wastewater service inside and outside the City limits having an individual water meter measuring combined domestic and landscape use for monthly billing cycles commencing on and after the Effective Date. This rate also applies to customers with City of Mesa wastewater utility service but not City of Mesa water utility service.

MONTHLY BILLING CYCLE

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge</u> .*	\$24.11
<u>Usage Charge</u> **	\$1.98 per 1,000 gallons of average winter water consumption
<u>Plus</u> **	\$3.58 per 1,000 gallons of average winter water consumption in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge</u> .*	\$35.49
<u>Usage Charge</u> **	\$1.98 per 1,000 gallons of average winter water consumption
<u>Plus</u> **	\$6.27 per 1,000 gallons of average winter water consumption in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

**Average winter water consumption shall be based upon the water deliveries listed on the utility bills during the past December, January, February, and March billing cycles. The average will be computed at the end of March each year on the three lowest readings of this four-month period. Additionally, customers shall be billed based on the assumption that 90 percent of their average winter water deliveries are discharged to the wastewater system.

Customers who do not have an individual average winter water consumption established shall be assessed a flat monthly charge based on the most recent citywide residential class average winter water consumption.

ADJUSTMENTS

1. Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.
2. Sewer Protection Charge. A \$0.41 per month charge will be applied to residential customers within Leisure World (between South Power Road and RWCD Canal and between East Broadway Road and East Southern Avenue). This charge allows Leisure World customers to access the City's Household Hazardous Materials Facility to dispose of acceptable residential hazardous materials.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

RESIDENTIAL WASTEWATER SERVICE - SEPARATE

Inside City Limits – S1.11, Outside City Limits – S2.11

APPLICATION

These rates are applicable to all dwelling units receiving wastewater services inside and outside the City limits having both a domestic use water meter and a separate landscape use water meter for billing cycles commencing on and after the Effective Date. Wastewater charges computed on domestic water meter usage only.

MONTHLY BILLING CYCLE

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge:</u> *	\$24.11
<u>Usage Charge:</u> **	\$1.98 per 1,000 gallons of actual water consumption
<u>Plus:</u> **	\$3.58 per 1,000 gallons of actual water consumption in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge:</u> *	\$35.49
<u>Usage Charge:</u> **	\$1.98 per 1,000 gallons of actual water consumption
<u>Plus:</u> **	\$6.27 per 1,000 gallons of actual water consumption in excess of 5,000 gallons

* 2,000 gallons of water included as a minimum based on availability of service.

** Based on metered domestic water deliveries per billing cycle.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GENERAL COMMERCIAL WASTEWATER SERVICE

Inside City Limits – S3.1, Outside City Limits – S4.1

GENERAL COMMERCIAL WASTEWATER SERVICE – Public Authorities

Hospitals – Inside City Limits – S7.1, Outside City Limits – S7.4

Federal – Inside City Limits – S7.2

State & Local Govts – Inside City Limits – S8.1

Schools – Inside City Limits – S9.1, Outside City Limits – S9.2

APPLICATION

These rates are applicable to all commercial utility customers receiving wastewater service inside and outside the City limits for which no other specific schedule is provided for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge:</u> *	\$26.63
<u>Usage Charge:</u>	\$2.13 per 1,000 gallons for water delivered
<u>Plus:</u>	\$3.83 per 1,000 gallons for water delivered in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge:</u> *	\$39.47
<u>Usage Charge:</u>	\$2.13 per 1,000 gallons for water delivered
<u>Plus:</u>	\$6.73 per 1,000 gallons for water delivered in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

MULTI-UNIT DWELLING WASTEWATER SERVICE

Inside City Limits – S3.2, Outside City Limits – S4.2

APPLICATION

These rates are applicable to all multiple dwelling units receiving wastewater service inside and outside the City limits not having a water meter for each dwelling unit (includes trailers, or mobile homes) for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge:</u> *	\$26.63
<u>Usage Charge:</u> **	\$2.13 per 1,000 gallons for water delivered
<u>Plus:</u> **	\$3.83 per 1,000 gallons for water delivered in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge:</u> *	\$39.47
<u>Usage Charge:</u> **	\$2.13 per 1,000 gallons for water delivered
<u>Plus:</u> **	\$6.73 per 1,000 gallons for water delivered in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

**Based on 95 percent of a customer's metered water deliveries per billing cycle.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

MULTI-UNIT DWELLING WASTEWATER SERVICE – ALTERNATE RATE

Inside City Limits – S3.2a, Outside City Limits – S4.2a

APPLICATION

These rates are applicable to all multiple dwelling units receiving wastewater service inside and outside the City limits not having a water meter for each dwelling unit (includes trailers, or mobile homes) and the water meter services both domestic and landscape use for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge</u> .*	\$26.63
<u>Usage Charge</u> **	\$2.13 per 1,000 gallons of average winter water consumption
<u>Plus</u> **	\$3.83 per 1,000 gallons of average winter water consumption in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge</u> .*	\$39.47
<u>Usage Charge</u> **	\$2.13 per 1,000 gallons of average winter water consumption
<u>Plus</u> **	\$6.73 per 1,000 gallons of average winter water consumption in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

**Average winter water consumption shall be based upon the water usage listed on the utility bills received during the past December, January, February, and March billing cycles. The average will be computed at the end of the March each year on the three lowest reading of this four-month period. Additionally, customers shall be billed based on the assumption that 95 percent of their average winter water consumption is discharged to the wastewater system.

Customers who do not have an average winter water consumption established shall be assessed a charge per billing cycle based on the most recent citywide residential class average winter water consumption per unit.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

COMMERCIAL RESTAURANTS WASTEWATER SERVICE

Inside City Limits – S3.3, Outside City Limits – S4.3

APPLICATION

These rates are applicable to all commercial restaurant utility customers receiving wastewater service inside and outside the City limits for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge</u> .*	\$47.16
<u>Usage Charge</u> :	\$6.43 per 1,000 gallons for water delivered
<u>Plus</u> :	\$6.37 per 1,000 gallons for water delivered in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge</u> .*	\$74.58
<u>Usage Charge</u> :	\$6.43 per 1,000 gallons for water delivered
<u>Plus</u> :	\$12.52 per 1,000 gallons for water delivered in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GENERAL COMMERCIAL WITH FOOD PREPARATION FACILITIES
WASTEWATER SERVICE

Inside City Limits – \$3.4, Outside City Limits – \$4.4

APPLICATION

These rates are applicable to all general commercial with food preparation facilities utility customers receiving wastewater service inside and outside the City limits for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge:</u> *	\$38.18
<u>Usage Charge:</u>	\$4.45 per 1,000 gallons for water delivered
<u>Plus:</u>	\$5.28 per 1,000 gallons for water delivered in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge:</u> *	\$59.05
<u>Usage Charge:</u>	\$4.45 per 1,000 gallons for water delivered
<u>Plus:</u>	\$10.01 per 1,000 gallons for water delivered in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

LAUNDRY/DRY CLEANERS WASTEWATER SERVICE

Inside City Limits – \$3.5, Outside City Limits – \$4.5

APPLICATION

These rates are applicable to all laundry/dry cleaners utility customers receiving wastewater service inside and outside the City limits for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge:</u> *	\$29.00
<u>Usage Charge:</u>	\$2.60 per 1,000 gallons for water delivered
<u>Plus:</u>	\$4.06 per 1,000 gallons for water delivered in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge:</u> *	\$43.37
<u>Usage Charge:</u>	\$2.60 per 1,000 gallons for water delivered
<u>Plus:</u>	\$7.33 per 1,000 gallons for water delivered in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

RECREATIONAL VEHICLE (R.V.) STORAGE FACILITIES – S4.6

APPLICATION

These rates are applicable to all recreational vehicle (R.V.) storage facilities receiving wastewater service located inside and outside the City limits that discharge into a wastewater main owned and operated by the City of Mesa for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

The charge per billing cycle shall consist of the following components:

<u>Rate:</u>	\$178.75 Wastewater Service Charge
<u>Plus:</u>	All environmental waste program charges as applicable based on monitoring requirements to be determined by the City of Mesa.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

INDUSTRIAL WASTEWATER SERVICE

Inside City Limits – S5.1, Outside City Limits – S5.2

APPLICATION

These rates are applicable to all industrial customers with discharge receiving wastewater service that requires billing based on loading under the Mesa City Code located inside and outside the City limits that discharge into a sanitary wastewater main owned and operated by the City of Mesa for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Inside City Limits:

Rate: Varies by quantity and strength of wastewater discharged. Rate components used to calculate individual wastewater charges are as follows:

Capital Component:

Flow: \$3.742 per 1,000 gallons discharged in excess of 5,000 gallons

BOD: \$0.290 per pound discharged in excess of the pounds contributed in the first 5,000 gallons

SS: \$0.241 per pound discharged in excess of the pounds contributed in the first 5,000 gallons

User Charge Component:

Flow: \$1.101 per 1,000 gallons discharged

BOD: \$0.537 per pound discharged

SS: \$0.320 per pound discharged

Minimum: \$20.55 (includes the use of 5,000 gallons; capital component)

\$5.15 (user charge billing component)

Outside City Limits:

Rate: Varies by quantity and strength of wastewater discharged. Rate components used to calculate individual wastewater charges are as follows:

Capital Component:

Flow: \$6.148 per 1,000 gallons discharged in excess of 5,000 gallons

BOD: \$0.699 per pound discharged in excess of the pounds contributed in the first 5,000 gallons

SS: \$0.505 per pound discharged in excess of the pounds contributed in the first 5,000 gallons

User Charge Component:

Flow: \$1.101 per 1,000 gallons discharged

BOD: \$0.537 per pound discharged

SS: \$0.320 per pound discharged

Minimum: \$45.83 (includes the use of 5,000 gallons; capital component)

\$5.15 (user charge billing component)

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

INTERDEPARTMENTAL GENERAL COMMERCIAL WASTEWATER SERVICE – S6.1

APPLICATION

These rates are applicable to all interdepartmental utility customers receiving wastewater service within the City limits for which no other specific schedule is provided and where a usable wastewater main adjoins the premises for the billing of utilities commencing with the August 2016 billing cycle.

MONTHLY BILLING CYCLE (Based on water consumption)

The charge per billing cycle shall consist of the following components:

<u>Service Charge:</u> *	\$14.80
<u>Usage Charge:</u>	\$1.29 per 1,000 gallons for water delivered
<u>Plus:</u>	\$2.34 per 1,000 gallons for water delivered in excess of 5,000 gallons
*2,000 gallons of water included as a minimum based on availability of service.	

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

INTERDEPARTMENTAL WASTEWATER METER SERVICE – SM6.1

APPLICATION

These rates are applicable to all eligible commercial, industrial, and public authority utility customers receiving wastewater service within the City limits for the billing of utilities commencing with the August 2016 billing cycle.

MONTHLY BILLING CYCLE (Based on wastewater flow)

The charge per billing cycle shall consist of the following components:

<u>Service Charge:</u>	\$112.70
<u>Usage Charge:</u>	\$1.34 per 1,000 gallons for wastewater discharged
<u>Plus:</u>	\$2.43 per 1,000 gallons for wastewater discharged in excess of 5,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

All water that is collected in the customer's sewer must be discharged through a single outfall. This schedule shall not apply where the customer's sewer system includes additional unmetered outfalls, which require wastewater billing based on water delivered.

The Customer shall be responsible for all costs associated with the purchase, installation and maintenance of City approved meters in an approved location. Construction plans must be approved by the applicable City Departments before any purchase of the meters and their installation can proceed.

CUSTOMER ELIGIBILITY

In addition to the requirements set forth above regarding Terms and Conditions, a Customer must satisfy the following conditions to be and remain eligible to receive service under this Schedule:

Customers must discharge a minimum of an average annual volume of wastewater discharged through the outfall of 3,000 kgal (or an anticipated volume in such amount if a new customer or a customer with less than twelve (12) months of billing history).

In addition, Customers must either: (i) be regulated as Industrial Users under Title 8, Chapter 4 of the Mesa City Code and receive water service from the City with an average annual billed water demand at the same location as the sewer outfall (in thousands of gallons or "kgal") of equal to or greater than 11,000 kgal (not including water delivered under Landscape, Fire or Large Turf services), or if a new customer or a customer an anticipated average annual billed usage of equal to or greater than such amount; or (ii) discharge water not delivered by the City (regardless of regulatory status).

GOVERNMENTAL AGENCIES WHOLESALE SERVICE – S8.2

APPLICATION

These rates are applicable to State & Local Governments receiving wastewater service outside the City limits that discharge into a sanitary wastewater main owned and operated by the City of Mesa for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

The charge per billing cycle shall consist of the following components:

<u>Service Charge:</u> *	\$20.97
<u>Usage Charge:</u>	\$1.63 per 1,000 gallons for water delivered
<u>Plus:</u>	\$3.08 per 1,000 gallons for water delivered in excess of 5,000 gallons

*2,000 gallons of water included as a minimum based on availability of service.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

WASTEWATER METER SERVICE
Inside City Limits – SM3.1, Outside City Limits – SM4.1
WASTEWATER METER SERVICE – Public Authorities
Hospitals – Inside City Limits – SM7.1, Outside City Limits – SM7.4
Schools – Inside City Limits – SM9.1, Outside City Limits – SM9.2

APPLICATION

These rates are applicable to all eligible commercial, industrial, and public authority utility customers receiving wastewater service inside and outside the City limits for billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE (Based on wastewater flow)

The charge per billing cycle shall consist of the following components:

Inside City Limits:

<u>Service Charge:</u>	\$177.98
<u>Usage Charge:</u>	\$2.13 per 1,000 gallons for wastewater discharged
<u>Plus:</u>	\$3.83 per 1,000 gallons for wastewater discharged in excess of 5,000 gallons

Outside City Limits:

<u>Service Charge:</u>	\$190.80
<u>Usage Charge:</u>	\$2.13 per 1,000 gallons for wastewater discharged
<u>Plus:</u>	\$6.73 per 1,000 gallons for wastewater discharged in excess of 5,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

All water that is collected in the customer's sewer must be discharged through a single outfall. This schedule shall not apply where the customer's sewer system includes additional unmetered outfalls, which require wastewater billing based on water delivered.

The Customer shall be responsible for all costs associated with the purchase, installation and maintenance of City approved meters in an approved location. Construction plans must be approved by the applicable City Departments before any purchase of the meters and their installation can proceed.

CUSTOMER ELIGIBILITY

In addition to the requirements set forth above regarding Terms and Conditions, a Customer must satisfy the following conditions to be and remain eligible to receive service under this Schedule SM3.1 or SM4.1:

Customers must discharge a minimum of an average annual volume of wastewater discharged through the outfall of 2400 kgal (or an anticipated volume in such amount if a new customer or a customer with less than twelve (12) months of billing history).

In addition, the Customer must either: (i) receive water service from the City with an average annual billed water demand at the same location as the sewer connection (in thousands of gallons or “kgal”) of equal to or greater than 11,000 kgal (not including water delivered under Landscape, Fire or Large Turf services), or if a new customer, an anticipated average annual billed usage of equal to or greater than such amount; or (ii) discharge water not delivered by the City.

Notwithstanding the preceding, all customers subject to rates applicable under Multi-Unit Dwelling Wastewater Schedule Numbers S3.2, S3.2a, S4.2, S4.2a, and Industrial Wastewater Service Schedule Numbers S5.1 and S5.2 are not eligible for service under this Schedule SM3.1 and SM4.1.

This page intentionally left blank.

RESIDENTIAL WATER SERVICE

WESTERN ZONE - Inside W1.1, Outside W2.1
RWCD ZONE - Inside W1.2, Outside W2.2
EASTERN ZONE - Inside W1.3, Outside W2.3
DESERT SAGE PRESSURE ZONE - Inside W1.4, Outside W2.4
COUNTY LINE PRESSURE ZONE - Inside W1.5, Outside W2.5
APACHE JUNCTION PRESSURE ZONE - Inside W1.6, Outside W2.6
RANGE RIDER PRESSURE ZONE - Inside W1.7, Outside W2.7

APPLICATION

These rates are applicable to all residential water service inside and outside the City limits required for domestic purposes in individually metered dwelling units for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge and surcharges per billing cycle per 1,000 gallons in excess of 3,000 shall be as follows:

Usage Charge: \$3.72 per 1,000 gallons, 4,000 through 6,000 gallons and
\$5.67 per 1,000 gallons, next 8,000 gallons and
\$6.94 per 1,000 gallons, next 10,000 gallons and
\$7.83 per 1,000 gallons, all additional 1,000 gallons

<u>Service Charge:*</u>	\$32.17	¾" service
	\$36.04	1" service
	\$50.44	1 ½" service
	\$66.16	2" service
	\$131.04	3" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W1.4, W2.4):	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W1.5, W2.5):	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W1.6, W2.6):	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W1.7, W2.7):	\$0.4169 per 1,000 gallons

ADJUSTMENTS

1. Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.
2. Low Income Senior Discount. A discount to the Service Charge of thirty percent (30%) may be applied for permanent, full-time residential customers with a head of household aged sixty (60) and older with income that does not exceed 200% of the federal poverty level by household size ("low income"). Additional information is provided at <https://www.mesaaz.gov/residents/my-utility-account/low-income-senior-program>.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

RESIDENTIAL LANDSCAPE WATER SERVICE

WESTERN ZONE – Inside W1.11, Outside W2.11
RWCD ZONE - Inside W1.21, Outside W2.21
EASTERN ZONE - Inside W1.31, Outside W2.31
DESERT SAGE PRESSURE ZONE – Inside W1.41, Outside W2.41
COUNTY LINE PRESSURE ZONE - Inside W1.51, Outside W2.51
APACHE JUNCTION PRESSURE ZONE - Inside W1.61, Outside W2.61
RANGE RIDER PRESSURE ZONE - Inside W1.71, Outside W2.71

APPLICATION

These rates are applicable to all residential landscape water service inside and outside the City limits for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$5.67 per 1,000 gallons in excess of 3,000, plus applicable surcharges.

<u>Service Charge:*</u>	\$33.34	¾" service
	\$36.73	1" service
	\$50.44	1 ½" service
	\$66.16	2" service
	\$131.04	3" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W1.41, W2.41):	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W1.51, W2.51):	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W1.61, W2.61):	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W1.71, W2.71):	\$0.4169 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

GENERAL COMMERCIAL WATER SERVICE

WESTERN ZONE – W3.1

RWCD ZONE – W3.2

EASTERN ZONE – W3.3 DESERT SAGE PRESSURE ZONE – W3.4

COUNTY LINE PRESSURE ZONE – W3.5

APACHE JUNCTION PRESSURE ZONE – W3.6

RANGE RIDER PRESSURE ZONE – W3.7

GENERAL COMMERCIAL WATER SERVICE – Public Authorities

WESTERN ZONE – Federal W5.1, Salt River Pima Indian Community W5.8, Hospitals W7.1, State & Local Govts W8.1, Schools W9.1

RWCD ZONE – Federal W5.2, Hospitals W7.2, State & Local Govts W8.3, Schools W9.2

EASTERN ZONE – Federal W5.3, Hospitals W7.3, State & Local Govts W8.4, Schools W9.3

DESERT SAGE PRESSURE ZONE – Federal W5.4, Hospitals W7.4, State, County & Other Local Governments W8.5, Schools W9.4

COUNTY LINE PRESSURE ZONE – Federal W5.5, Hospitals W7.5, State & Local Govts W8.6, Schools W9.5

APACHE JUNCTION PRESSURE ZONE – Federal W5.6, Hospitals W7.6, State & Local Govts W8.7, Schools W9.6

RANGE RIDER PRESSURE ZONE – Federal W5.7, Hospitals W7.7, Schools W9.7

APPLICATION

These rates are applicable to all commercial water service inside and outside the City limits which no other specific schedule is provided for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$4.49 per 1,000 gallons in excess of 3,000, plus a surcharge rate of \$2.37 per 1,000 gallons**, plus applicable pumping surcharges.

