



Lansing Board of Water and Light
1232 Haco Drive
Lansing, MI 48912

December 05, 2011

RECEIVED
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LANSING CITY CLERK

Mr. Chris Swope, City Clerk
City of Lansing
124 W. Michigan Avenue, 9th Floor
Lansing, MI 48933

Dear Mr. Swope:

This letter and attachments are being filed with the City Clerk as required in Article 5, Chapter 2, Section 5-205.2 of the Lansing City Charter regarding changes in rate structures and other charges. The Board of Water and Light adopted the current Water, Steam, and Electric rate schedules on March 1, 2011.

Proposed Changes

Rate Changes for Fiscal Year 2012

Water and Steam

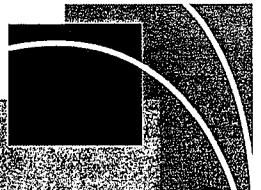
The proposed changes would increase the revenue available to operate and maintain the water and steam systems.

Accordingly, the Board of Commissioners has under consideration the attached proposed increases. If adopted, the water and steam annual customer billings would increase as follows:

<u>Water:</u>	Effective March 1, 2012	\$2,547,000
<u>Steam:</u>	Effective March 1, 2012	\$ 834,502

Electric

The BWL's electricity production occasionally exceeds the requirements of retail customers and the excess is sold on the wholesale power market. The sales of excess electricity production in the wholesale market is an integral part of providing electric service to BWL retail customers, and should not be treated as a stand-alone business. In order to recognize that the wholesale sales are integral to BWL electric operations, offsetting revenue-neutral rate adjustments are under consideration by the Board of Commissioners. The proposed adjustments would decrease the electric ECA rate by \$0.0035 per kWh and increase electric commodity charges by \$0.0035 per kWh. The proposed rate adjustments will not take effect until March 1, 2012.





Lansing Board of Water and Light
1232 Haco Drive
Lansing, MI 48912

Public Hearing

A public hearing, scheduled for Thursday, January 19, 2012, at 5:30 p.m., in the Board of Water and Light Boardroom at 1232 Haco Drive will provide for public input on these changes.

Revenue and Customer Impact

The proposed changes will increase water customer billings by \$2.5 million and steam customer billings by \$0.8 million annually. The impact on any individual customer will vary depending upon the type of service received and customer consumption of electricity, water and steam. The effect on various customer usage levels is shown in Attachment C.

Very truly yours,

M. Denise Griffin
Corporate Secretary

cc: J. Peter Lark, General Manager
Susan Devon, Assistant General Manager & Chief Financial Officer

Attachment A
Notice of Public Hearing

NOTICE OF PUBLIC HEARING ON PROPOSED
WATER, STEAM, AND ELECTRIC RATE CHANGES
BOARD OF WATER AND LIGHT
OF THE CITY OF LANSING, MICHIGAN

A Public Hearing will be held on Thursday, January 19, 2012 at 5:30 p.m. in the Board of Water and Light Boardroom at 1232 Haco Drive, Lansing Michigan. Members of the public are invited to attend. Signs directing people to the hearing room will be posted.

PURPOSE OF THE HEARING: The Board of Water and Light will solicit comments from the public on PROPOSED WATER, STEAM, AND ELECTRIC RATE SCHEDULES. THE PROPOSALS being considered by the Commissioners would INCREASE RATES FOR WATER AND STEAM and provide offsetting revenue-neutral rate adjustments for ELECTRIC.

REASON FOR CHANGE: The proposed rate adjustments will provide additional revenue to operate and maintain the water and steam systems. The proposed rate adjustments will partially offset costs of operating and maintaining the water and steam systems.

IF YOU WANT TO BE HEARD: Comments, oral or written, may be submitted at the public hearing. Mailed comments will be received until 5:00 p.m. on January 18, 2012, addressed to the Board of Water and Light, P. O. Box 13007, Lansing, Michigan 48901, Attention: Corporate Secretary. Comments MUST BE LIMITED TO THE PROPOSED RATE CHANGES. The hearing officer may impose time restrictions on oral comments, depending on the number of persons wishing to be heard.

FURTHER INFORMATION: Copies of proposed rate schedules and other data may be picked up at the information desk on the first floor of the Board of Water and Light Customer Service Center, at 1232 Haco Drive or at the reception desk on the second floor of the Administration Building at the same address between 8:00 a.m. and 5:00 p.m., Monday through Friday. This material will also be available at the public hearing.