Service Charge:*	\$32.63	¾" service
	\$36.56	1" service
	\$51.17	1 ½" service
	\$67.12	2" service
	\$132.93	3" service
	\$210.55	4" service
	\$403.21	6" service
	\$597.10	8" service
	\$808.92	10" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

** Surcharge applies to all water used each billing cycle that exceeds the average of usage for the prior December through February billing cycles.

Drought Commodity Charge***: \$0.08 per 1,000 gallons in excess of 3,000.

*** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W3.4, W4.4, W7.4, W5.4, W8.5, W9.4):	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W3.5, W4.5, W7.5, W5.5, W8.6, W9.5):	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W3.6, W4.6, W7.6, W5.6, W8.7, W9.6):	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W3.7, W4.7, W7.7, W5.7, W9.7):	\$0.4169 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

COMMERCIAL LANDSCAPE WATER SERVICE

WESTERN ZONE – W3.11

RWCD ZONE – W3.21

EASTERN ZONE – W3.31 DESERT SAGE PRESSURE ZONE – W3.41

COUNTY LINE PRESSURE ZONE – W3.51

APACHE JUNCTION PRESSURE ZONE – W3.61

RANGE RIDER PRESSURE ZONE – W3.71

GENERAL COMMERCIAL WATER SERVICE – Public Authorities

WESTERN ZONE – Federal W5.11, Salt River Pima Indian Community W5.81, Hospitals W7.11, State & Local Govts W8.11, Schools W9.11

RWCD ZONE – Federal W5.21, Hospitals W7.21, State & Local Govts W8.31, Schools W9.21

EASTERN ZONE – Federal W5.31, Hospitals W7.31, State & Local Govts W8.41, Schools W9.31

DESERT SAGE PRESSURE ZONE – Federal W5.41, Hospitals W7.41, State, County & Other Local Governments W8.51, Schools W9.41

COUNTY LINE PRESSURE ZONE – Federal W5.51, Hospitals W7.51, State & Local Govts W8.61, Schools W9.51

APACHE JUNCTION PRESSURE ZONE – Federal W5.61, Hospitals W7.61, State & Local Govts W8.71, Schools W9.61

RANGE RIDER PRESSURE ZONE – Federal W5.71, Hospitals W7.71, State & Other Local Govts W8.81, Schools W9.71

APPLICATION

These rates are applicable to all individually metered commercial landscape water service inside and outside the City limits for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$4.76 per 1,000 gallons in excess of 3,000, plus applicable surcharges, plus a surcharge rate of \$2.39 per 1,000 gallons**, plus applicable pumping surcharges.

<u>Service Charge:*</u>	\$32.63	¾" service
	\$36.56	1" service
	\$51.17	1 ½" service
	\$67.12	2" service
	\$132.93	3" service
	\$210.55	4" service
	\$403.21	6" service
	\$597.10	8" service
	\$808.92	10" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

** Surcharge applies to all water used each billing cycle that exceeds the average of usage for the prior December through February billing cycles.

Drought Commodity Charge***: \$0.08 per 1,000 gallons in excess of 3,000.

*** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W5.41, W7.4, W8.51, W9.41):	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W5.51, W7.51, W8.61, W9.51):	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W5.61, W7.61, W8.71, W9.61):	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W5.71, W7.71, W8.81, W9.71):	\$0.4169 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

DOWNTOWN SMALL BUSINESS ATTRACTION UTILITY RATE – W3.1D

APPLICATION

These rates are applicable to new Non-Residential service for monthly billing cycles commencing on and after the Effective Date and to Customers meeting the following Eligibility Criteria.

PURPOSE

The purpose of this schedule is to attract new non- residential City water customers to Downtown Mesa, which also generates increased economic activity in Downtown Mesa.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$3.43 per 1,000 gallons in excess of 3,000, plus a surcharge rate of \$1.75 per 1,000 gallons**.

Service Charge:*	\$24.48	¾" service
	\$27.42	1" service
	\$38.39	1 ½" service
	\$50.34	2" service
	\$99.71	3" service
	\$157.92	4" service
	\$302.41	6" service
	\$447.82	8" service
	\$606.69	10" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

** Surcharge applies to all water used each billing cycle that exceeds the average of usage for the prior December through February billing cycles.

Drought Commodity Charge***: \$0.08 per 1,000 gallons in excess of 3,000.

*** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

Additional Terms and Conditions:

- (i) Limited to three (3) consecutive years per eligible Customer
- (ii) The Customer must sign a three-year agreement evidencing a commitment through the 3 year period to meeting the eligibility criteria.
- (iii) Customers may apply for the small business utility rate only within their first year of operation.
- (iv) Customers may only participate once.
- (v) Customers that do not maintain or increase their total average annual utility usage from their first year receiving the rate may be required to repay the City for the difference between this Schedule W3.1D and the otherwise applicable City Water rate schedule.
- (vi) The City may terminate, suspend or modify the rate for active and/or future participants should it serve the interests of the City.
- (vii) Customers may be required to obtain a financial instrument satisfactory to the City that protects the City from a default under the agreement and from the accumulation of delinquent and deficient charges of a Customer served under this Rate Schedule.
- (viii) Customers are required to provide employment verification each year beginning in year two (2) evidencing the employment of a minimum of two (2) full-time employees.
- (ix) If the customer experiences employee vacancies that cause it to employ less than the minimum number of employees needed to meet eligibility criteria at any given time, the customer is allowed no more than six months cumulative within a 12 month period to fill such vacancies.

ELIGIBILITY

Commercial and industrial water Customers with premises located inside the Central Business District and Town Center Redevelopment Area (CBD/TRA) are eligible for this Schedule provided the Customer and premises: (i) is a new customer with less than twelve (12) months of billing history and an anticipated average monthly billed usage in the next twelve (12) months of equal to or greater than ten (10) kgal and less than or equal to two-hundred (200) kgal; (ii) has a single point of delivery within the CBD/TRA measured through one meter for the billing of each utility service; (iii) meets the definition of a small business as stated by the U.S. Small Business Administration; (iv) consists of a use consistent with Mesa's adopted form-based code or in a commercial or industrial zoned area where the form-based code does not apply; and (v) employs the equivalent of at least two (2) full-time employee (FTE) positions (subject to verification through unemployment tax and wage reporting or comparable records). Customers must also be current on all utility bills and any other amounts owed the City.

INELIGIBILITY OR LOSS OF ELIGIBILITY

Customers that become ineligible for service under this rate schedule will be served under the otherwise applicable City Water rate schedule. As set forth in the Eligibility requirements, Customer may be responsible for payment of back charges for service provided under this Schedule which becomes ineligible.

MULTI-UNIT DWELLING WATER SERVICE

WESTERN ZONE – W4.1
RWCD ZONE – W4.2
EASTERN ZONE – W4.3
DESERT SAGE PRESSURE ZONE – W4.4
COUNTY LINE PRESSURE ZONE – W4.5
APACHE JUNCTION PRESSURE ZONE – W4.6
RANGE RIDER PRESSURE ZONE – W4.7

APPLICATION

These rates are applicable to all water service for multiple dwelling units inside and outside the City limits not having a water meter for each dwelling unit (includes trailers or mobile homes) for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$4.60 per 1,000 gallons in excess of 3,000, plus a surcharge rate of \$2.37 per 1,000 gallons**, plus applicable pumping surcharges.

Service Charge:*	\$32.63	¾" service
	\$36.56	1" service
	\$51.17	1 ½" service
	\$67.12	2" service
	\$132.93	3" service
	\$210.55	4" service
	\$403.21	6" service
	\$597.10	8" service
	\$808.92	10" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

** Surcharge applies to all water used each billing cycle that exceeds the average of usage for the prior December through February billing cycles.

Drought Commodity Charge***: \$0.08 per 1,000 gallons in excess of 3,000.

*** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W3.4, W4.4, W7.4, W5.4, W8.5, W9.4):	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W3.5, W4.5, W7.5, W5.5, W8.6, W9.5):	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W3.6, W4.6, W7.6, W5.6, W8.7, W9.6):	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W3.7, W4.7, W7.7, W5.7, W9.7):	\$0.4169 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

MULTI-UNIT DWELLING LANDSCAPE WATER SERVICE

WESTERN ZONE – W4.11
RWCD ZONE – W4.21
EASTERN ZONE – W4.31
DESERT SAGE PRESSURE ZONE – W4.41
COUNTY LINE PRESSURE ZONE – W4.51
APACHE JUNCTION PRESSURE ZONE – W4.61
RANGE RIDER PRESSURE ZONE – W4.71

APPLICATION

These rates are applicable to all individually metered multi-unit dwelling landscape water service inside and outside the City limits for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$4.80 per 1,000 gallons in excess of 3,000, plus applicable surcharges, plus a surcharge rate of \$2.39 per 1,000 gallons**, plus applicable pumping surcharges.

<u>Service Charge:</u> *	\$32.63	¾" service
	\$36.56	1" service
	\$51.17	1 ½" service
	\$67.12	2" service
	\$132.93	3" service
	\$210.55	4" service
	\$403.21	6" service
	\$597.10	8" service
	\$808.92	10" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

** Surcharge applies to all water used each billing cycle that exceeds the average of usage for the prior December through February billing cycles.

Drought Commodity Charge***: \$0.08 per 1,000 gallons in excess of 3,000.

*** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE:	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE:	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE:	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE:	\$0.4169 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

WATER SERVICE FOR FIRE LINE DETECTION METERS

WESTERN ZONE – W30.1, Interdepartmental W60.1
RWCD ZONE – W30.2, Interdepartmental W60.2
EASTERN ZONE – W30.3, Interdepartmental W60.3
DESERT SAGE PRESSURE ZONE – W30.4, Interdepartmental W60.4
COUNTY LINE PRESSURE ZONE – W30.5, Interdepartmental W60.5
APACHE JUNCTION PRESSURE ZONE – W30.6, Interdepartmental W60.6
RANGE RIDER PRESSURE ZONE – W30.7, Interdepartmental W60.7
WATER SERVICE FOR FIRE LINE DETECTION METERS – Public Authorities
WESTERN ZONE – Multi-unit W40.1, Federal W50.1, Hospital W70.1, State & Local Govts W80.1, Schools W90.1
RWCD ZONE – Multi-unit W40.2, Federal W50.2, Hospital W70.2, State & Local Govts W80.2, Schools W90.2
EASTERN ZONE – Multi-unit W40.3, Federal W50.3, Hospital W70.3, State & Local Govts W80.3, Schools W90.3
DESERT SAGE PRESSURE ZONE – Multi-unit W40.4, Federal W50.4, Hospital W70.4, State & Local Govts W80.4, Schools W90.4
COUNTY LINE PRESSURE ZONE – Multi-unit W40.5, Federal W50.5, Hospital W70.5, State & Local Govts W80.5, Schools W90.5
APACHE JUNCTION PRESSURE ZONE – Multi-unit W40.6, Federal W50.6, Hospital W70.6, State & Local Govts W80.6, Schools W90.6
RANGE RIDER PRESSURE ZONE – Multi-unit W40.7, Federal W50.7, Hospital W70.7, State & Local Govts W80.7, Schools W90.7

APPLICATION

These rates are applicable to all fire line check valves with detection meters for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge shall be \$6.44 per 1,000 gallons for all water delivered in excess of 3,000 gallons plus applicable surcharges.

Service Charge:*	\$37.77	¾" service
	\$41.67	1" service
	\$56.28	1 ½" service
	\$72.21	2" service
	\$138.05	3" service

*Includes 3,000 gallons of water as a minimum for capacity availability.

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W30.4, W40.4, W50.4, W60.4, W70.4, W80.4, W90.4):	\$0.1079 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W30.5, W40.5, W50.5, W60.5, W70.5, W80.5, W90.5):	\$0.2086 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W30.6, W40.6, W50.6, W60.6, W70.6, W80.6, W90.6):	\$0.3149 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W30.7, W40.7, W50.7, W60.7, W70.7, W80.7, W90.7):	\$0.4169 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

COMMERCIAL AND INDUSTRIAL LARGE WATER SERVICE – W31.1

APPLICATION

These rates are applicable to all commercial and industrial water service inside the City limits provided the customer's monthly billed usage (in thousands of gallons or "kgal") is equal to or greater than 7,500 kgal and is supplied at one point of delivery and measured through one meter for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the service charge, the rate per billing cycle for water used shall be \$3.17 per 1,000 gallons for all water used, plus a surcharge rate of \$1.23 per 1,000 gallons*.

Service Charge:*	\$210.55	4" service
	\$403.21	6" service
	\$597.10	8" service
	\$808.92	10" service

* Surcharge applies to all water used each billing cycle that exceeds the average of usage for the prior December through February billing cycles.

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

CUSTOMER ELIGIBILITY

A Customer must satisfy all of the following conditions to be and remain eligible to receive service under this Schedule W31.3:

1. The Customer must have a monthly billed demand (in thousands of gallons or "kgal") of equal to or greater than 7,500 kgal.
2. The Customer must: (i) be regulated directly by the Arizona Department of Water Resources (DWR) as an individual user under the Groundwater Code and Management Plans adopted pursuant thereto, or (ii) voluntarily satisfy the conservation requirements applicable to Large Industrial Users under the Groundwater Code and Management Plans adopted pursuant thereto; and (iii) otherwise maintain compliance with applicable requirements of the Groundwater Code and Management Plans adopted pursuant thereto.
3. The Customer must provide a copy of all documentation required under Section 2 above, including conservation plans, and otherwise demonstrate compliance with all other applicable Management Plan and Groundwater Code requirements on an annual basis.

PHOENIX-MESA GATEWAY AIRPORT FIRE PROTECTION UTILITY
NORTH GENERAL AVIATION AREA – FP1.1

APPLICATION

These rates are applicable to all facilities located in the North General Aviation Area of the Phoenix-Mesa Gateway Airport serviced by the Phoenix-Mesa Gateway Airport Fire Protection Utility for the billing of utilities commencing on and after the Effective Date.

UTILITY RATES

The utility supplies the fire flow capacity to extinguish fire hazards. The cost to own and operate the utility is recovered using a one-time connection fee and billing cycle demand charges. Facility connection fees and demand charges are determined during the City’s plan review process.

<u>Peak Demand (gpm)</u>	<u>One-Time Connection Fee</u>	<u>Demand Charge</u>
0 to 4,000	\$135,000	\$455.14
4,001 to 10,500	\$225,000	\$632.67
10,501 to 15,500	\$375,000	\$3,333.28

CONNECTION FEE

Capital improvement costs are recovered through the one-time lump sum payment of a connection fee. Connection fees are calculated for each facility located on a given parcel according to the facility’s peak demand for fire flow capacity (gallons per minute). The peak demand for fire flow capacity is determined by the design standards of the City’s Building Code and Fire Code. Connection fees are collected during the City’s plan review process.

DEMAND CHARGE

Operating and maintenance costs are recovered through a billing cycle demand charge. The demand charge is calculated for each facility located on a given parcel according to the facility’s peak demand for fire flow capacity (gpm). The peak demand for fire flow capacity is determined by the design standards of the City’s Building Code and Fire Code. The demand charge is collected during the utility billing cycle.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

IRRIGATION WATER SERVICE

II.1, I3.1

IRRIGATION WATER SERVICE – Public Authorities

Hospital – I7.1
Federal – I7.2
State & Local Govts – I8.1
Schools – I9.1

APPLICATION

These rates are applicable to all customers receiving irrigation water delivered through the city irrigation system for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: \$55.90 per hour for all additional time.
Minimum: \$27.96 that includes one-half hour water delivery, except no charge will be made when no water is delivered.

DELIVERY RATE

The normal delivery rate shall be 75 miner's inches with a minimum rate of 50 miner's inches. Where desirable, a customer's run may be divided with another and the charges shall be divided proportionally. There will be no charge made during any billing cycle unless water is actually delivered to the customer being charged.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

INTERDEPARTMENTAL IRRIGATION WATER SERVICE – I6.1

APPLICATION

These rates are applicable to all customers receiving irrigation water delivered through the city irrigation system for the billing of utilities commencing with the August 2017 billing cycle.

MONTHLY BILLING CYCLE

Rate: \$52.95 per hour for all additional time.

Minimum: \$26.48 that includes one-half hour water delivery, except no charge will be made when no water is delivered.

DELIVERY RATE

The normal delivery rate shall be 75 miner's inches with a minimum rate of 50 miner's inches. Where desirable, a customer's run may be divided with another and the charges shall be divided proportionally. There will be no charge made during any billing cycle unless water is actually delivered to the customer being charged.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

CRISMON ROAD WATER HAULING STATION BULK WATER SALES – WHS

APPLICATION

The rate is applicable to all customers receiving bulk water at the Crismon Road Water Hauling Station. Water is delivered to customers on site using mobile customer-owned bulk water containers. Customers pay for bulk water in advance. These rates are applicable for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: The rate for water shall be \$11.02 per 1,000 gallons for all water.

Drought Commodity Charge*: \$0.08 per 1,000 gallons in excess of 3,000.

* Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

TERMS AND CONDITIONS

The following special terms and conditions shall apply to the provision of water to customers at the City of Mesa (“City”) Crismon Road Water Station (“Water Station”):

1. Water Station Access:
 - A. Access to the Water Station will be supplied pursuant to prepaid contractual accounts (“Access Accounts”) with each customer in accordance with these special terms and conditions.
 - B. No sale or transfer of Access Accounts from one person to another shall be permitted unless approved in advance by the City.
 - C. Credit balances on any Access Account shall be redeemable only as water deliveries at the Water Station, not for cash.
 - D. Availability of additional Access Accounts is within the sole discretion of the City.
2. Water Station Access Cards:
 - A. Access Account holders shall be issued reusable magnetic strip access cards (“Access Cards”) on which prepaid dollar balances shall be programmed by the City. Account holders shall use the Access Cards at the Water Station in order to obtain water dispensation.
 - B. The maximum number of Access Cards issued per Access Account shall be two (2) for residential customers and two (2) per registered tanker truck or trailer for commercial customers. Issuance of additional Access Cards shall be at the sole discretion of the City.
 - C. Prepaid amounts shall be programmed onto the Access Cards, which must be presented at a City of Mesa Utility Payment Center. The maximum prepaid balance on any Access Card shall be limited to two hundred dollars (\$200.00) for residential customers and five hundred dollars (\$500.00) for commercial customers.
 - D. Access Cards shall be owned by the Access Account holder. The City shall not be responsible for lost or stolen Access Cards nor any unused balance thereon.
 - E. Access Cards with unused balances on cancelled Access Accounts will still be redeemable at the Water Station until the balance reaches zero.
3. Continuity of Supply:

The City will use reasonable diligence to provide a steady and continuous water supply and dispensation at the Water Station, but does not guarantee against fluctuations or interruptions. The City may, without incurring any liability therefore, suspend water availability for periods reasonably necessary to accomplish repairs to or changes in any of the City’s facilities, including the Water Station. The City shall not be liable to Any Access Account holder for any damages occasioned by fluctuations or interruptions in water availability at the Water Station, regardless of cause. All maintenance of the Water Station shall be performed by the City.