**PUBLISHED BY ORDER OF THE BOARD OF WATER AND LIGHT
COMMISSIONERS**

M. Denise Griffin
Corporate Secretary

Date Posted: 1/04/2012

Attachment B
Proposed Fiscal Year 2012 Rate Schedules

Board of Water & Light, Lansing, Michigan – Water Utility Rates

**RESIDENTIAL WATER SERVICE
RATE NO. 1**

Availability - This rate is available to any single-family residence or multifamily dwelling of 4 units or less served by one meter.

Monthly Rate - Shall be computed in accordance with the following charges.

Basis Service Charge: per customer per month or part thereof:

Meter	3/1/12
5/8"	\$11.19
3/4" *	\$15.67
1"	\$29.14
1¼" or 1½"	\$64.97
2"	\$114.24

Commodity Charge: per ccf of water used per month;
\$2.56

* The BWL standard residential installation is a 1" service line with a ¾" meter. The BWL reserves the right, in its sole judgment, to install 5/8" meters on any new service installation when circumstances warrant.

Power and Chemical Cost Adjustment - The power and chemical cost adjustment shall consist of an increase or decrease of 0.1¢ per ccf billed for each 0.1¢ increase or decrease in the average cost of power and chemicals required to deliver treated water to the customer's meter above or below 44.7¢ per ccf. The cost per ccf for the billing period shall consist of the weighted average cost of chemicals, electricity, steam and oil used in pumping and treatment facilities during the one month period preceding the month billed by two months.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of water, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - The minimum charge shall be the above Basic Service Charge applied for 30 days.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the Board.

Rules and Regulations - Service under this rate is subject to the Board of Water and Light Rules and Regulations for Water Service which are incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water & Light, Lansing, Michigan – Water Utility Rates

**GENERAL WATER SERVICE
RATE NO. 2**

Availability - This rate is available to any customer served on the BWL's water system. Service under this rate is not available for resale.

Monthly Rate - Shall be computed in accordance with the following charges.

Basic Service Charge: per customer per month or part thereof;

Meter	3/1/12
5/8"	\$11.19
3/4" *	\$15.67
1"	\$29.14
1¼" or 1½"	\$64.97
2"	\$114.24
3"	\$257.61
4"	\$459.22
6"	\$1,032.60
8"	\$1,834.62
10"	\$2,867.31

Commodity Charge: per ccf of water used per month;
\$2.56

* The BWL standard residential installation is a 1" service line with a ¾" meter. The BWL reserves the right, in its sole judgment, to install 5/8" meters on any new service installation when circumstances warrant.

Power and Chemical Cost Adjustment - The power and chemical cost adjustment shall consist of an increase or decrease of 0.1¢ per ccf billed for each 0.1¢ increase or decrease in the average cost of power and chemicals required to deliver treated water to the customer's meter above or below 44.7¢ per ccf. The cost per ccf for the billing period shall consist of the weighted average cost of chemicals, electricity, steam and oil used in pumping and treatment facilities during the one month period preceding the month billed by two months.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of water, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - The minimum charge shall be the above Basic Service Charge applied for 30 days.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the Board.

Rules and Regulations - Service under this rate is subject to the Board of Water and Light Rules and Regulations for Water Service which are incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water & Light, Lansing, Michigan – Water Utility Rates

**FIRE SERVICE
RATE NO. 4**

Fire Service - A fire service line will be installed to a fire hydrant(s) or a customer's detector check valve in accordance with the schedule of charges for water system connection fees (Rate 3) and the current water service installation charges set forth in the Rules and Regulations for Water Service. The location of the detector check valve shall be determined by the Water Distribution Engineering Department.

Fire service lines shall be used for fire protection purposes only. No additional charges will be made for water used for testing and fire purposes. The customer shall maintain the detector check valve and fire protection system connected thereto in good condition in compliance with Section 34-9, Repair and Protection of Equipment, of the Code of the City of Lansing, Michigan.

Monthly Fire Service Charge - Water supply and maintenance of a fire service line to a detector check valve shall be provided in accordance with the following schedule of charges:

Service Size	<u>3/1/12</u>
4" or smaller	\$72
6"	\$162
8"	\$286
10" or larger	\$447

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of water, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - Billings subject to this rate are not subject to a minimum charge.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Rules and Regulations - Service under this rate is subject to the Board of Water and Light Rules and Regulations for Water Service which are incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

LAWN SPRINKLING WATER SERVICE
RATE NO. 5

Availability - This rate is available to any customer served on the BWL's water system where the meter or service is installed solely for lawn sprinkling. Municipalities having jurisdiction over sewer system rates may designate other uses of water which are subject to this rate.