4. Metering:

- A. The readings of the City's meter(s) at the Water Station will be conclusive as to the amount of water dispensed, unless the Customer reports any inaccuracy within twenty four (24) hours of the inaccurately metered transaction.
- B. In the event the City verifies based on a reported inaccuracy that the metering at the Water Station is inaccurate by an amount in excess of the manufacturer's tolerance, Mesa will correct such error by adjusting for the difference in the reporting Customer's prepaid account to the extent practicable, and only for the reported transaction. Any refunds to customer resulting from a reported inaccurate transaction shall be made via a credit to the customer's prepaid account.
- C. Any Customer that reports an inaccuracy at the Water Station which subsequently proves to be within the manufacturer specification shall be responsible for a service charge to cover the vehicle expense, driving time and labor expense for meter testing as follows: \$250.00.
- D. Any Account holder may also request that the City conduct third party accuracy testing of the Water Station metering equipment, but shall be responsible for advance payment of third party costs of such testing in the amount of \$500.00, which shall be refunded by City in the event that the metering is demonstrated to be outside of the manufacturers specification in a manner that is favorable to the Access Account holder. In no event shall any Access Account be adjusted for any transaction not reported to City within twenty four (24) hours.
- E. The City may compute or re-compute deliveries at the Water Station based on a reasonable usage estimate derived from Access Account history if any of the following conditions apply:
 - 1. The meter(s) at the Water Station fails to register accurately;
 - 2. Access is temporarily supplied without a meter; or
 - 3. A contrivance has been used to circumvent the accurate registration of metering devices.

5. Termination and Refusal of Water Station Access: The City may, in addition to any other applicable conditions or circumstances described herein, terminate Access Accounts and/or refuse Water Station Access if any of the following conditions exist:

- A. When necessary to comply with an order of any Governmental Agency having such jurisdiction.
 - B. A condition exists which in the City's judgment is unsafe or hazardous.
 - C. Applicant has failed to make payment of charges otherwise owed to the City.
 - D. Applicant falsifies his or her identity for the purpose of obtaining access.
 - E. Applicant is acting as an agent for a prior Customer of City who is deriving benefits of the Water Station and who owes a delinquent bill to City.
 - F. The City is otherwise not accepting additional customers for Water Station Access Accounts.
 - G. Reasonable cause otherwise exists which supports termination of Accounts and/or Access.
- Reactivation of any terminated Access Account shall be at the sole discretion of the City.

6. Administration Charges:

- A. An administrative fee of \$15.00 shall be assessed to activate an Access Account, which activation shall be at the sole discretion of the City.
- B. Following the initial conversion to the Access Accounts, an Access Account transfer and activation charge shall be assessed for any requested transfer in the amount of \$30.00, which transfer shall be at the sole discretion of the City. Access Account holders must provide the City with the Access Card in order to transfer an Access Account.
- C. City and State Transaction Privilege tax will be assessed on all charges as applicable.

7. Payment:

The City reserves the right to suspend or terminate any Access Account for payment items (checks, credit cards, etc.) returned by a financial institution unpaid. Payment is effective upon receipt in hand of the full balance due at a City of Mesa Utility Payment Center.

8. Unauthorized Use of Water Station and Violations:

- A. Unauthorized use of the Water Station shall mean the taking of water by bypassing, modifying, disabling or otherwise willfully rendering inoperative or inaccurate any meter or other service apparatus at the Water Station so as to cause a loss or reduction of registration.
- B. If unauthorized use occurs, the City shall charge an estimated usage according to applicable rates in accordance with the Schedule of Fees and Charges, plus City and State Transaction Privilege tax as applicable.
- C. Unauthorized use of the Water Station is subject to criminal prosecution as well as liability for all damages.

9. Violation; Penalty

Among other penalties that may apply, any person that violates any provision of this Ordinance shall be guilty of a misdemeanor. Upon conviction, individuals shall be punished by a fine not to exceed \$2,500, or by imprisonment for a period not to exceed six (6) months, or by such fine and imprisonment. Upon conviction, businesses shall be punished by a fine not to exceed \$20,000. Each instance of violation shall be a separate offense, punishable as described above.

WATER HYDRANT METER SERVICE – WH1

APPLICATION

These rates are applicable to all water hydrant meter service for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

<u>Service Charge:</u>	\$132.93 (3" service)
<u>Usage Charge:</u>	\$11.02 per 1,000 gallons for all water delivered

Drought Commodity Charge*: \$0.08 per 1,000 gallons in excess of 3,000.

* Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

LARGE TURF FACILITY UNTREATED WATER SERVICE – WR3.1

APPLICATION

These rates are applicable to all customers inside the corporate limits of the City of Mesa receiving for direct use at one point of delivery at a City Turnout Facility with the Central Arizona Project non-potable water supplied by City for landscape purposes which has and retains the characteristics of water collected for treatment as set forth in A.R.S. § 45-101(4) for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Service Charge: \$676.00

Rate: In addition to the service charge, the rate per billing cycle for water delivered shall be \$1.25 per 1,000 gallons.

Drought Commodity Charge*: \$0.08 per 1,000 gallons in excess of 3,000.

* Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See generally the Terms and Conditions for the Sale of Utilities

The City will use reasonable diligence to provide water pursuant to this Schedule WR 3.1, but does not guarantee against fluctuations or interruptions. All water is subject to availability of deliveries through the CAP Canal and compliance with Customer Eligibility requirements. The City may curtail service to Customer as necessary to assure continued residential, commercial and multi-unit dwelling, fire line, and hydrant service to City customers or to meet a system emergency. The City shall not be liable to Customer for any damages occasioned by fluctuations or interruptions in water availability under this Schedule WR 3.1 regardless of cause.

CUSTOMER ELIGIBILITY

A Customer must satisfy all of the following conditions to be and remain eligible to receive service under this Schedule WR 3.1:

1. the Customer must have an average monthly billed demand (in thousands of gallons or “kgal”) in the last twelve (12) months of equal to or greater than 8,500 kgal, or if a new customer or a customer with less than twelve (12) months of billing history, an anticipated average monthly billed usage in the next twelve (12) months of equal to or greater than 8,500 kgal;
2. the Customer must receive water supplied by City at one point of delivery located at a City Turnout Facility with the Central Arizona Project;
3. the Customer must dedicate to, or provide the City with funding necessary for, a CAP Turnout Facility acceptable to the City;
4. the Customer must be regulated by the Arizona Department of Water Resources (DWR) as a turf facility and listed with the City of Mesa as an Individual User;
5. the Customer must provide a copy of all DWR conservation plans and demonstrate compliance with all Individual User requirements on an annual basis;
6. on or before September of each year, the Customer must submit a proposed monthly scheduling order for the following calendar year. The proposed schedule must be consistent with Customers regulation by DWR. Notwithstanding the schedule, all water delivered shall be subject to the discretion of the City.

Availability of service under this Schedule WR3.1 is within the sole discretion of the City, and may be denied for reasons including but not limited to the following: (1) turnouts or capacity are not available in the City or CAP system to provide the service, (2) reclaimed water as defined in A.R.S. 45-101(4) is not available to provide the service, (3) such service would adversely affect City’s ability to supply residential, commercial and multi-unit dwelling, fire line, and hydrant customers (4) such service would otherwise pose a hazard to public safety.

INTERDEPARTMENTAL WATER SERVICE

WESTERN ZONE – W6.1
RWCD ZONE – W6.2
EASTERN ZONE – W6.3
DESERT SAGE PRESSURE ZONE – W6.4
COUNTY LINE PRESSURE ZONE – W6.5
APACHE JUNCTION PRESSURE ZONE – W6.6
RANGE RIDER PRESSURE ZONE – W6.7

APPLICATION

These rates are applicable to all interdepartmental water service inside and outside the City for the billing of utilities commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

<u>Rate:</u>	In addition to the Service Charge, the Usage Charge for water delivered shall be \$3.53 per 1,000 gallons in excess of 3,000, plus applicable pumping surcharges.	
<u>Service Charge:*</u>	\$28.14	¾"service
	\$31.53	1"service
	\$44.13	1½"service
	\$57.86	2"service
	\$114.61	3"service
	\$181.51	4"service
	\$347.61	6"service
	\$514.78	8"service
	\$697.40	10"service

*Includes 3,000 gallons of water as a minimum for capacity availability.

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE (W6.4):	\$0.0860 per 1,000 gallons
COUNTY LINE PRESSURE ZONE (W6.5):	\$0.1664 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE (W6.6):	\$0.2512 per 1,000 gallons
RANGE RIDER PRESSURE ZONE (W6.7):	\$0.3327 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. Any taxes or governmental impositions applicable to the City shall be added proportionally to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

INTERDEPARTMENTAL LANDSCAPE WATER SERVICE

WESTERN ZONE - W6.11
RWCD ZONE - W6.21
EASTERN ZONE - W6.31
DESERT SAGE PRESSURE ZONE - W6.41
COUNTY LINE PRESSURE ZONE - W6.51
APACHE JUNCTION PRESSURE ZONE - W6.61
RANGE RIDER PRESSURE ZONE - W6.71

APPLICATION

These rates are applicable to all individually metered interdepartmental landscape water service inside and outside the City limits for monthly billing cycles commencing on and after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$3.53 per 1,000 gallons in excess of 3,000, plus applicable surcharges, plus applicable pumping surcharges.

<u>Service Charge:</u> *	\$28.14	¾" service
	\$31.53	1" service
	\$44.13	1 ½" service
	\$57.86	2" service
	\$114.61	3" service
	\$181.51	4" service
	\$347.61	6" service
	\$514.78	8" service
	\$697.40	10" service

* Includes 3,000 gallons of water as a minimum for capacity availability.

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

Plus: For all water used in the upper pressure zones, the following pumping surcharges will apply:

DESERT SAGE PRESSURE ZONE:	\$0.0860 per 1,000 gallons
COUNTY LINE PRESSURE ZONE:	\$0.1664 per 1,000 gallons
APACHE JUNCTION PRESSURE ZONE:	\$0.2512 per 1,000 gallons
RANGE RIDER PRESSURE ZONE:	\$0.3327 per 1,000 gallons

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities

INTERDEPARTMENTAL SUPPLEMENTAL RECLAIMED WATER SERVICE

Large Turf Facility - Interdepartmental WR6.1

APPLICATION

These rates are applicable to service meeting the eligibility requirements within the City limits for the billing of utilities commencing on or after the Effective Date.

MONTHLY BILLING CYCLE

Rate: In addition to the Service Charge, the Usage Charge for water delivered shall be \$3.27 per 1,000 gallons for all water delivered.
Service Charge: \$605.00

Drought Commodity Charge**: \$0.08 per 1,000 gallons in excess of 3,000.

** Drought Commodity Charge shall be applied after either: i) the United States acting through the Bureau of Reclamation or other authorized authority has declared a shortage on the Colorado River System, or ii) the Salt River Project or authorized state agency has declared a shortage on the Salt River System. The Drought Commodity Charge shall be discontinued if the federal or state water shortage declarations supporting the charge are terminated and shall not be considered gross revenues for the purposes of Section 3-3-4(D) of the Mesa City Code.

ADJUSTMENTS

Taxes & Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the energy or services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

CUSTOMER ELIGIBILITY

In addition to the requirements set forth above regarding Terms and Conditions, a Customer must satisfy the following conditions to be and remain eligible to receive service under this Schedule:

Customers must: (i) be regulated directly by the Arizona Department of Water Resources (DWR) as a Turf Facility/ Individual User under the Groundwater Code and Management Plans adopted pursuant thereto, and (ii) receive supplies of surface water through SRP, and (iii) use water which has and retains the characteristics of water collected for treatment as set forth in A.R.S. § 45-101(4) that is delivered from a City well as a supplement to such surface water. The Customer must maintain and provide the Water Resources Department a copy of all Turf Facility/Individual User documentation required, including conservation plans, and otherwise demonstrate compliance with all other applicable Management Plan and Groundwater Code requirements on an annual basis.

This page intentionally left blank.

TERMS AND CONDITIONS FOR THE SALE OF UTILITIES

The following terms and conditions ("Terms and Conditions") apply to the provision of utility services by the City and shall be considered a part of the City of Mesa's ("City") Rate Schedules.

1. Service Rendered Under Special Agreement:

Utility services will be supplied in accordance with these Terms and Conditions and such applicable rates as may from time to time be adopted by Ordinance by the City Council. However, in the case of Customers whose service requirements are of unusual size or characteristics, special rate agreements may be required and authorized by the City Council. Any individual who receives City owned utility service and requires life support equipment at their residential premises may provide written notice of such need to the City ("Life Support Customers"). The City will manage associated accounts in accordance with its Life Support Customer Policy and these Terms and Conditions.

2. Continuity of Service:

The City will use reasonable diligence to supply steady and continuous service, but does not guarantee the service against fluctuations or interruptions. The City will not be liable to the Customer for any damages occasioned by fluctuations or interruptions, or by failure to begin supplying service. The City may, without incurring any liability therefore, suspend service for periods reasonably necessary to accomplish repairs to or changes in any of the City's facilities.

3. Service and Main Connections and Charges:

- A. In order to receive water or wastewater service, each parcel of real property must be served from a separate service connection from a public main line designated to serve the appropriate water zone. Additionally, each parcel must meet one of the following requirements:
1. Right of Way Frontage. The parcel must have frontage on dedicated public right-of-way, directly adjacent to the parcel.
 2. Dedicated Private Street. The parcel must have frontage on a directly adjacent dedicated private street that is a minimum of twenty-four (24) feet in width. Additionally, such private street must meet all requirements of the City, including but not limited to, a public utilities and facilities easement.
 3. Common Parcel. The parcel receiving service must be directly adjacent to a parcel which is at least twenty (20) feet wide and owned by a property owner's association. In addition, such common parcel must meet the requirements of 1 or 2 above. All water and wastewater lines to the parcel receiving service shall be located on the common parcel and privately owned and maintained. Water meters must not be located within the common parcel.
- B. In order to receive water or wastewater service, each parcel must have frontage meeting the minimum widths required by the applicable zoning classification.
- C. In order to receive residential solid waste and recycling service, each parcel of real property must have an individual location for at least two barrels on a public right of way, or a dedicated private street meeting the requirements set forth in Section 3(A)(2) herein, with a minimum of eighteen (18) inches of separation between barrels.
- D. In order to receive water or wastewater service, all real property must be in compliance with all applicable regulations, standards, and requirements established by the City, including but not limited to compliance with the Zoning Code, Building Codes, Fire Code, and the street, utility improvement and other requirements in 9-8-3 of the Mesa City Code (M.C.C.).

- E. No group of structures may be served by one (1) meter unless situated on the same parcel of real property, under one (1) ownership.
- F. The owner or developer of a parcel requesting utility service will be responsible for extending the public main line(s) to bring the utility adjacent to, and along all appropriate frontages of, the parcel.
- G. No sale or transfer of service from one real property ownership to another shall be permitted. In the event that any real property with utility service is subdivided and any portion of that real property is subsequently sold to another party, a public main extension and/or meter relocation will be required as necessary to make service directly adjacent to each new lot so created.
- H. All water, gas and electric meters installed and connected to City systems will be those specified and supplied by the City. Charges for installing new services and meters will be in accordance with the current Utility Service Fee Schedule. Meter maintenance and replacement scheduling shall be at the City's sole discretion. Meters shall be owned by the City unless otherwise specified by City in writing.
- I. The following criteria are required for water meter installations:
 - 1. Water piping on Customer side must coincide with the requested meter size for a minimum distance of 48 inches, after which such piping may transition to alternative sizes and/or materials.
 - 2. Installation of proper-sized water meter box in accordance with the City's engineering and design standards.
 - 3. Meter installation site is marked with the Identification for Water Meter Card.
 - 4. Sites not properly prepared at the time of request are subject to Trip Charges. See Utility Service Fee Schedule.
- J. All applicable development impact fees shall be paid in accordance with Chapter 17 of Title 5.
- K. Buy-ins for the right to use certain utility main lines will be in accordance with the private line agreement on file with the City or as determined by the City for a specific utility main.
- L. All monies must normally be paid at the time service is requested.
- M. All real property located outside Mesa's corporate limits must be annexed into the City's corporate limits before connecting to and receiving water and/or wastewater service from the City, except those Customers that satisfy all the requirements of Section 23 may be provided such service subject to compliance with these Terms and Conditions.

4. Access To Customer Premises:

- A. As a condition of service, authorized representatives of the City must be given access at all reasonable hours to the Customer's premises for the purpose of meter reading, connection and disconnection of service as well as operating and maintaining the City's facilities up to the point of delivery.
- B. The Customer, at his or her expense, will provide at no cost to the City a license or an easement in a form acceptable to the City, as needed for the purpose of constructing and maintaining the City's service facilities required on the Customer's premises up to the point of delivery.
- C. The City, may (or may cause its contractor to) trim vegetation or remove any obstruction on Customer's premise when a condition may limit access or present a hazard to the continuity of service or safety as determined by City. Customer must provide reasonable access to those personnel trimming vegetation and failure to do so may result in termination of service. The City shall not be responsible for any damage to landscaping, vegetation, walls or fencing, or finishes or other incidental losses as a result of vegetation clearing. Customers may also be required to remove obstructions at their own cost and expense to maintain service.

5. Authority To Connect or Disconnect Service:

- A. The City will not install and maintain any lines and equipment on the Customer's side of the point of delivery.
- B. For the mutual protection of the Customer and the City, only authorized employees of the City are permitted to connect or disconnect service.
- C. Where new services are to be connected, a satisfactory final inspection by the City Development and Sustainability Department or other authorized jurisdiction will normally be required prior to turning on the gas or electrical service. Development and Sustainability Department permits and/or inspections may be required for the resetting of a gas meter that had been previously removed from a property.
- D. All connections of gas service require the presence of a responsible party 18 years of age or older at the property for completion of the safety inspection. Additional trip charges to property will be applicable.
- E. All Life Support Customers will be contacted in person or via posting at the premises on the date of disconnect and provided an additional twenty-four (24) hours to make alternate arrangements or to pay the required amount owing prior to service termination.

6. Termination of Service:

- A. In addition to applicable conditions and/or circumstances established in other sections of these Terms and Conditions, the City may disconnect service to any Customer when necessary for the Utility to comply with an order of any Governmental Agency having such jurisdiction.
- B. Upon notice that a Customer-of-record is deceased, the City will disconnect all services. A notice of disconnection will be mailed to "all residents of" the subject service location. This notice will explain that new account must be opened in the name of another resident at the service location within thirty (30) calendar days. A new deposit will be required except in the case where the new Customer of record is the surviving spouse.