Monthly Rate - Shall be computed in accordance with the following charges.

Basic Service Charge: Billings subject to this rate are not subject to a Basic Service Charge.

Commodity Charge: per ccf of water used per month
3/1/12

all ccf \$2.56

Power and Chemical Cost Adjustment - The power and chemical cost adjustment shall consist of an increase or decrease of 0.1¢ per ccf billed for each 0.1¢ increase or decrease in the average cost of power and chemicals required to deliver treated water to the customer's meter above or below 44.7¢ per ccf. The cost per ccf for the billing period shall consist of the weighted average cost of chemicals, electricity, steam and oil used in pumping and treatment facilities during the one month period preceding the month billed by two months.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of water, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - Billings subject to this rate are not subject to a minimum charge.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the Board.

Rules and Regulations - Service under this rate is subject to the Board of Water and Light Rules and Regulations for Water Service which are incorporated herein by this reference.

**FIRE HYDRANT CHARGES
RATE NO. 6**

Annual Fire Hydrant Charge - Water Supply and maintenance of a fire service line to a public or private fire hydrant shall be provided in accordance with the following annual schedule of charges:

	<u>3/1/12</u>
All Hydrants	\$474

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of water, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - Billings subject to this rate are not subject to a minimum charge.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Rules and Regulations - Service under this rate is subject to the Board of Water and Light Rules and Regulations for Water Service which are incorporated herein by this reference.

Board of Water and Light, Lansing, Michigan – Steam Utility Rates

GENERAL STEAM SERVICE
RATE NO. 1

Availability - This rate is available to any customer receiving service from the Board of Water and Light (BWL) steam distribution system with a maximum gauge pressure of fifteen pounds per square inch (15 psi). Steam services at gauge pressures above 15 psi but not exceeding 100 psi, when available, may be supplied at the option of the BWL or upon request by the customer.

Nature of Service - Saturated steam up to a maximum gauge pressure of 15 psi except as indicated above.

Monthly Rate

	<u>3/1/12</u>	
Basic Service Charge	\$12.20	per customer per month
Commodity Charge		Billing Months of June through November
	\$13.91	per 1000 lbs. for the first 200,000 lbs.
	\$14.61	per 1000 lbs. for all 1000 lbs. over 200,000 lbs.
		Billing Months of December through May
	\$14.08	per 1000 lbs for the first 200,000 lbs.
	\$14.78	per 1000 lbs. for all 1000 lbs. over 200,000 lbs.

Surcharge - A surcharge of ten (10) percent shall be added to the above rates for steam service supplied upon customer's request for service at gauge pressure above 15 psi but not exceeding 100 psi.

Fuel Cost Adjustment - This rate is subject to a Fuel Cost Adjustment factor added to the above charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Amine Treatment Adjustment - The amine treatment adjustment allows for the monthly adjustment of rates to reflect the actual cost incurred due to amine feed. The factor shall be applied to each 1000 pounds (lbs) billed. The factor shall consist of 1.124 times the weighted average amine cost per 1000 lbs treated during the previous month.

Environmental Charge - This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.30/Mlb.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL's property, or its operation, or the production and/or sale of steam, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - The Basic Service Charge included in the rate except that Special Minimum Charges shall be billed when the revenue received does not adequately compensate the BWL for the cost of furnishing service.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Reconnect Charge - A reconnect charge shall be added to any account which discontinues and reconnects service at the same address within a twelve (12) month period. The reconnect charge is specified in the BWL Rules and Regulations for Steam Service.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Steam Service which are incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Steam Utility Rates

**INDUSTRIAL STEAM SERVICE
RATE NO. 2**

Availability: This rate is available to any customer engaged in mining or manufacturing and receiving steam at any BWL plant wall at a minimum gauge pressure of 250 psi. Service will be provided upon customer entering into a steam supply contract with the BWL. Terms and conditions of the contract may vary due to customer requirements and the impact on BWL facilities.

Monthly Rate:

	<u>3/1/12</u>
Demand Charge:	\$1.40 per pound per hour (lb/hr) for all lb/hrs of contract demand
	\$1.22 per pound per hour (lb/hr) for all lb/hrs exceeding contract demand
Commodity Charge:	\$8.56 per thousand pounds (Mlb)

Fuel Cost Adjustment - This rate is subject to a Fuel Cost Adjustment factor added to the above charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.30/Mlb.