7. Metering Provisions:

- A. The Customer will provide, in accordance with the City's current service standards and free of expense to the City, a sufficient and proper space in an approved location for the installation of the meter.
- B. The readings of the City's meter will be conclusive as to the amount of consumption used by the Customer, unless upon test, the City's meter is found to be in error by more than three percent (3%). If a meter is found in error by more than three percent (3%), the City will compute the consumption based on the error percentage and/or applicable history.
- C. If the Customer requests an accuracy test and the meter proves to be not more than three percent (3%) in error, a service charge to cover the vehicle expense, driving time and labor expense for meter exchange and testing will be made by the City in accordance with the current Utility Service Fee Schedule.

8. Cooling Tower/Subtractive Metering:

For a commercial Customer with cooling towers, the City may allow the Customer to have influent and effluent meters installed to properly meter the amount of water discharged to the wastewater system. The Customer shall be responsible for all costs associated with the purchase and installation of City approved meters and must provide City approved ground level meter readout devices in an approved location. Construction plans must be approved by the applicable City departments before any purchase of the meters and their installation can proceed.

9. Grounds for Termination or Refusal of Service:

The City may refuse to connect or reconnect or may terminate City utility services if any of the following conditions exist:

- A. Applicant has an outstanding amount due with the City for utility services or any other delinquent City account and is unwilling to make acceptable arrangements with the City for payment.
- B. A condition exists which in the City's judgment is unsafe or hazardous.
- C. Applicant has failed to meet the security deposit requirements set forth by the City.
- D. Applicant is receiving service in violation of the City's Rate Schedules.
- E. Applicant fails to furnish such funds, service, equipment, licenses, easements and/or rights-of-way required to serve Applicant and which have been specified by the City as a condition for providing service.
- F. Applicant falsifies his or her identity for the purpose of obtaining service.
- G. Service is requested by an Applicant and a prior Customer living with the Applicant owes a delinquent utility bill.
- H. Applicant is acting as an agent for a prior Customer who is deriving benefits of the service and who owes a delinquent utility bill.
- I. Applicant has failed to obtain all required permits and/or inspections indicating that Applicant's facilities comply with local construction and safety codes.
- J. Applicant or anyone residing at the premises has an outstanding debt with any City department.
- K. Applicant otherwise is not in compliance with these Terms and Conditions.

10. Residential Establishment of Credit or Security Deposit:

- A. Residential Customers are required to place a deposit.
- B. The City may waive the security deposit from a new applicant for residential service if the applicant is able to meet any of the following requirements and has no other delinquent City accounts.
 - 1. Applicant has had service of a comparable nature with the City within the past twenty- four (24) months and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for non-payment.
 - 2. Applicant authorizes the City to obtain a consumer credit report from a third-party consumer credit reporting agency chosen by the City and applicant's credit score provided by the credit reporting agency is satisfactory to the City. An applicant requesting the City obtain a credit history is required to pay a fee in accordance with the City's utility service fee schedule to offset the City's cost of obtaining the credit report.

11. Nonresidential Establishment of Security Deposit:

All nonresidential customers may be required to:

- A. Place a cash deposit to secure payment of bills for City services as prescribed herein.
- B. Provide a non-cash security deposit in the form of a Surety Bond in an amount equal to the required security deposit.

12. Re-establishment of Security Deposit:

- A. Residential Service. The City may require a residential Customer to establish or re-establish a security deposit if Customer becomes delinquent in the payment of more than two (2) bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months or when the Customer's financial condition may jeopardize the payment of their bill, as determined by a credit scoring service or other objective criteria.
- B. Nonresidential Service. The City may require a nonresidential Customer to establish or re-establish a security deposit if the Customer becomes delinquent in the payment of more than two (2) bills within a twelve (12) consecutive month period or if the Customer has been disconnected for non-payment during the last twelve (12) months, or when the Customer's financial condition may jeopardize the payment of their bill, as determined by a credit scoring service or other objective criteria.

13. Security Deposits:

- A. The City reserves the right to increase security deposit amounts applicable to the services being provided by the City if the Customer becomes delinquent in the payment of more than two (2) bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months:
- B. Separate security deposits are required for each service location.
- C. Customer security deposits shall not preclude the City from terminating service or suspending service for any failure in the performance of Customer's obligation under the Terms and Conditions.
- D. Deposits (cash and non-cash) are applied to the final bill when all services become inactive. Customers-of-record subject to the provisions of Mesa City Code Title 5, Chapter 10 shall next have the deposit balance applied to any City accounts receivable balances that arise from Mesa privilege, use, or transient occupancy tax liabilities. Deposits shall also not be refunded unless and until the Customer-of-record files all delinquent privilege, use, or transient occupancy tax returns. Any remainder shall next be applied to set-off other delinquent City accounts before the balance is refunded to the Customer-of-record. Any remaining amounts shall be refunded to the Customer.

A check will be issued for all refunds and mailed to the address on file.

- E. Subject to the provisions in Section 13(D), deposits on file with the City, upon request, will be reviewed after twenty-four (24) consecutive months of service for residential accounts and thirty-six (36) consecutive months of service for nonresidential accounts. Accounts will be credited the amount of the security deposit on file with the City provided the Customer has not been delinquent more than twice in such review periods.
- F. Nonresidential security deposits shall be set at two and one-half (2-1/2) times the service address' maximum monthly billing within the preceding twelve (12) month period as determined by the City for the service being provided by the City or two and one-half (2-1/2) times the maximum monthly billing for a comparable business if the current history for the service address is not for a similar type of business.
- G. For residential dwelling units with individual service meters, the security deposits shall be in accordance with the current Utility Service Fee Schedule unless applicant's past service history warrants an additional amount. In which case the security deposit shall not exceed two and one-half (2 ½) times the maximum monthly billing based on the most recent historic usage for the service address.
- H. The City has the right to suspend utility services to enforce payment of utility bills, collection charges, service charges, meter test charges, or security deposit amounts.
- I. Security Deposits may be increased for those Customers whose services have been disconnected for non-payment.

14. Billing and Terms:

- A. The City will read meters or calculate meter readings and bill Customers at regular intervals, normally every twenty-six (26) to thirty-four (34) calendar days. At its sole discretion, the City may change the frequency of meter reading.
- B. Services billed for periods outside of the twenty-six (26) to thirty-four (34) calendar day range are subject to pro-ration of minimum charges based on a standard thirty (30) day billing cycle.
- C. The City may compute, re-compute or adjust bills for Customer accounts based on a reasonable usage estimate made by the City if any of the following conditions apply:
 - 1. The meter fails to accurately register;
 - 2. The meter reader is unable to obtain a meter reading because of locked gates, safety concerns, inclement weather, or other deterrent;
 - 3. Service is temporarily supplied without a meter; or
 - 4. A contrivance has been used to circumvent the accurate registration of metering devices.
- D. When an error is found to exist in the billing rendered to Customer, or if service is discovered in use at the property that had not previously been charged to the Customer, the City will correct such error to recover or, subject to the City account set-off provisions in Section 13(D), refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of thirty-six (36) months from the date the error is discovered. Any refunds to Customer resulting from adjusted billings will be made promptly upon discovery by the City. Under billings by the City shall be billed to Customer who shall, upon Customer's request, be given an equal length of time, such as number of months under billed, to pay the back bill on a level installment basis without late fee penalties, unless there is evidence of meter tampering or theft. This payment arrangement will become null and void if payments are not received by each bill's stated due date; normal collection procedures and late fees will then apply.
- E. The City is not responsible for any increased usage that results from problems on the Customer side of the point of delivery (metering device).
- F. Customers must notify the City immediately of a lost, stolen or damaged solid waste barrel and the need for a repair or replacement. Adjustments shall not be given for barrels that are unusable, have not been at the service address, or have not been properly reported by the Customer.
- G. When a Customer is responsible to report a unit count for billing purposes and fails to timely provide an accurate count, the unit count shall be estimated or the driver count shall be used to bill for the month. Thereafter, the City will only make account adjustments if the Customer provides an accurate report prior to the start of the next billing cycle.
- H. Wastewater Fee Adjustment forms are available annually to residential Customers who use a large percentage of their domestic water usage for landscaping purposes or who experienced a leak during the months of December through March. Data provided by the Customer will be used to determine the eligibility for a reduction in monthly wastewater charges. Wastewater charges are re-evaluated each April based on the average water consumption used during the months of December, January, February and March. Forms must be submitted to the City annually.
- I. Any failure of the City to render a complete monthly bill shall not be a waiver of the City's right to payment for services supplied by the City.
- J. Customer Select Due Date ("CSDD"):
Subject to availability, eligible residential Customers may select the date in the month, within City guidelines, that their utility bill is due. The requesting account must have a zero balance at the time of CSDD activation. The Customer must pay the bill by the due date to remain on the program.

K. SurePay (Automatic Payment Option):

The Customer may authorize the City to electronically withdraw the amount of the monthly bill for City services directly from a specified checking or savings account. The City may discontinue the Customer's participation in this option upon the second occurrence of the Customer's payments being returned by their financial institution for any reason during the period of the current and immediately preceding eleven (11) Billing Periods. The requesting account must have a zero balance at the time of SurePay activation.

L. Budget Payment Plan ("BPP"):

Subject to availability, all eligible residential Customers may have the City equalize their monthly charges over a twelve (12) month period for utility services provided by the City. The requesting account must have a zero balance at the time of BPP activation. The account must stay current to remain in BPP.

1. The City will not offer a BPP to Direct Access Customers. Customers who have a managed payment billing plan at the time of their switch to Direct Access Service will be removed from such plan, and must pay any accumulated charges in full. The City will refund any accumulated credit to the Customer after generation of the final Standing Offer Service Bill.

M. Available Service Activation:

1. Where service is available, residential Solid Waste and Wastewater service charges will be assessed when the domestic water meter at the property is active and in use per the applicable City of Mesa Rate Schedule.
2. Residential solid waste and recycling service, where available, will be billed in association with water and wastewater services on all commercial and multi-use dwellings as outlined in the applicable City of Mesa Rate Schedule.

15. Utility Service, Collection, and/or Late Fee Charges:

- A. All utility service, collection and late fee charges shall be in accordance with the current Utility Service Fee Schedule.
- B. A utility administrative fee will be assessed to establish a utility account. In addition, all applicable service connection charges will be assessed for each metered service activated.
- C. A late fee will be assessed to all accounts with an amount owing in arrears one (1) day after the due date. An amount more than one (1) billing cycle past due shall be subject to additional late fees.
- D. If a non-payment disconnection notice must subsequently be produced and mailed, an additional charge will be billed to defray the cost of producing and mailing this notice.
- E. In the event that a utility field representative must be dispatched to a service address, a trip charge will be assessed to defray the cost of each field trip.
- F. Should it become necessary to reconnect utility service that has been disconnected due to non-payment, normal administrative and service connection charges will apply.
- G. Should it become necessary to remove a meter or regulator, or to disconnect service to enforce payment, additional service charges will be made, including charges for damages to utility meters, meter locking devices or any other City owned property.
- H. City and State Transaction Privilege tax will be assessed on all charges as applicable.

16. Change to Optional Rate Schedule:

- A. Where optional Rate Schedules are available, only one change requested by the Customer-of-record

will be allowed in any twelve (12) month period.

17. Payment of Utility Bills:

- A. Utility bills shall be rendered monthly, are payable upon presentation and are past due after the due date.
- B. The City reserves the right to suspend or terminate any or all of the Customer's services for non-payment of bills past due or for utility payment items (checks, credit cards, etc.) returned or rejected by a financial institution unpaid. Payment for reconnection or repayment of returned items must be paid with guaranteed funds (cash, debit or credit card) and will be effective upon receipt of the full balance due to the City of Mesa.
- C. If a Customer has been notified of a pending disconnection, or has been disconnected, and the payment to maintain continuity of service, or to reinstate service following disconnection is returned or rejected by a financial institution, the City reserves the right to disconnect service without further notice.
- D. A lien for unpaid utility account balances and the cost of preparing, processing and releasing a lien may be placed on the property, lot or tract of land to which service was rendered, or any other real property currently owned by the Customer, or any real property that may become owned by the Customer subsequent to termination of their account.
- E. At the City's option, any person, other than the Customer-of-record, specifically including, but not limited to, the property owner, who benefited from the utility services provided by the City may be held responsible for payments.
- F. Any overpayment made on a utility account that results in a credit to the utility account shall be available to set-off City account receivable balances in conformity with Section 13(D).

18. Collection of Accounts:

- A. A Customer whose account has been terminated will be issued a final bill, which must be paid in full upon presentation. If a final bill becomes delinquent, the City may use any legal means available to collect the amount due. The Customer will be responsible for paying all costs and expenses incurred by the City to collect the amount due.
- B. An unpaid utility account balance may be transferred to another City utility account with the same Customer or any other person(s) who benefited from the utility service.
- C. The City may apply any Customer's privilege, use, or transient occupancy tax credit or refund or any other City account credit or refund to the utility account in order to satisfy any unpaid utility debt before the Customer receives such credit or refund.

19. Payment and Billing Disputes:

- A. The Customer should notify Mesa Customer Information and Billing Operations of discrepancies in the City's billing for services provided by the City. The City will not consider the amount in dispute for collection action until the City has verified that the bill was correct, provided the Customer notifies the City of the claim before the amount becomes delinquent and pays all other undisputed amounts billed by the City. The City will provide the results of its verification determination within thirty (30) days of the dispute.
- B. A Customer dissatisfied with the City's determination may, within thirty (30) days, appeal the decision in writing to the City's Utility Billing Systems Administrator.
- C. If a Customer has a dispute with a City bill that has not been satisfactorily resolved by the Utility Billing Systems Administrator within thirty (30) days, a written complaint may be submitted within twenty (20) days to the Business Services Director for further review. The Business Services Director shall respond to the Customer within twenty (20) days of the receipt of the Customer's complaint. The timeline for

response may be extended by agreement of the Customer and the City.

- D. If the complaint is not resolved by the Business Services Director's action, the Customer may submit the complaint within twenty (20) calendar days of the response to the City Manager. The City Manager or designee shall issue a written decision to the Customer within twenty (20) calendar days of receipt by the City Manager. The timeline for response may be extended by agreement of the Customer and the City Manager or designee.
- E. Decisions of the City Manager or designee regarding a dispute with the City's charges may be appealed to the City Council or designated City Council Committee but if not appealed within twenty (20) days, the decision will serve as the City's ultimate determination of the dispute; however, if appealed, the City Council or designated City Council Committee's decision will be the City's ultimate determination of the dispute.

20. Unauthorized Use of Utilities:

A. Unauthorized use of utilities shall mean:

- 1. The taking of a utility service, (1) by turning the service on without authority, (2) by bypassing a meter, connecting directly into the service or a hydrant without a meter, (3) willfully modifying the meter or service apparatus so as to cause loss or reduction of registration, (4) obtaining service via another City Customer's service, (5) unauthorized connection to wastewater services, or (6) without otherwise complying with these Terms and Conditions.
- 2. For an Interruptible Gas Service Customer, the taking of gas on any day in excess of the maximum daily contract quantity specified in the gas service contract between the City and the Customer.
- 3. For any gas Customer subjected to curtailment during a curtailment period, the taking of gas in excess of a daily variable entitlement specified by the City and based upon the Customer's priority class (see the City of Mesa's Curtailment Ordinance) and the curtailment imposed upon the City by its general gas transportation supplier, El Paso Natural Gas Company.
- 4. For any Customer with a maximum monthly quantity specified in the gas service contract between the City and the Customer, the taking of gas in any billing period in excess of the maximum monthly quantity.

B. If unauthorized use of a utility occurs, the City shall charge:

- 1. Residential Customers for an estimated usage according to the applicable Rate Schedule plus a service charge for each connection in accordance with the current Utility Service Fee Schedule.
- 2. Nonresidential, multi-family and construction Customer accounts for an estimated usage according to applicable rates plus a service charge in accordance with the current Utility Service Fee Schedule for each connection. Subsequent fees paid for the appropriate required meters may be subtracted from the service charge.
- 3. Customers found to have unauthorized connections are subject to criminal prosecution, paying all damages, and/or paying charges found in the current Utility Service Fee Schedule.
- 4. City and State Transaction Privilege Tax will be assessed on all charges as applicable.

21. High Pressure Gas Service:

Gas is normally supplied by the City from a main or service regulator normally operating at a pressure equivalent to seven inches of water column. Where, in the City's opinion, gas is available at high pressure, it will be supplied subject to the following provisions:

- A. Such higher delivery pressure shall be agreed upon by the City and the Customer, and supplied within the range of accuracy provided by a standard service regulator.
- B. For billing purposes, the volume of gas registered in cubic feet by the meter at a pressure in excess of seven inches of water column shall be corrected to a basis of four ounces (0.25 pounds) per square inch above an assumed atmospheric pressure of 14.12 pounds per square inch, or 14.37 pounds per square inch absolute pressure; the City reserves the right to correct gas deliveries to a temperature standard of 60° F., and to apply deviation factors for super-compressibility.

22. Landlord Agreements:

A landlord agreement is defined herein as an agreement between the City and a qualified landlord which allows for the automatic continuation of service in the landlord's name when a tenant requests disconnection of service. A qualified landlord is a rental property owner that has established a satisfactory credit status of no more than two (2) delinquent utility payments per year or has a utility deposit on-hand with the City of Mesa Utility Customer Accounts Section.

- A. The landlord agreement shall not apply when a tenant is disconnected for non-payment of utilities.
- B. Disputes regarding effective dates of service shall be resolved between the tenant and the landlord.
- C. The utility administrative fee may be waived for landlord agreement Customers in which the City is the retail supplier of the account's electric, gas or water service, whichever service is Applicable to the account being activated, when that service under the landlord agreement automatically reverts to the landlord's account, but shall apply when a new tenant requests service at that location.
- D. The landlord agreement may be terminated by the landlord or the City at any time with thirty (30) days' written notice.

23. Parcels Outside the Municipal Limits, Annexation Exceptions.

- A. Parcels of real property located outside Mesa's corporate limits requesting water or wastewater service may be provided such service if (i) the real property complies with all City ordinances, regulations, standards, and other requirements as if it were located within the City's corporate limits, including but not limited to compliance with the Zoning Code, Building Codes, Fire Code, and the street, utility improvement and other requirements in M.C.C. 9-8-3; and (ii) the owner of the property enters into a Utility Services Agreement wherein the owner agrees to comply with these Terms and Conditions and waives all rights under A.R.S. § 9-500.34, and further agrees that if such waiver is found to be unenforceable, the City will have no obligation (under the Agreement or otherwise) to provide water or wastewater service.
- B. Where one parcel of real property located outside of Mesa's corporate limits requesting water or wastewater service is being developed or used for a detached single residence (as defined in the City of Mesa Zoning Ordinance 11-86-2, but with the exclusion of manufactured homes, manufactured home parks, and recreational vehicles), that parcel may be provided water or wastewater service if (i) the real property complies with all City ordinances, regulations, standards, and other requirements as if it were located within the City's corporate limits, including but not limited to compliance with the Zoning Code, Building Codes, Fire Code, and the street, utility improvement and other requirements in M.C.C. 9-8-3, except as such compliance may be deferred under subsections 1 through 4 below; and (ii) the owner of the property enters into a Utility Services Agreement wherein the owner agrees to comply with these Terms and Conditions and waives all rights under A.R.S. § 9-500.34, and further agrees that if such waiver is found to be unenforceable, the City will have no obligation (under the Agreement or otherwise) to provide water or wastewater service. Certain compliance requirements of 23(B)(i) above may be deferred as follows:
 - 1. Those requirements in Mesa City Code Sections 9-8-3(E), (G), and (H) for public improvements for streets, alleys, sidewalks, wastewater lines, fire hydrants, irrigation lines and ditches, storm drainage, streetlights, traffic control devices, street name signs, and survey monuments may be deferred until the property owner seeks to have the property annexed into the City of Mesa;

provided, however, the deferral of requirements in this sub-section 1 shall not apply to M.C.C. 9-8-3(H)(4) regarding water lines or to wastewater lines if the property owner seeks wastewater service. All City-owned lines shall be designed, installed, constructed, and inspected in compliance with the Mesa City Code and standards, and there is no deferral of any requirements for City-owned lines.