Minimum Charge: Monthly Demand Charge above.

Tax Adjustment: Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, or any other charges against the BWL's property, or its operation, or the production and/or sale of steam, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Billing Demand: The billing demand is the maximum demand (lb/hrs) supplied during the 15 minute period of maximum use during the month, but not less than the contract demand.

Delayed Payment Charge: A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Rules and Regulations: Service under this rate is subject to the BWL Rules and Regulations for Steam Service which are incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Steam Utility Rates

**RESIDENTIAL STEAM SERVICE
RATE NO. 5**

Availability - This rate is available to any single-family or multifamily dwelling of 4 units or less when the entire service requirements are supplied at one point of delivery through one meter.

Service under this rate is not available to any single-family or multifamily dwelling unit of 4 units or less when a portion of the dwelling unit is used for commercial, industrial, or resale purposes unless the service is so arranged that residential and non-residential purposes are metered separately.

Nature of Service - Saturated steam up to a maximum gauge pressure of 15 psi. Steam services at gauge pressures above 15 psi but not exceeding 100 psi, when available, may be supplied at the option of the BWL or upon request by the customer.

Monthly Rate

	<u>3/1/12</u>	
Basic Service Charge	\$9.04	per customer per month
Commodity Charge		Billing Months of June through November
	\$10.77	per 1000 lbs. for the first 200,000 lbs.
	\$11.27	per 1000 lbs. for all 1000 lbs. over 200,000 lbs.
		Billing Months of December through May
	\$10.90	per 1000 lbs for the first 200,000 lbs.
	\$11.41	per 1000 lbs. for all 1000 lbs. over 200,000 lbs.

Surcharge - A surcharge of ten (10) percent shall be added to the above rates for steam service supplied upon customer's request for service at gauge pressure above 15 psi but not exceeding 100 psi.

Fuel Cost Adjustment - This rate is subject to a Fuel Cost Adjustment factor added to the above charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Amine Treatment Adjustment - The amine treatment adjustment allows for the monthly adjustment of rates to reflect the actual cost incurred due to amine feed. The factor shall be applied to each 1000 pounds (lbs) billed. The factor shall consist of 1.124 times the weighted average amine cost per 1000 lbs treated during the previous month.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.30/Mlb.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL's property, or its operation, or the production and/or sale of steam, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Minimum Charge - The Basic Service Charge included in the rate except that Special Minimum Charges shall be billed when the revenue received does not adequately compensate the BWL for the cost of furnishing service.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill which is not paid on or before the due date.

Reconnect Charge - A reconnect charge shall be added to any account which discontinues and reconnects service at the same address within a twelve (12) month period. The reconnect charge is specified in the BWL Rules and Regulations for Steam Service.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Steam Service which are incorporated herein by this reference

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**RESIDENTIAL ELECTRIC SERVICE
RATE NO. 1**

Availability - This rate is available to any single-family or multifamily dwelling of 4 units or less when the entire electric requirements are supplied at one point of delivery through one meter. Service to appurtenant buildings may be taken through the same meter.

Service under this rate is not available to any single-family or multifamily dwelling unit of 4 units or less when a portion of the dwelling unit is used for commercial, industrial, or resale purposes unless the wiring is so arranged that service for residential and non-residential purposes are metered separately.

Nature of Service - The service is alternating current, 60 hertz, single phase, 120/240 nominal volts.

Monthly Rate - Shall be computed in accordance with the following charges:

	<u>3/1/12</u>	
Basic Service Charge	\$7.50	Per customer per month
Commodity Charge		Summer Billing Months of June through October
	\$.0847	Per kWh for the first 500 kWh
	\$.0896	Per kWh for all over 500 kWh
		Winter Billing Months of November through May
	\$.0847	Per kWh for the first 500 kWh
	\$.0877	Per kWh for all over 500 kWh

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge - This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge - This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge - This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board of Water and Light (BWL) property, or its operation, or the production and/or sale of electric energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**GENERAL ELECTRIC SERVICE
RATE NO. 3**

Availability - This rate is available to any customer desiring secondary voltage service for any purpose when supplied at one point of delivery through one meter. The limitation to secondary-voltage service may be waived in instances where the character of the electric load at the premises served has changed substantially. This rate is not available for emergency or standby service.

Nature of Service - The service is alternating current, 60 hertz, single phase or three phase. The secondary voltage is determined by the Board of Water and Light (BWL).

Monthly Rate - Shall be computed in accordance with the following charges.

Basic Service Charge	<u>3/1/12</u> \$17.98	per customer per month
Commodity Charge		Summer Billing Months of June through October per kWh
	\$.0974	
		Winter Billing Months of November through May per kWh
	\$.0941	

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge – This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge – This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Metering - Where the BWL elects to measure the service on the primary side of the transformers, the metered kWh thus measured will be reduced by 3% for billing purposes to adjust for transformer losses. Where the customer receives service through more than one meter, the consumption as registered by the different meters will not be combined for billing purposes, but will be computed and billed separately.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**LARGE GENERAL ELECTRIC SERVICE
RATE NO. 4**

Availability - This rate is available to any customer desiring secondary voltage for any purpose when the electrical requirements are supplied at one point of delivery through one metering installation and the billing demand is 15 kW or more. The limitation to secondary-voltage service may be waived in instances where the character of the electric load at the premises served has changed substantially. This rate is not available for standby or emergency services.

Nature of Service - The service is alternating current, 60 hertz, single phase or three phase. The secondary voltage is determined by the Board of Water and Light (BWL).

Monthly Rate - Shall be computed in accordance with the following charges.

	<u>3/1/12</u>	
Basic Service Charge	\$38.35	per customer per month
Capacity Charge	\$10.19	Per kW for all kW of Maximum Demand
Commodity Charge		Summer Billing Months of June through October
	\$.0572	Per kWh
		Winter Billing Months of November through May
	\$.0532	Per kWh
Reactive Power Charge	\$0.0092	per kvarh in excess of 50% of total kWh.

The Reactive Power Charge shall be applicable to customers who have reactive kilovar hour (kvarh) metering installed in accordance with BWL Rules and Regulations regarding power factor.

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge – This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge – This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Billing Demand - The billing demand shall be the kW supplied during the 15-minute period of maximum use during the month.

Metering - Where the BWL elects to measure the service on the primary side of the transformer, the metered kW and kWh quantities thus measured will be reduced by 3% for billing purposes to adjust for transformer losses. Where the customer receives service through more than one metering installation, the consumption as registered by the different metering installations will not be combined for billing purposes, but will be computed and billed separately.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**PRIMARY ELECTRIC SERVICE
RATE NO. 5**

Availability - This rate is available to any customer desiring primary voltage service when the electrical requirements are supplied at one point of delivery through one metering installation (except as provided below for Multiple Delivery Point Aggregation) and the billing demand is 100 kW or more. This rate is not available for standby or emergency service.

Nature of Service - The service is alternating current, 60 hertz, three phase. The primary voltage is determined by the Board of Water and Light (BWL).

Monthly Rate - Shall be computed in accordance with the following charges:

	<u>3/1/12</u>	
Basic Service Charge	\$95.90	per customer per month
Capacity Charge	\$8.27	Per kW for all kW of On-Peak Billing Demand, plus
	\$2.74	Per kW for all kW of Maximum Demand
Commodity Charge		Summer Billing Months of June through October
	\$0.0516	Per kWh for all kWh during the On-Peak Period, plus
	\$0.0477	Per kWh for all kWh during the Off-Peak Period, plus
		Winter Billing Months of November through May
	\$0.0496	Per kWh for all kWh during the On-Peak Period, plus
	\$0.0477	Per kWh for all kWh during the Off-Peak Period
Reactive Power Charge	\$0.0092	per kvarh in excess of 50% of total kWh

The Reactive Power Charge shall be applicable to customers who have reactive kilovar hour (kvarh) metering installed in accordance with BWL Rules and Regulations regarding power factor.

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge - This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge - This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge - This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Billing Demand

On-Peak Billing Demand: The On-Peak Billing Demand shall be the kW supplied during the 15-minute period of maximum use during the On-Peak Period during the month.

Maximum Demand: The Maximum Demand shall be the kW supplied during the 15-minute period of maximum use during the month whether on-peak or off-peak.

Schedule of on-peak and off-peak periods - The On-Peak Period shall be from 10:00 a.m. until 6:00 p.m., Monday through Friday. All other hours shall comprise the Off-Peak Period.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**PRIMARY ELECTRIC SERVICE
RATE NO. 5**

Multiple Delivery Point Aggregation - The 15-minute period demands of multiple delivery points of a customer may be summed for determination of the total On-Peak Billing Demand under the following conditions: (a) the Maximum Demand at each delivery point must equal or exceed 100 kW; (b) the total On-Peak Billing Demand shall not be less than 4,000 kW; and (c) the customer shall agree to a service contract with the BWL for the customer's full electrical service requirements at the aggregated delivery points for a period of not less than five (5) years. Aggregation shall be applicable for determination of the On-Peak Billing Demand only. All other charges, including the Basic Service Charge and Maximum Demand, shall apply to each delivery point independently.