2. If the property does not comply with the requirements in the International Fire Code—as adopted and amended by the M.C.C. Title 7, Chapter 2—in Section 503 “Fire Apparatus Access Roads,” Section 508 “Fire Protection Water Supplies,” Appendix B “Fire-Flow Requirements for Buildings,” and Appendix C “Fire Hydrant Locations and Distribution” (or equivalent code section and/or appendices if the code edition format has been modified), the property owner has the alternative to defer these requirements until the property owner seeks to have the property annexed into the City of Mesa so long as prior to receiving service the property owner installs a National Fire Protection Association (NFPA) fire sprinkler system. The fire sprinkler system must comply with the NFPA 13D standard in effect at the time the service is provided with installation in all areas of the residence and no omissions permitted; provided, however, the City of Mesa Building Official may make reasonable modifications to allow omissions to the NFPA 13D standard.
 3. The requirements described in sub-sections 1 and 2 above (the “Deferred Requirements”) will only be deferred until the property owner seeks annexation. Prior to annexation, the property owner must construct, install, and complete the Deferred Requirements. Additionally, if the Water Resources Director determines that the deferral of all or a portion of the Deferred Requirements would adversely affect water quality or service, those Deferred Requirements that would have such an affect will not be deferred and are required prior to receiving service.
 4. The property owner must further agree in the Utility Services Agreement to complete the Deferred Requirements prior to seeking annexation, as well as such other terms as are required by the City.
- C. In addition to the requirements set forth above, the Utility Service Fee shall be paid for each parcel connecting. The owner shall also be responsible for payment of all applicable water and wastewater development impact fees and applicable connection and meter fees and charges under City Rate and Fee Schedules.

24. Modifications:

- A. Where an individualized assessment reveals the existence of special conditions involving topography, land ownership, adjacent development, parcel configuration, or other factors relating to the impact the development will have on the need for public improvements associated with the proposed development, the City Manager or designee may reduce, defer, or approve alternatives to the requirements in Sections 3(D) and 3(F), of these Terms and Conditions for the Sale of Utilities, based upon a finding that such conditions or factors exist and that the requirements would substantially impair existing uses or the ability for development; provided, however, the requirement in Section 3(F) for the parcel requesting service to extend the public main line(s) adjacent to the parcel may not be modified or eliminated. The determination of the City Manager, or his designee, hereunder may be appealed to the City Council committee that is designated by the City to hear such appeals, and such committee’s determination may be appealed to the City Council. All appeals must include a written notice of appeal that contains an explanation of why the appellant feels that the determination was in error. The written notice of appeal must be filed with the City Clerk within thirty (30) days after the determination for which the appeal is being filed. The determination of the City Council shall be final.
- B. In order to promote the interests of the City, the City Council may modify, eliminate or approve alternatives from the requirements of Section 3 of the Terms and Conditions for the Sale of Utilities for an individual parcel of real property. Any such decision shall be at the discretion of the City Council and shall be made only upon a recommendation from the designated City Council Committee to allow such modifications, eliminations or alternatives. An approved modification may be contingent upon the applicant entering into a Utility Service Agreement.
- C. Parcels of real property that are developed as new or converted commercial or residential condominiums, as defined in A.R.S. § 33-1202, may be excepted from some or all of the requirements

of Sections 3(A), 3(C) or 3(E) by the City Engineer as follows:

1. A group of structures or parcels may be served by one (1) meter and service connection when the real property under ownership by multiple parties is governed by a Homeowner's Association or a Unit Owners Association; or
2. A group of structures or parcels may be served by more than one (1) meter when the main lines are located in public utility easements or public utility facility easements.

25. Violation; Penalty:

Among other penalties that may apply, any person that violates any provision of this Ordinance shall be guilty of a misdemeanor. Upon conviction, individuals shall be punished by a fine not to exceed \$2,500, or by imprisonment for a period not to exceed six (6) months, or by such fine and imprisonment. Upon conviction, businesses shall be punished by a fine not to exceed \$20,000. Each instance of violation continued shall be a separate offense, punishable as described above.

26. Confidentiality:

Customer-specific information shall not be released without specific prior written Customer authorization unless the information is reasonably required for legitimate account collection activities or credit analysis activities or when such information aids in providing safe and reliable service to the Customer or unless otherwise provided by court order or law.

This page intentionally left blank.

SCHEDULE ETC (ELECTRIC UTILITY)

TERMS AND CONDITIONS FOR ELECTRIC SERVICE

The following terms and conditions (Electric Terms) will apply to Electric Utility Service, under the established rate schedule(s) adopted by Mesa and currently applicable at time of sale.

The Electric Terms referenced herein supplement and as applicable supersede the Terms and Conditions for the Sale of Utilities regarding City of Mesa electric utility services.

1. GENERAL

- 1.1 Services will be supplied in accordance with these Electric Terms, and such applicable rate schedules as may from time to time be adopted by Mesa. However, in the case of a Customer whose electric service requirements are of unusual size or characteristics, approval of additional or special contract arrangements by the Mesa City Council may be required as determined in the City's sole discretion.
- 1.2 These Electric Terms shall be considered a part of all electric service rate schedules.
- 1.3 In case of a conflict between any provision of a rate schedule and these Electric Terms, the provisions of the rate schedule shall apply.
- 1.4 Services are subject to the availability of adequate capacity, voltage and City of Mesa facilities at the beginning point of an extension, as determined by the City of Mesa. All services extensions will be designed and constructed for operation at standard voltages used by the City of Mesa in the area in which the City of Mesa extension facilities are located. At the request of an applicant, the City of Mesa may, at its option, deliver service for special applications of non-standard or higher voltages with prior approval from the City of Mesa Energy Resources Department.
- 1.5 In the case of a conflict between any provision of the Rules and Regulations and these Electric Terms, the provisions of these Electric Terms shall apply.
- 1.6 Mesa will consider the existing circumstances and conditions and without undue preference or obligation to any Customer, use reasonable diligence to supply electric service, but does not warrant or guarantee the electric service against fluctuations, intermittency, or interruptions, nor does the City warrant or guarantee any level of supply sufficiency. Mesa will not be liable to the Customer for any damages occasioned by fluctuations or interruptions, or by failure to begin supplying electric service from causes beyond Mesa's reasonable control. Mesa may, without incurring any liability therefore, suspend electric service for periods necessary to accomplish repairs to or changes in any of Mesa's electric facilities or in the event of an emergency.
- 1.7 All monies must normally be paid at the time service is requested.
- 1.8 The City will make reasonable efforts to reestablish service when service interruptions occur, considering in all cases the customer's needs and capacity required, the existing circumstances and conditions, and its obligations to other customers. The restoration of service will be performed in the manner which, in the opinion of the City, will result in the greatest public benefit.

- 1.9 The City will also make reasonable efforts to complete the installation of new facilities within a reasonable time period, also considering the Applicant's needs and capacity required, the existing circumstances and conditions, and its obligations to other customers, but shall not be liable for any delays in completion of such installation.

2. ESTABLISHMENT OF SERVICE

Each parcel of real property within Mesa's service territory will be served from a public main line and separate connection directly adjacent to the real property receiving electric service. Each such parcel shall have frontage on a dedicated public rights-of-way and easements meeting the requirements of the City of Mesa. The minimum width of such frontage shall be the minimum required by the applicable zoning classification. All real property authorized to receive service shall develop in compliance with all applicable City Codes, regulations, standards and other requirements established by the City of Mesa. No group of structures may be served by one (1) meter unless (i) situated on the same real property and (ii) under one (1) ownership, or unless approved by City. No sale or transfer of service from one real property ownership to another shall be permitted. In the event that any real property with electric service is subdivided and any portion of that real property is subsequently sold to another party, a public main extension and/or meter relocation will be required as necessary to make service directly adjacent to each new lot so created.

- 2.1 Application for Service - Customers requesting service may be required to appear at Mesa's place of business to produce proof of identity before service is supplied by Mesa.

2.1.1 In the absence of a signed application or contract for service the supplying of electric service by Mesa and acceptance thereof by Customer shall be deemed to constitute a service agreement by and between Mesa and Customer for delivery of, acceptance of, and payment for service, subject to Mesa's applicable rates and Rules and Regulations and these Electric Terms.

2.1.2 Where service is requested by two or more individuals, Mesa shall have the right to collect the full amount owed Mesa from any one of the Applicants.

2.2 RESERVED

- 2.4 Grounds for Refusal of Service - Mesa may refuse to connect or reconnect electric service if any of the following conditions exist:

2.4.1 Applicant has an outstanding amount due with Mesa for utility services and is unwilling to make arrangements with Mesa for payment.

2.4.2 A condition exists which in Mesa's judgment is unsafe or hazardous.

2.4.3 Applicant has failed to meet the security deposit requirements set forth by Mesa.

2.4.4 Applicant is known to be in violation of Mesa's rate schedules.

2.4.5 Applicant fails to furnish such funds, service, equipment, and/or rights-of-way required to serve Applicant and which have been specified by Mesa as a condition for providing electric service.

2.4.6 Applicant falsifies his or her identity for the purpose of obtaining service.

- 2.4.7 Service is requested by an Applicant and a prior Customer living with the Applicant owes a delinquent bill.
 - 2.4.8 Applicant is acting as an agent for a prior Customer who is deriving benefits of the service and who owes a delinquent bill.
 - 2.4.9 Applicant has failed to obtain all required permits and/or inspections indicating that Applicant's facilities comply with local construction and safety codes.
- 2.5 Establishment of Credit or Security Deposit
- 2.5.1 Residential Establishment of Credit or Security Deposit:

Residential customers are normally required to place a deposit. Mesa may waive the security deposit from a new Applicant for residential service if Applicant is able to meet any of the following requirements:

 - A. Applicant has had service of a comparable nature with Mesa within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.
 - B. Applicant can produce a letter regarding credit or verification from an electric utility where service of a comparable nature was last received within the last 12 months, which states Applicant had a timely payment history at time of service discontinuation.
 - C. In lieu of a security deposit, Mesa receives a low risk credit rating verification from a credit rating service deemed acceptable by Mesa.
 - 2.5.3 Residential Establishment of Security Deposit - When credit cannot be established as provided for in Section 2.5.1 hereof or when it is determined that Applicant left an unpaid final bill owing to another utility company, Applicant will be required to:

Place a cash deposit to secure payment of bills for electric service as prescribed herein.
 - 2.5.4 Nonresidential Establishment of Security Deposit - All nonresidential customers may be required to:
 - A. Place a cash deposit to secure payment of bills for electric service as prescribed herein.
 - B. In lieu of a security deposit, Mesa receives a pre-approved low risk credit rating verification from a credit rating service deemed acceptable by Mesa.
 - C. Provide a non-cash security deposit in the form of a Surety Bond in an amount equal to the required security deposit.

2.6 Re-establishment of Security Deposit

- 2.6.1 Residential service- Mesa may require a residential Customer to establish or re-establish a security deposit if Customer becomes delinquent in the payment of more than two (2) bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months.
- 2.6.2 Nonresidential service- Mesa may require a nonresidential Customer to establish or re-establish a security deposit if the Customer becomes delinquent in the payment of more than two (2) bills within a twelve (12) consecutive month period or if the Customer has been disconnected for non-payment during the last twelve (12) months, or when the Customer's financial condition may jeopardize the payment of their bill, as determined by a credit scoring service.

2.7 Security Deposits

- 2.7.1 Mesa reserves the right to increase security deposit amounts applicable to the services being provided by Mesa:
 - A. If the Customer's average energy consumption increases by more than ten (10) percent for residential accounts within a twelve (12) consecutive month period and five (5) percent for nonresidential accounts within a twelve (12) consecutive month period or,
 - B. Reserved.
- 2.7.2 Separate security deposits may be required for each service location.
- 2.7.3 Customer security deposits shall not preclude Mesa from terminating or suspending electric service for any failure in the performance of Customer's obligation under these Electric Terms or any agreement for service.
- 2.7.4 Deposits (cash and non-cash) are applied to the final bill when all City services are terminated. Customers-of-record subject to the provisions of Mesa City Code Title 5, Chapter 10 shall next have the deposit balance applied to any Mesa accounts receivable balances that arise from Mesa privilege, use, or transient occupancy tax liabilities. Deposits shall also not be refunded unless and until the Customer-of-Record files all delinquent privilege, use, or transient occupancy tax returns. Any remainder is refunded to the Customer-of-record.
- 2.7.5 Residential accounts will be assessed a security deposit, to be adjusted as required, for the services being provided by Mesa.

Subject to the tax set-off provisions in Section 2.7.4, deposits will be eligible to be returned or credited to Customer's account after twelve (12) consecutive months of service, provided Customer has not been delinquent more than twice in the last 12 months.

- 2.7.6 Nonresidential security deposits shall be set at two and one-half (2-1/2) times Customer's maximum monthly billing as estimated by Mesa for the service being provided by Mesa.

Subject to the tax set-off provisions in Section 2.7.4, deposits and non-cash deposits on file with Mesa, upon request, will be reviewed after thirty-six (36) months of service and will be returned provided Customer has not been delinquent more than twice in each of the three (3) previous twelve (12) month periods, in the payment of bills or disconnected for non-payment during the previous twelve (12) consecutive months unless the Customer's financial condition warrants extension of the security deposit. The refund is subject to the Privilege Tax Licensee provisions contained in Section 2.7.4.

3. RATES

3.1 Rate Information

Because of varying Customer usage patterns and other reasons beyond its reasonable knowledge or control, Mesa cannot guarantee that the most economic applicable rate will be applied. Mesa will not make any refunds in any instances where it is determined that Customer would have paid less for service had Customer been billed on an alternate applicable rate or provision of that rate. Rate schedules are available for review on the City's website at:

<https://www.mesaaz.gov/government/office-of-management-budget/utility-rates>

3.2 Optional Rates

Certain optional rate schedules applicable to certain classes of service allow the Customer the option to select the rate schedule to be effective initially or after service has been established. Customer desiring service under an alternate rate schedule after service has been established must make such request in writing to Mesa. Billing under the alternate rate will become effective from or after the next meter reading, or when the appropriate metering equipment is in place. No further changes, however, may be made within the succeeding twelve-month period. Where the rate schedule or contract pursuant to which Customer is provided service specifies a term, Customer may not exercise its option to select an alternate rate schedule until expiration of that term.

4. BILLING AND COLLECTION

4.1 Customer Service Installation and Billing - Service billing periods normally consist of approximately 30 days unless designated otherwise under rate schedules, through contractual agreement, or at Mesa's option.

- 4.1.1 Mesa normally meters and bills each premise separately; however, adjacent and contiguous premises not separated by private or public property or right of way and operated as one integral unit under the same name and as a part of the same business, may be considered a single premise at Mesa's option.

- 4.1.2 Customer service installation will normally be arranged to accept only one type of standard electric service at one Point of Delivery to enable service measurement through one meter. If Customer requires more than one type of electric service, or total service cannot be measured through one meter according to Mesa's regular practice, separate meters will be used and separate billing rendered for the type of service measured by each meter.

- 4.2 Collection Policy - The following collection policy shall apply to all Customer accounts:
- 4.2.1 All bills rendered by Mesa are due and payable upon presentation and are past due after the due date. Any payment not received within this time frame shall be considered delinquent. All delinquent bills for which payment has not been received shall be subject to the provisions of Mesa's termination procedure. Mesa reserves the right to suspend or terminate Customer's service for non-payment of any services provided by Mesa, including but not limited to i) delinquent service bills; ii) non-payment of service connection charges; iii) non-payment of security deposits; iv) non-payment of meter test charges; v) non-payment of any dishonored payment charges; vi) non-payment of late charges; vii) non-payment of collection charges. All delinquent charges will be subject to a late charge. When the Customer is subject to Mesa City Code Title 5, Chapter 10, Mesa may apply any privilege, use, or transient occupancy tax credit or refund to the utility account in order to satisfy any unpaid utilities debt before the Customer receives such tax credit or refund.
 - 4.2.2 If a non-payment disconnection notice must subsequently be produced and mailed, an additional charge will be billed to defray the cost of producing and mailing this notice.
 - 4.2.3 If Customer has two or more electric services with Mesa and one or more of such services is terminated for any reason leaving an outstanding bill and Customer is unwilling to make arrangements with Mesa for payment, Mesa shall be entitled to transfer the balance due on the terminated service to any other active account of Customer for the same class of service. The failure of Customer to pay the active account shall result in the suspension or termination of service there under.
- 4.3 Responsibility for Payment of Bills
- 4.3.1 Customer is responsible for the payment of bills until electric service is ordered discontinued and Mesa has had reasonable time and access to secure a final meter reading for those services involving energy usage, or if non-metered services are involved until Mesa has had reasonable time to process the disconnect request.
 - 4.3.2. Subject to the tax set-off provisions in Section 2.7.4, when an error is found to exist in the billing rendered to Customer, Mesa will correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of three (3) years from the date the error is discovered. Any refunds to Customer resulting from adjusted billings will be made promptly upon discovery by Mesa, subject to the Privilege Tax Licensee provisions set forth in Section 2.7.4. Under billings by Mesa shall be billed to Customer who shall upon request, be given an equal length of time, such as number of months under billed, to pay the back bill on a level installment basis without late payment penalties, unless there is evidence of meter tampering or energy theft. This payment arrangement will become null and void if payments are not received by the bills' due dates; normal collection procedures and late fees will then apply.
- 4.4 Dishonored Payments - If Mesa is notified by the Customer's financial institution that they will not honor a payment tendered by Customer for payment of any bill because: i) there are insufficient funds; ii) the account has been closed; (iii) Customer has sent a "stop payment" request; or (iv) any other reason the financial institution will not honor Customer's payment, Mesa may require the Customer to make payment in cash, by money order, certified check, or other means which guarantee the Customer's payment to Mesa.

- 4.4.1 Customer shall be charged a fee for each instance where Customer tenders payment of a bill with a payment that is not honored by Customer's financial institution.
- 4.4.2 The tender of a dishonored payment shall in no way (i) relieve Customer of the obligation to render payment to Mesa under the original terms of the bill, or (ii) defer Mesa's right to terminate electric service for nonpayment of bills.
- 4.4.3 Where the Customer has tendered two (2) or more dishonored payments in the past twelve (12) consecutive months, Mesa may require Customer to make payment in cash, money order or cashier's check for the next twelve (12) consecutive months.
- 4.5 Trip Charge - Mesa may require payment of a Trip Charge plus the applicable tax adjustment, when an authorized Mesa representative travels to Customer's premises to notify of service termination, make payment arrangements terminate the electric service, etc. Service after 5:00 P.M., Monday through Friday, plus weekend and holiday service, will be assessed a convenience fee.
 - 4.5.1 If an electric service termination is required at the pole, a reconnection charge will be required; if an electric service termination is in underground equipment, a reconnection charge will be required to reestablish electric service.
 - 4.5.2 To avoid discontinuance of electric service, Customer may make payment in full, including any necessary deposits in accordance with Section 2.5 or make payment arrangements satisfactory to Mesa.
 - 4.5.3 Should it become necessary to remove a meter, or to disconnect service wires to enforce payment, additional charges will be made, including charges for damages to utility meters or meter locking devices.

5. SERVICE RESPONSIBILITIES OF MESA AND CUSTOMER

5.1 Reserved.

5.2 Responsibility: Use of Service or Apparatus

- 5.2.1 Customer shall exercise all reasonable care to prevent loss or damage to Mesa property installed on Customer's premise for the purpose of supplying electric service to Customer.
- 5.2.2 Customer shall be responsible for payment for loss or damage to Mesa property on Customer's premise arising from neglect, carelessness or misuse and shall reimburse Mesa for the cost of necessary repairs or replacements.
- 5.2.3 Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from energy theft or charges for unauthorized breaking of seals, interfering, tampering or bypassing the meter.
- 5.2.4 Customer shall be responsible for notifying Mesa of any failure in Mesa's electric distribution equipment.

5.3 Service Interruptions: Limitations on Liability of Mesa

- 5.3.1 Mesa shall not be liable to Customer for any damages occasioned by Mesa's equipment or fluctuations, interruptions, curtailment, or other failure of electric service. If service is delayed, interrupted, suspended, discontinued, irregular, fluctuating, intermittent, reduced or otherwise limited or defective the City shall not be liable for damages, losses or claims

of any kind arising therefrom. Mesa may, without incurring any liability therefore, suspend Customer's electric service for periods reasonably required to permit Mesa to accomplish repairs to or changes in any of Mesa's facilities. Customers will be responsible to protect their own sensitive equipment from harm caused by variations or interruptions in power supply.

- 5.3.2 In the event of a national emergency or local disaster resulting in disruption of normal electric service, Mesa may, in the public interest, interrupt electric service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal electric service to these agencies can be restored.

5.4 Mesa Access to Customer Premises

Mesa's authorized agents shall have unassisted access to Customer's premises at all reasonable hours to install, inspect, read, repair or remove its meters or to install, operate or maintain other Mesa property, or to inspect and determine the connected electrical load. Neglect or refusal on the part of Customer to provide reasonable and unassisted access shall be sufficient cause for discontinuance of electric service by Mesa, or denial of any existing rate options where access is required. Verification of unassisted access may be required before electric service is restored. The Customer, at their expense, will give permission or an easement, when necessary, to Mesa for the purpose of constructing and maintaining Mesa's electric service facilities required on the Customer's premises up to the Point of Delivery.

5.5 Easements

All suitable easements or rights-of-way required by Mesa for the extension of any portion of the electric distribution system which is on premises owned, leased or otherwise controlled by Customer shall be furnished in Mesa's name by Customer without cost to Mesa and in reasonable time to meet proposed service requirements. All easements or rights-of-way obtained on behalf of Mesa shall contain such terms and conditions as are acceptable to Mesa.

5.6 Load Characteristics

Customer shall exercise reasonable care to assure that the electrical characteristics of its load, such as deviation from sine wave form (a minimum standard is IEEE 519) or unusual short interval fluctuations in demand, shall not impair service to other customers or interfere with operation of telephone, television, or other communication facilities. The deviation from phase balance shall not be greater than ten percent (10%) at any time. The power factor of the load shall not be less than ninety-five percent (95%) lagging, but in no event leading, unless agreed to in advance by Mesa. In the event that Customer does not maintain such power factor, at the option of Mesa, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

5.7 Clearances

Customer Service installations must maintain adequate clearance (both vertical, horizontal and direct) from vegetation, swimming pools (or other bodies of water), permanent or temporary structures and any other object deemed to be a hazard to the continuity of service. The relocation of Customer Service installation facilities due to Customer's actions (or lack of action to remedy clearance issues) may be performed by City at Customer's sole expense.

5.8 Vegetation Clearing

The City, may (or may cause its contractor to) trim vegetation on Customer's premise when it is determined, at the City's sole discretion, that a condition may present a hazard to the continuity of service or safety of its electrical distribution facilities. Customer must provide reasonable access to those personnel trimming vegetation and failure to do so may result in termination of electric service. The City shall not be responsible for any damages as a result of vegetation clearing.

6. METERING AND METERING EQUIPMENT

6.1 Customer Equipment

Customer shall install, maintain, and protect all wiring and equipment beyond the Point of Delivery. Except for Mesa's meters and special equipment, Customer's entire installation must conform to all applicable construction permits, standards and safety codes, and if an inspection or permit is required by Mesa or otherwise by law, the same must be obtained by Customer.

6.1.1 Customer shall provide in accordance with Mesa's current electric service standards, at no expense to Mesa, and close to the Point of Delivery, a sufficient and suitable space acceptable to Mesa for the installation of Mesa's metering equipment.

6.1.2 If telephone lines or any other devices are required to read the meter, the Customer is responsible for their installation and maintenance, at no cost to Mesa.

6.1.3 Where a Customer requests, and Mesa approves, a special meter reading device to accommodate the Customer's needs, the cost for such additional equipment shall be the responsibility of the Customer.

6.2 Mesa Equipment

6.2.1 All Meters will be supplied by and owned by Mesa.

6.3 Service Connections

Mesa shall not install nor maintain any lines and equipment on Customer's side of the Point of Delivery except its meter. For the mutual protection of the Customer and Mesa, only authorized employees or agents of Mesa are permitted to make and energize the connection between Mesa's service wires and Customer's service entrance equipment conductors. Such employees must carry credentials, which they will show on request. Where new electric services are to be connected, a satisfactory final inspection by Mesa's Development Services Department (or applicable successor) will be required prior to turning on the electric service.

6.4 Measuring Customer Service

All the energy sold to Customer will be measured by acceptable measuring devices by Mesa, except where it is impracticable to meter loads such as street lighting, security lighting, or special installations in which case the energy consumption may be calculated.

6.4.1 The readings of the meter will be conclusive as to the amount of electric power supplied to Customer unless, there is evidence of meter tampering or energy theft, or unless a test reveals the meter is in error by more than plus or minus three percent (3%).

- 6.4.2 If there is evidence of meter tampering or energy theft, Customer will be billed for the estimated energy consumption that would have been registered had all energy usage been properly metered plus an applicable unauthorized use of utilities charge, per occurrence.
- 6.4.3 If any meter after testing is found to be more than three percent (3%) in error, either fast or slow, proper correction shall be made of previous readings and adjusted bills shall be rendered for a time period not to exceed three years.
- 6.4.4 Customer will be billed for the estimated energy consumption that would have been registered had the meter been operating properly. Mesa shall, at the request of Customer, reread Customer's meter within ten (10) working days after such request by Customer. The cost of such rereads may be charged to Customer, provided that the original reading was not in error.
- 6.4.5 Should it become necessary to remove a meter, or to disconnect service wires to enforce payment, additional service charges will be made, including charges for damages.
- 6.5 Meter Testing - Mesa tests its meters regularly in accordance with a meter testing and maintenance program. Mesa will, however, individually test a Mesa owned/maintained meter upon Customer request. If the meter is found to be within the plus or minus three percent (3%) limit, Mesa may charge Customer a fee for the costs of the meter test.
- 6.6 Master Metering
 - 6.6.1 Mobile Home Parks - Mesa shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by the utility as stated in Mesa's Rules and Regulations.

7. TERMINATION OF SERVICE

7.1 With Notice

Mesa may without liability for injury or damage disconnect electric service to any Customer for any of the reasons stated below, provided Mesa has met the established notice requirements:

- 7.1.1 A Customer's violation of any of Mesa's rate schedules.
- 7.1.2 Failure of Customer to pay a delinquent bill for services provided by Mesa.
- 7.1.3 Failure of Customer to comply with Mesa's deposit requirements.
- 7.1.4 Failure of Customer to provide Mesa with satisfactory and unassisted access to Mesa's equipment.
- 7.1.5 When necessary to comply with an order of any governmental agency having jurisdiction.
- 7.1.6 Failure of a prior Customer to pay a delinquent bill for utility services where the prior Customer continues to reside on the premises.

7.2 Without Notice

Mesa may without liability for injury or damage disconnect electric service to any Customer without advance notice under any of the following conditions:

- 7.2.1 The existence of a hazard to the health or safety of persons or property.
- 7.2.2 Evidence of meter tampering, energy theft or fraud.
- 7.2.3 Evidence of unauthorized resale or use of electric service.
- 7.2.4 Failure of Customer to comply with the curtailment procedures imposed by Mesa during a supply shortage.
- 7.2.5 Accounts subject to disconnection that are paid with remittances (checks, credit cards, etc.) returned as unpaid from a financial institution.

7.3 Restoration of Service - Mesa shall not be required to restore electric service until the conditions, which resulted in the termination, have been corrected to the satisfaction of Mesa.

8. UNAUTHORIZED USE OF UTILITIES

8.1 The taking of a utility service by:

- 8.1.1 Turning the electric service on without authority, or
- 8.1.2 Bypassing the meter, connecting directly into the electric service without a meter, or
- 8.1.3 Willfully modifying the meter or electric service apparatus so as to cause loss or reduction of registration.

8.2 If unauthorized use of the electric service occurs, Mesa shall charge:

- 8.2.1 Single-family residential customers for an estimated energy usage according to the applicable rate plus a service charge for each connection in accordance with the current Schedule of Fees and Charges.
- 8.2.2 Non-residential customers/accounts for an estimated energy and power usage according to applicable rates plus a service charge for each connection in accordance with the Schedule of Fees and Charges. Subsequent fees paid for the appropriate required meters may be subtracted from the service charge.

9. LANDLORD AGREEMENTS

A landlord agreement is defined herein as an agreement between Mesa and a qualified landlord which allows for the automatic continuation of electric service in the landlord's name when a tenant requests disconnection of service. A qualified landlord is a rental property owner that has established a satisfactory credit status of no more than two (2) delinquent utility payments per year or has a utility deposit on-hand with Mesa.

- 9.1 The landlord agreement shall not apply when a tenant is disconnected for nonpayment of utilities.
- 9.2 Disputes regarding effective dates of service shall be resolved between the tenant and the landlord.
- 9.3 The Utility administrative service charge may be waived for landlord agreement customers in which Mesa is the retail supplier of the accounts, when that service under the landlord agreement reverts to the landlord's account, but shall apply when a new tenant requests service at that location.
- 9.4 The landlord or Mesa may terminate the landlord's agreement at any time with thirty (30) days notice.

10. VIOLATION; PENALTY

Among other penalties that may apply, any person that violates any provision of this Schedule shall be guilty of a misdemeanor. Upon conviction, individuals shall be punished by a fine not to exceed \$2,500, or by imprisonment for a period not to exceed six (6) months, or by such fine and imprisonment. Each instance of violation continued shall be a separate offense, punishable as described above.

11. REMOVAL OF FACILITIES

Upon the termination of service, Mesa may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying electric service to Customer, and Mesa shall be under no further obligation to serve Customer. If, however, Mesa has not removed its facilities within one (1) year after the termination of service, Mesa shall thereafter give Customer thirty (30) days written notice before removing its facilities, or else waive any reestablishment charge within the next year for the same electric service to the same Customer at the same location. For purposes of this Section notice to Customer shall be deemed given at the time such notice is deposited in the U.S. Postal Service, first class mail, postage prepaid, to Customer at his/her last known address.

12. SUCCESSORS AND ASSIGNS

Agreements for service shall be binding upon and for the benefit of the successors and assigns of Customer and Mesa, but no assignments by Customer shall be effective until Customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by Mesa.

13. WARRANTY

THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), NOT SPECIFIED HEREIN CONCERNING THE SALE AND DELIVERY OF SERVICES BY MESA TO CUSTOMER. THESE TERMS AND CONDITIONS STATE THE ENTIRE OBLIGATION OF MESA IN CONNECTION WITH SUCH SALES AND DELIVERIES.

This page intentionally left blank.

RULES & REGULATIONS (ELECTRIC UTILITY)

SECTION 1: DEFINITIONS

A.

Agreement For Electric Service: The contractual terms and conditions regarding the provision of electric service and/or an electric line extension.

A.R.S.: Arizona Revised Statutes.

B.

Billing Period: The time interval between two consecutive meter readings.

Building: A structure which stands alone or is separated from adjoining structures by fire walls with all openings therein protected by fire doors. If this definition conflicts with local building codes, the local code definition will prevail.

C.

Capacity: The continuous load-carrying ability of Generation, Transmission or other electrical equipment, expressed in megawatts (MW) or megavolt-amperes (MVA).

Class Of Use: A classification of Customer usage type, defined by end use, voltage level, electricity use pattern, Price Plan, or other criteria (e.g., Residential, Non-Residential, Lighting).

Cogeneration: A generator that sequentially produces thermal or mechanical energy and generates electrical energy from the same fuel source.

Connected Load: The sum of the power ratings of the Customer's electrical apparatus connected to Mesa's electric distribution system.

Customer: The person(s) or entity(ies) in whose name service is rendered, as evidenced by the request for such service by the applicant(s), or by the receipt and/or payment of bills regularly issued in their name regardless of the identity of the actual user of the service.

D.

Demand: The rate at which power is delivered during any specified period of time. Demand may be expressed in kilowatts, kilovolt-amperes, or other suitable units.

Distribution Lines: Mesa's lines operated at distribution voltage which are constructed along public roadways or other bona fide right-of-way, including easements on Customer's property.

E.

Energy: Electric energy, expressed in kilowatt-hours.

H.

High-Rise Building: Any Building greater than one story for which Mesa determines that to safely and reliably provide electric service, and to meet NEC or other requirements, an unconventional balance of ownership of equipment may be required.

I.

Interconnection Service: Service available to a Customer owning, leasing, or operating a generation facility, if approved by Mesa. Such service permits a Customer to interconnect with, and in the City's sole and absolute discretion, deliver Power and Energy to, Mesa.

Kilovolt-Ampere (kVA): A unit of power equal to 1,000 volt-amperes.

Kilowatt (kW): A unit of power equal to 1,000-watts.

Kilowatt-Hour (kWh): The amount of electric energy delivered in one hour at a constant rate of one kilowatt. This is the standard measurement for the amount of electricity a Customer uses.

L.

Line: A system of poles, ducts, wires, cable or equipment used for the transmission and distribution of electricity.

Load: A device that can convert the energy of electric current to some useful form of energy.

M.

Master Meter: A meter for measuring or recording the flow of electricity at a single location before distribution to tenants or occupants for their individual usage.

Megawatt: A unit of energy equal to one million watts (1,000,000 watts). The amount of electricity energy required to light ten thousand 100-watt bulbs.

Mesa: The City of Mesa.

Mesa's Electric Standards: Those documents, rules and guidelines which comprise Mesa's standards for the construction, operation and maintenance of the distribution system which may include, but are not limited to the Electric Service Specifications, Interconnection Guidelines for Generators, and Guidelines for Customer Ownership of Substation Equipment, as adopted by the City Manager or designee.

Meter: The instrument and any associated equipment used for measuring, indicating or recording the flow of electricity that has passed through it.

P.

Point Of Delivery: In all cases, unless otherwise specified in writing by Mesa, "Point of Delivery" is the location on the Customer's building, structure, or premises where all wires, conductors, or other current-carrying devices of the Customer join or connect with wires, conductors, or other current-carrying devices of Mesa in the Service Entry Section.

Power: The rate of generating, transferring and/or using electric energy, usually expressed in kilowatts.

Power Factor: The ratio of real power (kW) to apparent power (KVA) for any given load and time and generally expressed as a percentage ratio.

R.

Rate Schedules: Mesa's electric rates as set forth in its adopted utility rate book.

Rules and Regulations: These Rules and Regulations

S.

Schedules: The documents which list the services offered by Mesa, and rates, fees and charges for those services.

Service Entry Section: The necessary electrical facilities, usually consisting of a circuit breaker or switch and fuses, conductors, meter socket(s), pull section(s) and accessories, which constitute the main control and cutoff of the electric supply, and which are installed, owned and maintained by the Customer.

Special Study: Mesa will undertake an economic feasibility analysis to demonstrate the financial impact for the addition of proposed Customers, or for any upgrade required to an existing service. The methodology employed will be applied uniformly and consistently to each customer class.

Terms And Conditions For the Sale of Utilities: Mesa’s terms and conditions for Customer selection, complaint resolution, consumer protection, stranded costs, distribution service rates and charges, system benefit charges, and other related matters as determined in the reasonable discretion of Mesa.

SECTION 2: GENERAL PROVISIONS

1. INTRODUCTION

These Rules and Regulations define the terms and conditions of Mesa’s supply of electric and related services

Implementation and administration of these Rules and Regulations is supplemented by the appropriate Rate Schedules, Mesa’s Electric Standards and the Terms and Conditions.

2. CHANGES TO MESA’S RULES AND REGULATIONS, ELECTRIC RATES, FEES AND CHARGES, AND TERMS AND CONDITIONS

When determining terms and conditions, Mesa may change these Rules and Regulations, or any other price, charge, minimum, demand charge, rate, fee or other pricing term at any time.

SECTION 3: PROVISION OF SERVICE

3A. APPLICATION FOR SERVICE

1. General:

Except where special contract provisions prevail, Mesa provides service to a Customer under and in accordance with these Rules and Regulations. In applying for service, a Customer agrees to be bound by the terms and conditions of these Rules and Regulations, the Rate Schedule(s), Terms and Conditions, Mesa’s Electric Standards, and the Agreement for Electric Service, if applicable.

A. In the case of a new service or a connection to an established service, a Customer, if requested by Mesa, will give information as to the following:

1. Purpose for which service is to be used including a description of major appliances, motors and other electric use equipment.
2. Location (service address).
3. Address to which bills are to be mailed.
4. Whether the Customer is an owner, agent or a tenant of the premises. Application to establish an active account will be accepted only from the person accepting responsibility for billing payment, or an authorized agent thereof.
5. Date Customer will be ready for service.
6. Whether premises have been previously supplied with electrical service.
7. When requested, sufficient financial information about the Customer to enable Mesa to evaluate a Customer’s creditworthiness.
8. Any other related information Mesa deems necessary to provide service under these Rules and Regulations, Rate Schedules, the Terms and Conditions, and Mesa’s Electric Standards.