Metering - When the BWL elects to measure the service on the secondary side of the transformers, the metered kW and kWh quantities thus measured will be increased by 3% for billing purposes to adjust for transformer losses. Where the customer receives service through more than one meter installation, consumption as registered by the different meter installations will not be combined for billing purposes, but will be billed and computed separately except as provided for in Multiple Delivery Point Aggregation.

Equipment Supplied by Customer - The customer shall be responsible for furnishing, installing and maintaining all necessary transforming, controlling and protective equipment required for service beyond the BWL primary-voltage delivery point. At the sole option of the BWL, a customer may lease such transformers or other equipment from the BWL under terms established by the BWL.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**MUNICIPAL WATER PUMPING ELECTRIC SERVICE
RATE NO. 7**

Availability - This rate is available to any political subdivision or agency of the State of Michigan desiring service for potable water pumping and associated potable water production equipment when the entire electrical requirements are supplied at one point of delivery through one meter. This rate is not available for emergency, standby, or auxiliary service.

Nature of Service - The service is alternating current, 60 hertz, three phase. The secondary or primary voltage is determined by the BWL.

Monthly Rate - Shall be computed in accordance with the following charges.

	<u>3/1/12</u>	
Basic Service Charge	\$11.98	Per customer per month
Commodity Charge	\$.0766	Per kWh

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge - This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge - This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge - This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Metering - Where the BWL elects to measure the service on the primary side of the transformers serving the customer, the metered kWh thus measured will be reduced 3% for billing purposes to adjust for transformer losses.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**LARGE CAPACITY ELECTRIC SERVICE
RATE NO. 8**

Availability - This rate is available to any customer desiring primary voltage service when: (a) the electrical requirements are supplied at one or more points of delivery as provided below for Multiple Delivery Point Aggregation; (b) where the total On-Peak Billing Demand is 25,000 kW or more; and (c) the customer agrees to a service contract with the BWL for the customer's full electrical service requirements at the applicable delivery points for a period of not less than ten (10) years. This rate is not available for standby or emergency service.

Nature of Service - The service is alternating current, 60 hertz, three phase. The primary voltage is determined by the Board of Water and Light (BWL).

Monthly Rate - Shall be computed in accordance with the following charges:

Basic Service Charge	<u>3/1/12</u> \$299.69	per delivery point per month
Capacity Charge	\$9.32 \$1.75	per kW for all kW of On-Peak Billing Demand, plus per kW for all kW of Maximum Demand
Commodity Charge	Summer Billing Months of June through October	
	\$0.0463 \$0.0415	per kWh for all kWh during the On-Peak Period, plus per kWh for all kWh during the Off-Peak Period, plus
	Winter Billing Months of November through May	
	\$0.0448 \$0.0415	per kWh for all kWh during the On-Peak Period, plus per kWh for all kWh during the Off-Peak Period
Reactive Power Charge	\$0.0092	Per k varh in excess of 50% of total kWh

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge - This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge - This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge - This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board's property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Billing Demand

On-Peak Billing Demand: The On-Peak Billing Demand shall be the total kW supplied to all applicable delivery points during the 15-minute period of maximum use during the On-Peak Period during the month. (See Multiple Delivery Point Aggregation.)

Maximum Demand: The Maximum Demand for each delivery point shall be the kW supplied during the 15-minute period of maximum use during the month whether on-peak or off-peak.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**LARGE CAPACITY ELECTRIC SERVICE
RATE NO. 8**

Schedule of on-peak and off-peak periods - The On-Peak Period shall be from 10:00 a.m. until 6:00 p.m., Monday through Friday. All other hours shall comprise the Off-Peak Period.

Multiple Delivery Point Aggregation - The 15-minute period demands of multiple delivery points of a customer shall be summed for determination of the total On-Peak Billing Demand under the following conditions: (a) the Maximum Demand determined at each delivery point must equal or exceed 1,000 kW; and (b) the total On-Peak Billing Demand shall not be less than 25,000 kW. Aggregation shall be applicable for determination of the On-Peak Billing Demand only. All other charges, including the Basic Service Charge and Maximum Demand, shall apply to each delivery point independently.