- B. Mesa will not provide service or install a meter until the Customer has complied with all of the following requirements:
 - 1. Unless otherwise provided herein, settlement of all outstanding indebtedness of the Customer due Mesa, including deposits and guarantees.
 - 2. Installation of service entrance and wiring in compliance with Mesa's Electric Standards.
 - 3. Conformance to applicable requirements of governmental agencies having jurisdiction.
 - 4. Provision of adequate access to the premises for Mesa to install, read, maintain and remove Mesa's facilities.
- C. The Customer's service characteristics and service requirements help determine the applicable Electric Rate. Mesa can help determine the most advantageous rate for the Customer. However, because of varying Customer usage patterns, Mesa cannot guarantee that the selected rate is the most economical. Mesa will not make any refunds if the Customer would have paid less for service had the Customer been billed on an alternate rate.
- D. If Mesa approves more than one Point of Delivery for a Building, in accordance with the provisions of Section 5.1.B., a separate submittal of Customer information will be made for each Point of Delivery.
- E. Mesa will provide service under these Rules and Regulations without regard to race, creed, color, sex, marital status or national origin.

2. Non-Residential:

Mesa may require applicants for service in classifications other than residential to sign an Agreement for Electric Service which will state the particular Rate Schedule under which the Customer will receive service and the terms thereof.

- A. To be binding on Mesa, all promises, agreements, or representations made by an employee or agent of Mesa must be set forth in a written agreement, signed by a duly authorized employee or agent of Mesa.
- B. Unless otherwise required by law, service may be discontinued upon expiration of the term stated in the Agreement for Electric Service under which service is rendered. Should Mesa, at its option, continue service beyond the term of the Agreement for Electric Service, such service will be under the terms and conditions provided in the Rate Schedule determined by Mesa to apply from time to time. Continuance of service beyond the term of such Agreement for Electric Service will not constitute a waiver of Mesa's right to discontinue service for lack of an Agreement for Electric Service.
- C. A request for service may be made by contacting Mesa Business Services.

3. Residential

A request for service may be made by contacting Mesa Customer Service.

3B. CONDITIONS OF SERVICE

4. General:

Each type of electric service may not be available at a given location. Before making any installation or purchasing equipment the Customer should inquire from Mesa as to the exact character of service which will be available at the Customer's service location. For large installations or special applications, Mesa may only supply service under terms and conditions other than those generally available.

- A. For all Customer-owned generation or energy storage with the ability to generate power onto Mesa's electric distribution system, the Customer must allow metering and monitoring equipment at the site of the generator (monitored at the generator output, in Mesa's sole discretion, even if such generator is "behind" the customer's distribution Meter) in order to verify the reliability and quality of the electric Power connected to Mesa's electric distribution system. The type of metering and units to be metered shall be at Mesa's option. Meters and the location of metering will conform to the specifications, terms, and conditions as outlined.
- C. Mesa may require that any Load for which the use of electricity is intermittent or that causes excessive fluctuations or distortions of Mesa's voltage be supplied through a service separate from all other Loads, or that the Customer provide, at the Customer's expense, suitable equipment to reasonably limit the voltage fluctuations or distortion. Examples include hoists, welders, X-ray machines, furnaces, motors, electric vehicle chargers, energy storage devices, industrial battery chargers, or any other equipment of a character whose operation may impair service to other Customers. Reasonable limits for voltage distortion, measured at the point of common coupling (PCC) include, but are not limited to, harmonics as specified in the Institute of Electrical and Electronic Engineers (IEEE) Standard 519, latest edition, "IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems."

5. Frequency, Voltage and Phase:

Service supplied will be alternating current at a regulated frequency of approximately 60 hertz. Single-phase and three-phase service with accompanying voltages are set forth in the Mesa's Electric Standards.

6. Motor Loads, Alternating Current:

Motor Loads are subject to limitations determined by the Energy Resources Department.

3C. INTERCONNECT SERVICE AND SELF-GENERATION

7. Interconnection Service:

This service may be available to Customers who wish to interconnect with Mesa and who meets Mesa's requirements for interconnection. Interconnection Service is at the sole option of Mesa.

- A. The Customer must enter into an Agreement for Interconnection Service. This agreement supplements the applicable Rate Schedule and these Rules and Regulations, and details the rights and obligations of Mesa and the Customer pertaining to Interconnection Service. All costs of interconnection and metering are the responsibility of the Customer.

- B. Purchases by Mesa of electric Power and Energy from Customers will be made based upon an Agreement for Interconnection Service.
- 8. Requirements for Submitting Self-Generation Proposals:

Customer shall provide Mesa a written statement of its intent to seek and ability to operate a self-generation project or equipment and attach a copy of the engineering and economic feasibility studies supporting the proposed self-generation project. Specific requirements can be obtained by contacting Mesa.

SECTION 4: MONETARY PROVISIONS

4A. ADVANCES IN AID OF CONSTRUCTION

- 1. Contribution in Aid of Construction:
 - A. General:
 - 1. Mesa does not pay interest on Contributions in Aid of Construction funds.
 - 2. If Mesa must add to or enlarge its facilities due to the increased Load of an existing Customer or the projected Load of a new Customer, Mesa may require the Customer to pay a Contribution in Aid of Construction.
 - 3. Mesa may require a Customer who requests relocation, modification or other alteration of Mesa's facilities to make a non-refundable Contribution in Aid of Construction.
 - 4. Mesa may require a Contribution in Aid of Construction for any design and construction performed at the Customer's request and which is not specifically covered by the Rules and Regulations. Work will begin only after Mesa determines the proper Contribution in Aid of Construction and any necessary additional terms and conditions.
 - 5. Mesa will require a Customer who requests temporary service facilities to make a non-refundable Contribution in Aid of Construction in the amount of the estimated costs prior to Mesa doing any work.
 - 6. Mesa may require a non-refundable Contribution in Aid of Construction for the facilities required to serve any Load which, based on Mesa estimates, will not provide Mesa an adequate return on investment.
 - 7. For Distribution systems in master planned areas and commercial/industrial subdivisions, Mesa may require both a nonrefundable and a refundable Contribution in Aid of Construction.
 - 8. For Service Laterals, Mesa may require the Customer or developer to provide all trenching, backfill, boring and conduit when facilities are requested or required to be placed underground.
 - 9. Mesa may require a non-refundable Contribution in Aid of Construction for any facilities that will be installed within the Customer's property to provide service to the Customer, other than Service Laterals.
 - 10. The Contribution in Aid of Construction determination will be based on a Special Study in each case. Mesa may, at its option, compute its costs on the basis of standard unit costs as determined from periodic studies made by Mesa of similar construction or removal.

2. Refunds of Contributions in Aid of Construction:
 - A. Mesa will refund any Contribution in Aid of Construction designated as refundable, according to the terms of the refund agreement.
 - B. To be eligible for refund, the Customer must make a refund request and present satisfactory supporting documentation within the time frame provided in the refund agreement. Mesa will make a reasonable effort to pay refunds due within ninety (90) days of a timely request by the Customer.
 - C. Mesa will not make cash refunds of a Contribution in Aid of Construction unless the Customer's bills have been paid in full. Mesa may apply such refunds to any amounts owed to Mesa by the Customer.

4B. RESALE OF ENERGY PURCHASED UNDER MESA STANDARD ELECTRIC PRICE PLANS

3. General:
 - A. Without written notice to and consent from Mesa, a Customer may not resell, redistribute, or re-deliver electric Power and Energy supplied by Mesa except as stated in the following Sections.
 - B. Written notice is not required if the owner or legal tenant of the premises being served elects to accept delivery of Power and Energy to all facilities through one Point of Delivery which is measured through one meter for distribution only to lessees.
 - C. The owner or legal tenant who elects to accept delivery of Power and Energy to all facilities through one Point of Delivery, which is measured through one meter for distribution to lessees, will be responsible for the expense, installation and maintenance of submeters or other devices installed in the Customer's electric distribution system to determine the lessees' electrical usage.
 - D. Revenues collected by the owner or legal tenant from a lessee for lessee's electrical usage must be in accordance with the rules and regulations established by the authorized governmental agencies having jurisdiction thereof.
 - E. If a Customer violates any provision herein, Mesa may disconnect the supply of electric Power and Energy, may refuse to supply electricity and will have the right to use any other available legal remedy to enforce compliance with such provision.

SECTION 5. CONSTRUCTION

5A. LINES

1. General:

Lines and electric connections necessary to supply service to the Customer will be supplied by Mesa in accordance with accepted utility engineering practice and subject to the applicable conditions and provisions of these Rules and Regulations and the Terms and Conditions. All connections to Mesa's Lines will be made by Mesa unless otherwise specifically agreed to in writing in advance by Mesa.

 - A. Only one Service Lateral per Building will be constructed and service will be supplied only under a single set of conditions, such as voltage and number of phases, except that, where two or more Classes of Use are required or if, in Mesa's opinion, the Building is exceptionally large or has extraordinary electric capacity requirements, Mesa may approve more than one Point of Delivery to the Building. Separate applications for service must be made for each delivery and each must be metered separately.

- B. Mesa reserves the right, at any time, to designate the location of its Lines on a Customer's premises and the location of the Point of Delivery and/or Customer's Service Entry Section. Customer's Service Entry Section must be installed in accordance with Mesa's Electric Standards.
- C. Upon Mesa's request, the Customer must provide Mesa recorded easements or rights-of-way satisfactory to Mesa for Lines and other equipment necessary or incidental to the provision of service by Mesa. The Customer shall be deemed to have granted an easement to Mesa for all Service Laterals located upon the premises of the Customer. Upon Mesa's request, the Customer must allow installation and maintenance of equipment of other utilities on Mesa's rights-of-way located upon property owned or controlled by the Customer. Mesa is not obligated to commence construction on electric system for service to the Customer until each Customer to be served has obtained and delivered to Mesa permanent easements or rights-of-way satisfactory to Mesa. If Mesa agrees, Mesa may obtain such easements or rights-of-way and Customer shall reimburse Mesa for all costs Mesa incurs.
- D. If the Customer requests relocation or removal of Mesa's facilities upon or from the premises of the Customer, such relocation or removal must be made at the expense of the Customer.
- E. If electrical service to a location is terminated, Mesa may, in its sole discretion, either remove its Service Lateral or leave all or any portion of such Service Lateral in place. If any portion of the Service Lateral is not removed by Mesa and any person, including the owner of the premises, later requests relocation or removal of such Service Lateral, the relocation or removal may be made at the expense of the requesting person.
- F. Any overhead or underground construction work not specifically addressed by these Rules and Regulations will be constructed only after a Special Study by Mesa to determine the non-refundable Contribution in Aid of Construction and/or additional terms and conditions.

2. Service Laterals:

- A. Mesa will install an overhead or underground Service Lateral from existing overhead or underground Lines provided the point of attachment is within the distance limits established by Mesa's construction standards, and provided that adequate clearance can be maintained from any obstructions or hazards. If extra facilities are necessary because of excessive distance, a Contribution in Aid of Construction may be required.
- B. Where only underground Lines are available, overhead Service Laterals will not be constructed to serve Customers.

5B. OTHER CONSTRUCTION STANDARDS

3. Building and Service Entrance:

- A. Customers will provide all wiring within Buildings on their premises (subject to inspection and approval by the Development Services Department) and between the Buildings and the service entrance equipment. The location of the service entrance equipment must be approved in advance by Mesa.

- B. The Customer must install, operate and maintain electrical installations to be safe and adequate at all times. Mesa's Electric Standards shall be used as a guide. Sections of these specifications relevant to the Customer's installation will be furnished upon request. The manual adheres to the "National Electric Code" and is generally compatible with local municipal codes. Mesa's Electric Standards are subject to such additions and revisions required to remain current with code changes and Mesa policy.
 - C. Mesa is not obligated to inspect the Customer's wiring or electrical installation. Mesa may refuse or discontinue service to a Customer if, in Mesa's opinion, any portion of the Customer's installation is unsafe or creates a safety or health hazard. Mesa's review of Customer's wiring or installation shall not be construed as confirming, endorsing, or warranting the safety, durability or reliability of Customer's installation or equipment. The sole purpose of Mesa's review is to evaluate the impact on the City's system, and the requirements for protection thereof.
4. High-Rise Buildings:
- A. The Customer will provide and own all the distribution facilities within a High-Rise Building, except when a study by Mesa indicates a concentration of electrical usage to justify the additional investment and ownership of such facilities by Mesa.
 - B. When Mesa will provide and own the distribution facilities, the Customer or Building owner must provide rights-of-way within the High-Rise Building that are satisfactory to Mesa. In all cases, the raceways dedicated for use of Mesa's facilities will be separated from all other raceways, shafts, etc. within the Building.
5. Meters and Equipment:
- A. Mesa will furnish and install the meter or meters to measure the Power and Energy used by the Customer. The Mesa meter or meters may be installed on the Customer's side of the Point of Delivery and will remain the property of Mesa. The Customer must furnish sufficient space and proper devices for the installation of meters. The meter location must be approved by Mesa and must offer adequate protection of metering equipment. The location must also provide sufficient space and reasonable access for service and meter reading functions. Any Customer contemplating a change in installation or location of meters or equipment must file the proper application for such change with Mesa. After an application has been filed, Mesa may grant to the Customer or Customer's agent permission to access the service entrance equipment meter area.
 - B. The Customer must protect all property of Mesa, including but not limited to Lines, meters, structures, and other equipment located on the Customer's premises, from theft, damage or interference.
 - 1. The Customer shall be responsible for loss of or damage to Mesa property located on the Customer's premise arising from the Customer's neglect, carelessness or misuse and shall reimburse Mesa for the cost of necessary repairs or replacements.
 - 2. The Customer must notify Mesa of any failure of Mesa equipment.
 - C. Mesa will install one meter or set of measuring devices for each Service Lateral, except where individual metering is necessary to bill multiple Customers or different Classes of Use.

- D. A Customer desiring the advantages of having the total electrical usage at a given premise or enterprise billed as a unit must bring wiring to a central point so that the entire Load for a given type of service may be supplied through a single Service Lateral and one meter.
 - E. When two or more Classes of Use exist within a Building, a separate application must be made for each Class of Use. Mesa may require that each Class of Use be metered separately. Different Classes of Use may be supplied through a separate Service Lateral at the sole discretion of Mesa.
 - F. When two or more meters are to be installed on the same Building to service different Customers, they must be grouped at a common point. The meter loops for each Customer must be clearly designated and clearly labeled. Arrangements of meter loops and meter boards must be made by the Customer or owner of the Building at a location or locations to be designated by Mesa, and must be installed in accordance with Mesa's Electric Standards or as required by authorized governmental agencies having jurisdiction.
 - G. When electric meters are to be installed on a switchboard, the Customer is responsible for all drilling necessary for Mesa to mount and connect its meters before installation of the meters. A template for such drilling can be obtained from Mesa.
 - H. Metering transformers, if required, will be furnished and installed by Mesa. A Contribution in Aid of Construction may be required for them.
 - I. Except as may be provided in the Customer's Agreement for Electric Service, any device or equipment installed by Mesa on the Customer's premises will be owned and maintained solely by Mesa regardless of any Contribution in Aid of Construction or deposit which may have been provided.
 - J. If a Customer, such as the operator of a mobile home park, desires that the Master Meter being used to bill the Customer be replaced with multiple meters billed individually to individual tenants, the Customer shall contact Mesa regarding the matter. Mesa will then inspect the Customer's premises and determine the physical changes required to convert from master metering to individual metering. The Customer may be required to pay a Contribution in Aid of Construction for any new or upgraded facilities which Mesa determines are necessary. The Customer will also be responsible for removal of all Customer-owned electrical facilities no longer required to provide electric service.
6. Point of Delivery:
- A. In all instances, Mesa will determine the Point of Delivery. Upon request, Mesa shall provide a specific determination of the location of the Point of Delivery of any electrical service. In all instances the location of the Point of Delivery will be subject to final determination by Mesa.
 - B. Location of metering facilities shall be determined by Mesa and may or may not be the same location as the Point of Delivery.
 - C. Customer shall be responsible for contacting Mesa to de-energize electrical facilities up to and including the Point of Delivery prior to performing any maintenance, repair and replacement of Customer facilities.
 - D. In all instances, the Customer shall be responsible for the ownership, maintenance, repair and replacement of all Customer facilities including, but not limited to, the weatherhead, Service Entry Section, gutter box, and all conductor and conduit after the Point of Delivery (unless otherwise agreed to in writing by Mesa).

- E. Mesa is responsible for construction, maintenance and operation of Mesa's facilities. Mesa will at all reasonable times, as a condition of service and in accordance with these Rules and Regulations, have the right of access to Mesa's facilities, including termination connections.
- 7. Voltage:
 - A. Mesa will furnish and install the necessary transformation equipment to furnish the Customer with service at one of the nominal voltages specified in the applicable Mesa Price Plan. Mesa reserves the right to install the transformer and related facilities in a manner which promotes the overall efficiency and reliability of Mesa's electric distribution system and which provides service consistent with recognized utility practices to the Customer's Point of Delivery in accordance with these Rules and Regulations.
 - B. Mesa will provide service to large non-residential Customers from Mesa's facilities built based on Mesa standards applicable to the type and character of service to be furnished.

SECTION 6. LIABILITY AND RESPONSIBILITY CUSTOMER'S EQUIPMENT AND ITS OPERATION

6A. GENERAL

- 1. General:

Mesa may refuse or disconnect service when the Customer's wiring or equipment is so designed or operated as to disturb service to other Customers or constitutes a physical or electrical hazard, as determined by Mesa. All motors connected to Mesa Lines must be of a type that will not require starting current deemed unreasonable by Mesa, or will be equipped with protective devices to restrict the starting current to limits acceptable to Mesa. Mesa may require that motor loads of less than 5 horsepower be single phase.
- 2. Generation on Customer's Premises including Backup Generators:

Energizing equipment connected to the Mesa electric distribution system could act as a source of electrical backfeed, causing injury or death to electric utility personnel working on the overhead or underground power lines in the vicinity. No electrical generation device may be connected to any portion of a Customer's electric system that is connected to the Mesa electric distribution system unless Mesa has been notified of and approved such connection. Such notification and approval must each be in writing. If a Customer desires its or a third party's generation device to be directly or indirectly connected to Mesa's electric distribution system through the Customer's electric system, the Customer must first enter into an Interconnection Service Agreement with Mesa. Customer may refer to Mesa's applicable interconnection agreement for technical information about connecting generators to the Mesa electric distribution system.

 - A. For Customer Load normally served from the Mesa electric distribution system, which can also be switched to a Customer's generator if the Mesa electric distribution system is de-energized, an open type transfer switch shall be installed between Mesa's and Customer's electric systems. This switch shall electrically and mechanically prevent connection of the Customer's generator to Mesa's electric distribution system. The Customer should contact Mesa if the Customer has any questions regarding these requirements.
- 3. Customer-Owned Substations:

Customers who own substations connected directly to the Mesa 69kV transmission system shall conform to Mesa's Electric Standards.

4. Power Factor:

Mesa may include adjustments to bills for Loads for which the Power Factor falls below 95 percent lagging at any metering point during any Billing Period. If a Customer's Load operates at less than 95% Power Factor, Mesa may require the Customer to provide, at Customer's expense, corrective equipment to increase the Power Factor to at least 95%.

5. Single Phasing and Phase Reversal Protection:

A. Mesa shall not be responsible to the Customer, and the Customer shall release Mesa for damage to motors, other current-consuming equipment, and/or devices mechanically or electrically connected to such equipment, resulting from any phase reversals, single-phasing of three-phase service, or other similar conditions except when such damage is the direct result of Mesa's gross negligence.

B. For three-phase motors driving elevators, hoists, tramways, cranes, conveyors, or other equipment which could create hazard to life in the event of uncontrolled reversal of motor rotation, the Customer must provide reverse-phase and open-phase protection, at the Customer's expense, to completely disconnect the motors from their electrical energy source in the event of phase reversal or loss of one or more phases.

6. Changes in Installation:

Each of Mesa's service wires, transformers, meters and other devices used to supply electricity to the Customer's installation has a maximum capacity. Customer must obtain prior written consent of Mesa to increase the Connected Load. Failure to obtain such consent may result in damage to Mesa's equipment, extended interruption of the Customer's service, and damage to equipment of other Customers. When such damage is due to failure of the Customer to obtain consent, Mesa may require the Customer to pay any and all damages including the cost to repair or replace the damaged equipment.

7. Timing.

Mesa will make reasonable efforts to complete the installation of new or replacement facilities within a reasonable time period, also considering the Customer's needs and capacity required, the existing circumstances and conditions, and its obligations to other Customers, but shall not be liable for any delays in completion of such installation.

6B. LIABILITY

8. Liability

A. Mesa, Mesa officials, agents and employees shall not be liable for any and all damages, losses, liabilities, claims, and/or costs for damages or loss to property or injury to persons due to the delivery of electricity, use of electricity, and/or delivery of service at or on the Customer's side of the Point of Delivery or due to the Customer's delivery of electricity to Mesa.

B. Mesa shall not be liable for damage or loss to property or injury to persons due to the delivery of electricity, use of electricity, delivery of service and/or due to the location of Mesa's facilities and equipment near or on a Customer's premises.

C. In this section, "damages" shall include all losses, harm, costs and detriment, both direct, indirect and consequential, suffered by the Customer or third parties.

D. Under no circumstances shall Mesa be liable to the Customer or third parties for lost revenues or profits, indirect or consequential damages or punitive or exemplary damages.

9. Continuity of Service / Service Interruptions

- A. Mesa shall make reasonable efforts to supply a satisfactory and regular level of service and/or delivery of electricity, but does not assure or guarantee a continuous and uninterrupted service level and/or delivery of electricity to Customers. Mesa will, considering the existing circumstances and conditions and without undue preference or obligation to any Customer, make reasonable efforts to provide satisfactory service and to avoid unreasonable loss, suspension or curtailment of service. The City cannot, and does not, warrant or guarantee a continuous or uninterrupted level of service or delivery of electricity to Customers. Service may at any time be suspended or curtailed due to emergencies, performing maintenance, making repairs, extending or replacing the System, other necessary work, or pursuant to the provisions of these Rules. Mesa will endeavor to provide notice of outages where reasonable and practicable.
- B. The City shall not be liable, however, for damages, losses or claims of any kind arising from or attributable to loss, suspension, or curtailment of service, including but not limited to that resulting from:
 - 1. Any cause which Mesa could not have reasonably foreseen or made provision for (i.e., force majeure as set forth below);
 - 2. Intentional service interruptions to make repairs or perform routine maintenance or make changes or improvements to Mesa's electric distribution equipment and system;
 - 3. Public safety reasons;
 - 4. Elimination of the possibility of damage to Mesa's property or to the person or property of others;
 - 5. A limitation of electricity or reduction in voltage;
 - 6. Curtailment, including blackouts or brownouts.
- C. Mesa shall not be liable for any damage or claim of damage attributable, but not limited to, any temporary, partial, or complete interruption or discontinuance of service or delivery of electricity under this Section or attributable to a force majeure. A force majeure is defined as, but not limited to, flood, rain, wind, storm, earthquake, landslide, fire, washout, lightning, or other acts of the elements, or explosion or accident or war, rebellion, civil disturbance, mobs, riot, blockade or other act of the public enemy, or acts of God, or interference of civil and/or military authorities, or strikes, lockouts or other labor difficulties, or vandalism, sabotage or malicious mischief, or usurpation of power, or the laws, rules, regulations, or orders made or adopted by any regulatory or other governmental agency or body (federal, state, or local) having jurisdiction of any of the business affairs of Mesa or the Customer, direct or indirect, or breakage or accidents to equipment or facilities, or lack, limitation or loss of electrical or fuel supply, or any other casualty or cause beyond Mesa's reasonable control, whether or not specifically provided herein and without limitation to the types enumerated, and which by the exercise of due diligence such party is unable to prevent or overcome; provided, however, that nothing contained herein shall excuse the Customer from the obligation of paying for electricity delivered or services rendered.
- D. Mesa's failure to settle or prevent any strike, labor dispute, or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within Mesa's control.

- E. Mesa will make reasonable efforts to reestablish lost service considering in all cases the Customer's needs and capacity required, the existing circumstances and conditions, and its obligations to other Customers. The restoration of service will be performed by Mesa in the manner which, in the opinion of Mesa, will result in the greatest public benefit.

6C. ACCESS

- 10. Access to Premises:
 - A. In accepting service, the Customer grants to Mesa's employees and agents an unconditional right of access to the premises of the Customer at all reasonable times for purposes such as installing, connecting, reading, testing, repairing, adjusting, disconnecting, removing, inspecting or maintaining any of Mesa's meters, wires, poles, transformers, or other facilities.
 - B. All employees authorized to do work for Mesa on the premises of the Customer shall carry badges or other suitable identification, which they are instructed to show to the Customer upon request.

6D. ENCROACHMENTS

- 11. Vegetation Encroachments and Hazards:
 - A. When vegetation (trees, shrubs, vines, etc.) on a Customer's premises encroaches upon any of Mesa's Lines or other equipment and interferes with Mesa's ability to safely operate, maintain and protect the Mesa electric distribution system, Mesa has the right to prune or remove the vegetation and may charge the Customer for Mesa's costs to do so. Mesa shall not be liable to Customer for any damages associated with the pruning or removal of such vegetation, including, but not limited to, the value of or replacement cost of such vegetation.
- 12. Structural Encroachments and Hazards:
 - A. A Customer shall not construct or install any structure (including walls, fences, mailboxes and other permanent objects) or excavate or place fill near any Mesa electric facilities (whether overhead or underground) in such a manner that such structure, excavation or fill interferes with Mesa's ability to safely operate, maintain and protect the Mesa electric distribution system. Customer must at all times maintain all clearances from Mesa facilities as specified in the National Electric Safety Code, in Arizona Revised Statutes § 40-360.21 et seq. (regarding activities near underground facilities) and § 40-360.41 et seq. (regarding activities near overhead power lines), in any applicable Mesa easement or other right-of-way document, or otherwise required by law, rule or regulation. Customer is responsible for properly locating and protecting underground Mesa facilities by obtaining an appropriate Blue Stake clearance before any excavation is made. The Blue Stake telephone number is 811.
 - B. Mesa reserves the right to remove or modify any structure, fill any excavation, or remove any fill that encroaches upon Mesa's electric facilities and interferes with Mesa's ability to safely operate, maintain and protect the Mesa electric distribution system and may charge the Customer for Mesa's costs to do so. Mesa shall not be liable to Customer for any loss of or damage to Customer's property resulting from such action.

This page intentionally left blank.

UTILITY SERVICE FEE SCHEDULE

Utility service fees work in conjunction with utility rates and charges to offset the cost of delivering public services. The utility service fee schedule is organized into two sections. First, fees in the customer relationship management section recover the costs of using existing facilities. Second, fees in the land management section recover the cost of adding new or modified facilities to the utility system, including upgraded services and meter size and meter relocations. Utility service fees are listed for new connection and metering facilities. Other fees to recover the cost of growth are listed by cross reference to system development agreements and impact fees. Fees are aggregated and may include those in one or more of the categories below as applicable.

I. CUSTOMER RELATIONSHIP MANAGEMENT

1. Security Deposit

1. Residential

a. Electric	\$265
b. Natural Gas	\$125
c. Solid Waste	\$60
d. Wastewater	\$50
e. Water	\$100

2. Commercial

2.5 x highest monthly usage in previous two years

3. Hydrant Meter

\$2,500

4. Credit Check fee. The fee will be to verify a customer's credit when a utility deposit waiver is requested by a customer.

\$3

2. Basic Charges, Account Establishment and Reconnection Fees. The total fee will be the sum of the administrative charge, standard next day charge for one or more metered utility services (e.g., electric, natural gas, water, and hydrant meter), and same day or after hours surcharge if applicable. Administrative, Standard and Same Day or After Hours charges and surcharges may otherwise be applicable as set forth in this Schedule. Additional rates, fees, charges not included in this Schedule (permitting, system extension, etc.) may also apply.

1. Administrative Charge for Turn On

\$11

2. Standard Next Day Charge for premise visit

a. Turn On and Turn Off

1. Electric	\$20
2. Natural Gas	\$40
3. Water	\$20
4. Hydrant Meter Installation	\$185
5. Hydrant Meter Relocation	\$185

3. Same Day or After Hours Surcharge for premise visit (subject to availability)

\$55

3. Unauthorized Use

a. Single Family Residential

1. First Occurrence	\$100
2. Second Occurrence	\$500
3. Each Subsequent Occurrence	\$1,000

b. Commercial, Multifamily, and Construction

1. First Occurrence	\$1,000
2. Each Subsequent Occurrence	\$2,500

4. Late Fee

- The late fee will be applied to an account with an unpaid balance of \$25.00 or more.
- The late fee amount will be the greater of either five dollars or two percent of the unpaid balance.

5. Returned Payment (e.g., check, credit card)

\$25

6. Account History Research (per hour). Historical information is available for the latest 36 months. \$26
7. Disconnection Letter \$3
8. Pre-Disconnect Multi-Unit Notice Fee, \$2 per unit, with a \$50 minimum and \$200 maximum
fee per complex \$50/min
\$200/max
9. Commercial Door Hanger fee to notify business of scheduled disconnect date \$50
10. Trip Charge. The fee will recover the cost of unscheduled trips and is in addition to applicable charges and surcharges. \$20
11. Termination of Service Disconnection Fee (Reconnection subject to applicable fees, charges and surcharges) \$20
12. Unauthorized Use or After-Action Investigation. The fee will recover the cost of gathering evidence of unauthorized use, unauthorized service work, or any other scenario the City has determined has damaged infrastructure. \$72

Energy Resources Department Surcharge for Follow Up Action or Response* \$408

*Applied if the Energy Resources Department is required to respond to an occurrence of unauthorized use

13. Secure Damaged Service
 1. Electric Locking Ring Replacement \$45
 2. Natural Gas Locking Device Replacement \$35
 3. Natural Gas Valve Replacement \$210
 4. Water Angle Valve Replacement \$375
 5. Water Locking Device Replacement \$40
 6. Water Reseter (Riser) Replacement \$105
 7. Portable Locking Device Replacement (e.g., padlock). \$45

14. Damaged Meter and Service Repair and Replacement*

1. Electric Time and Materials; Standard, Same Day or After Hours charges; and Surcharges apply.
2. Natural Gas Time and Materials; Standard, Same Day or After Hours charges; and Surcharges apply.
3. Water Time and Materials; Standard, Same Day or After Hours charges; and Surcharges apply.
4. Wastewater Time and Material; Standard, Same Day or After Hours charges; and Surcharges apply.

* Meter replacement based on availability of replacement metering equipment. Meter size may also be adjusted at City's sole discretion based on customer connected and/or projected load.

15. Disconnection and Reconnection of Service at Main. All charges below in addition to Standard, Same Day or After Hours charges; and Surcharges.
 1. Electric
 - a. Standard Next Day Charge
 1. Single Phase \$145
 2. Three Phase \$253
 - b. Same Day or After Hours Charge
 1. Single Phase \$205
 2. Three Phase \$358
 2. Natural Gas Time and Materials
 3. Wastewater
 - a. Local Roadway Time and Materials
 - b. Collector Roadway Time and Materials
 - c. Arterial Roadway Time and Materials
 4. Water Time and Materials

16. Meter Accuracy Test (per customer request subject to Terms and Conditions for the Sale of Utilities SD01)

1. Electric	
a. 200 AMP	\$111
b. 400 AMP	\$280
2. Natural Gas	
a. Diaphragm style meter (800 class and below)	\$158
b. Rotary meter (8C – 2M size)	\$238
c. Rotary meter (3M and larger)	\$334
d. Other	Time and Material
3. Water	
a. 0.75 Inch	\$231
b. 1.00 Inch	\$231
c. 1.50 Inch	\$311
d. 2.00 Inch	\$311
e. 3.00 Inch	\$659
f. 4.00 Inch	\$659
g. 6.00 Inch	\$659
h. 8.00 Inch	\$659
i. 10.00 Inch	\$1,116

17. Backflow Compliance Late fee \$125

18. Single family residential service lateral from public sewer main blockage removal \$185

19. Industrial Pretreatment. The fees will be applied in accordance with the Sanitary Sewer Regulations to all categorical and non-categorical industries, institutions, and business establishments located inside and outside the incorporated area of the city limits. See Title 8, Chapter 4 of the Mesa City Code.

1. Commercial and Industrial	
a. Administrative Charge (quarterly)	
1. 1 to 5,000 gpd	\$448
2. 5,001 to 50,000 gpd	\$448
3. 50,001 to 100,000 gpd	\$626
4. > 100,000 gpd	\$715
b. Compliance Monitoring Charge (quarterly)	
1. 1 to 5,000 gpd	\$725
2. 5,001 to 50,000 gpd	\$1,116
3. 50,001 to 100,000 gpd	\$1,500
4. > 100,000 gpd	\$1,883
2. Hospitals	
a. Administrative Charge (quarterly)	
1. 1 to 5,000 gpd	\$448
2. 5,001 to 50,000 gpd	\$448
3. 50,001 to 100,000 gpd	\$626
4. > 100,000 gpd	\$715
3. Non-Compliance (per occurrence)	
a. Re-Inspection	\$145
b. Main Blockage	\$1,935

20. Temporary Turn Off/On of Master Water Meter. The fee will recover the cost to turn on and turn off service to master water meters.

1. Street Valve (per valve)	
a. Normal Next Day Charge	\$193
b. Same Day or After Hours	\$261
2. Vault (per vault)	
a. Normal Next Day Charge	\$269

b. Same Day or After Hours

\$373

City of Mesa
Mesa, Arizona

Utility Service Fee Schedule
page – 4 –

21. Temporary Turn Off/On of Water Service. The fee will recover the cost to turn off and turn on service to all water meters except master meters.

- | | |
|--|-------|
| 1. Small Service (0.75 to 2.00 Inch Service) | |
| a. Normal Next Day Charge | \$61 |
| b. Same Day or After Hours | \$118 |
| 2. Large Service (3.00 Inch or Larger) | |
| a. Normal Next Day Charge | \$260 |
| b. Same Day or After Hours | \$316 |

22. Temporary Electric Power

- | | |
|---|-------------------|
| 1. Installation and Removal | |
| a. Overhead Single Phase. Single phase service, self-contained meter, 100 Amp or less switch size, wire span 100 feet or less, existing transformer in place. | Time and Material |
| b. Overhead Three Phase | Time and Material |
| c. Underground Single or Three Phase | Time and Material |

23. Expedited Electric Disconnection and Reconnection Fee \$362

II. LAND MANAGEMENT

1. Electric

1. Connection and Metering Facilities and upgrades Quote
2. Other Fees. System development agreements will recover the cost of facilities supporting utility system growth. Agreements will be administered by the Energy Resources Department.

2. Irrigation Quote

3. Natural Gas

1. Connection and Metering Facilities
 - a. Residential Quote
 - b. Commercial Quote
 - c. Relocation of Meters or Services Quote
 - d. Change of Meter Size Quote
2. Other Fees. System development agreements will recover the cost of facilities supporting utility system growth (e.g., main extension). Agreements will be administered by the Energy Resources Department.

4. Wastewater

1. Connection Facilities
 - a. Service Line and Main Extension. Customer will be responsible for all costs of extending public mains as necessary to be directly adjacent to the real property receiving service. Service lines will be installed by customer.
2. Other Fees. Impact fees will recover the cost of facilities supporting utility system growth (e.g., wastewater reclamation plant). Impact fees will be collected in addition to utility service fees. For more information on impact fees, go to the website www.mesaaz.gov/budget/ and look under the schedule of fees and charges section.

5. Water

1. Main Extension and Metering Facilities

- a. Customer will be responsible for all costs of extending public mains as necessary to be directly adjacent to the real property receiving service. Service lines will be installed by customer.

b. Meter Installation

1. 0.75 Inch**	\$460
2. 1.00 Inch**	\$460
3. 1.50 Inch**	\$790
4. 2.00 Inch**	\$910
5. 3.00 Inch	Quote
6. 4.00 Inch and larger Meter will be installed by customer	N/A

**Meter sets involving service laterals will require a Quote.

c. Meter Sale

1. 4.00 Inch	Reference Mesa Standard Details M-27.1 Fire System and M-28.1 Non-Fire System rated meters	Quote
2. 6.00 Inch	Reference Mesa Standard Details M-27.1 Fire System and M-28.1 Non-Fire System rated meters	Quote
3. 8.00 Inch	Reference Mesa Standard Details M-27.1 Fire System and M-28.1 Non-Fire System rated meters	Quote

- d. Landscape Meter Same price as domestic water meters (Items 5.1.a.-5.1.c.)

- e. Relocation or Adaptation of Water Services Quote

2. Other Fees. Impact fees will recover the cost of facilities supporting utility system growth (e.g., wastewater reclamation plant). Impact fees will be collected in addition to utility service fees. For more information on impact fees, go to the website www.mesaaz.gov/budget/ and look under the schedule of fees and charges section.

6. Pavement Repair and Replacement

1. Connection and Metering Facilities

a. Local Roadway	Time and Materials
b. Collector Roadway	Time and Materials
c. Arterial Roadway	Time and Materials

III. GENERAL

1. Meters. All water, gas and electric meters installed and connected to City systems will be those specified and supplied by the City of Mesa. Installation shall be subject to payment of the applicable fees. Meter maintenance and replacement scheduling shall be at the City's sole discretion. Meters shall be owned by the City of Mesa unless otherwise specified by the City in writing.
2. Permanent Facilities. All utility service fees identified in the Utility Service Fee Schedule pertain to permanent facilities unless otherwise specifically provided herein.
3. Meter Accuracy Test Fees. Meter accuracy test fees shall be waived by the City in the event the meter for which testing has been requested fails the applicable meter test or is deemed in the City's sole discretion to be appropriate for lifecycle replacement.
4. Transaction Processing Charge. All fees listed in the Land Management Section II include a \$50.00 transaction processing charge.
5. State and Local Taxes. Transaction privilege tax shall be added to all utility service fees where applicable.
6. Time and Material. The City reserves the right to charge for all services provided by City and not specifically covered in Utility Service Fee Schedule on a time and material basis.
7. Rates, Terms and Conditions. In addition to the fees set forth in Utility Service Fee Schedule, all City utilities are subject to the applicable and current rate schedules and Terms and Conditions of Service.