Metering - When the BWL elects to measure the service on the secondary side of the transformers, the metered kW and kWh quantities thus measured will be increased by 3% for billing purposes to adjust for transformer losses. Where the customer receives service through more than one meter installation, consumption as registered by the different meter installations will not be combined for billing purposes, but will be billed and computed separately except as provided for Multiple Delivery Point Aggregation.

Equipment Supplied by Customer - The customer shall be responsible for furnishing, installing and maintaining all necessary transforming, controlling and protective equipment required for service beyond the BWL primary-voltage delivery point. At the sole option of the BWL, a customer may lease such transformers or other equipment from the BWL under terms established by the BWL.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**SPACE CONDITIONING AND
ELECTRIC WATER HEATING SERVICE
RATE NO. 12**

Availability - This rate is available to any customer desiring service for commercial/industrial space conditioning and/or electric water heating furnished through a separate meter to which no other electrical device except electric space heating, electric air conditioning, humidity control equipment or electric water heating equipment may be connected. Electric space heating will be considered to include heating by light system provided the primary means of space heating at the time of maximum heating requirements will be furnished by the lighting system with the balance of the heating requirements furnished by supplementary electric heating equipment. This rate is not available to new applications for heat for light systems received after March 1, 1979. This rate is not applicable to the use of electricity for electric air conditioning unless the customer has permanently installed electric space heating equipment and uses it as the principal source of space heating, or to the use of electricity for occasional or seasonal substitute for another method of water heating.

Nature of Service - The service is alternating current, 60 hertz, single phase at Board of Water and Light (BWL) available secondary voltage. Three phase service will be furnished at BWL option.

Monthly Rate - Shall be computed in accordance with the following charges.

Basic Service Charge	<u>3/1/12</u> \$23.97
Commodity Charge	Summer Billing Months of June through October \$.1100 per kWh Winter Billing Months of November through May \$.0726 per kWh

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge – This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge – This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bill shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**RESIDENTIAL ELECTRIC SERVICE,
SENIOR CITIZEN
RATE NO. 21**

Availability - This rate is available to any single family or multifamily dwelling of 4 units or less when the entire electric requirements are supplied at one point of delivery through the same meter. The customer must be 65 years of age and head of the household being served. Service to appurtenant buildings may be taken through the same meter.

Service under this rate is not available to any single family or multifamily dwelling of 4 units or less unit when a portion of the residence or dwelling unit is used for commercial, industrial, or resale purposes unless the wiring is so arranged that service for residential and non-residential purposes are metered separately.

Customers taking service under this rate shall provide evidence of age and contract with the Board of Water and Light (BWL) to remain on this rate for at least twelve (12) months.

Nature of Service - The service is alternating current, 60 hertz, single phase, 120/240 nominal volts.

Monthly Rate - Shall be computed in accordance with the following charges.

Basic Service Charge	<u>3/1/12</u> \$4.83
Commodity Charge	\$.0643 per kWh for the first 300 kWh \$.1008 per kWh for the next 200 kWh \$.1312 per kWh for all over 500 kWh

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Renewable Energy Plan Surcharge – This rate is subject to the Renewable Energy Plan Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Energy Optimization Surcharge – This rate is subject to the Energy Optimization Surcharge as defined on a separate rate schedule incorporated herein by this reference.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the BWL property, or its operation, or the production and/or sale of electrical energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

**RESIDENTIAL PLUG-IN ELECTRIC VEHICLE CHARGING SERVICE
RATE NO. 22**

Availability – The Experimental Residential Plug-in Vehicle Charging Rate is a voluntary pilot rate available to any single-family or multifamily dwelling of 4 units or less with separately metered Electric Vehicle Supply Equipment (EVSE) capable of providing Level 2 charging for plug-in electric motor vehicles.

Service under this rate is not available to any single-family or multifamily dwelling unit of 4 units or less when a portion of the dwelling unit is used for commercial, industrial, or resale purposes unless the wiring is so arranged that service for residential and non-residential purposes are metered separately.

“EVSE” means a device or apparatus, including vehicle supply cable, connector, internal relays and controls designed specifically for the purpose of delivering energy from the premises wiring to a plug-in-electric motor vehicle. This equipment must meet or exceed the following codes, standards and recommended practices:

1. National Electric Code Article 625 Electric Vehicle Charging System.
2. Society of Automotive Engineers Standard (SAE) J1772.
3. Underwriters Laboratory (UL) 2202, Charging Station Safety.
4. UL 2231 Personal Protection Device.
5. UL 2251 Standard for Safety of Plugs, Receptacles and Couplers for EVs.
6. UL 1998 Standard for Safety-Related Software
7. UL 991 Standard for Tests for Safety-Related Controls Employing Solid-State Devices
8. UL Subject 2594 Electric Vehicle Supply Equipment
9. Michigan Administration codes 408.30801 or 408.30876.

“Level 2 Charging” means providing 208 – 240 volt single phase alternating current energy to an onboard charger of an electric motor vehicle with a maximum current specified at maximum 32 continuous amps and a Branch Circuit Breaker rated at 40 amps. The maximum continuous input power is specified as 7.68 Kilowatts.

Nature of Service - The service is alternating current, 60 hertz, single phase, 208 to 240 nominal volts, Level 2 Charging as defined.

Monthly Rate - Shall be computed in accordance with the following charges:

	<u>3/1/12</u>	
Basic Service Charge	\$1.95	Per customer per month
Commodity Charge	\$ 0.0561	Per kWh for all Off-Peak Usage
	\$ 0.1396	Per kWh for all On-Peak Usage

On-Peak Hours: All kWh used between 7am and 11 pm Monday through Friday.
Off-Peak Hours: All other kWh used.

Minimum Bill - The minimum bill is the basic service charge included in the monthly rate.

Energy Cost Adjustment - This rate is subject to an Energy Cost Adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.

Environmental Charge – This rate is subject to an Environmental Charge as defined on a separate rate schedule incorporated herein by this reference. The current Environmental Charge is \$0.0025/kWh.

Tax Adjustment - Bills shall be increased within the limits of any governmental authority or political subdivision which levies taxes, license fees, franchise fees, or any other charges against the Board of Water and Light (BWL) property, or its operation, or the production and/or sale of electric energy, to offset any such cost and thereby prevent other customers from being compelled to share such local increases.

Delayed Payment Charge - A delayed payment charge of 5% of the unpaid balance, excluding previous delayed payment charges, shall be added to any bill that is not paid on or before the due date.

Adopted: Proposed

Effective: March 1, 2012

Board of Water and Light, Lansing, Michigan – Electric Utility Rates

Application Charge - A \$7.00 charge shall be added to the first regular bill for all customers turning on service at a service location irrespective of prior service with the BWL.

Rules and Regulations - Service under this rate is subject to the BWL Rules and Regulations for Electric Service incorporated herein by this reference.

Adopted: Proposed

Effective: March 1, 2012

ENERGY COST ADJUSTMENT

The Energy Cost Adjustment permits the monthly adjustment of rates for the costs of energy incurred in supplying electricity to retail customers. All residential and general service rates are subject to the Energy Cost Adjustment. In applying the Energy Cost Adjustment, the applicable rate per kWh shall be increased or decreased by the amount of the current Energy Cost Adjustment. The following definitions and procedures will be followed in calculating the monthly Energy Cost Adjustment.

Definitions

Energy Cost Adjustment - the amount per kWh by which the applicable rates shall be adjusted for billing in each month.

Energy Costs - those costs incurred in supplying retail and wholesale electricity. Such costs include fuel burned, energy costs associated with firm power purchases, net interchange power costs, and costs associated with other temporary power transactions. The cost of fuel burned shall include the delivered cost of fuel (base cost, escalations, premiums/penalties, transportation, demurrage), outside lab fees and other outside costs related to fuel procurement, and fuel additives such as freeze proofing.

Over/Under Recovery - the difference between actual Energy Costs for prior months and the amount of energy cost recovered by means of the Base Cost of Energy and the Energy Cost Adjustment. The Over/Under Recovery shall be added to the Energy Costs for purposes of computing the Energy Cost Adjustment for each month. Energy costs will be offset with wholesale revenues.

Base Cost of Energy - the average Energy Cost included in the energy rates of the various rate schedules. Such amount shall not be recovered by means of the Energy Cost Adjustment. The current Base Cost of Energy is \$0.025839 per kWh sold.

Procedures

Estimated Energy Cost shall be projected for a twelve-month period. Any amount of Over/Under Recovery (positive or negative) shall be added to the Energy Cost to determine the total cost basis for the Energy Cost Adjustment. The total cost basis shall be divided by the projected total retail billed and wholesale sales for the twelve-month period resulting in the average energy cost per kWh. The Base Cost of Energy shall be subtracted from the average energy cost to result in the Energy Cost Adjustment.

The Energy Cost Adjustment shall be reviewed and, as necessary, revised periodically in accordance with the provisions of this schedule, but not less frequently than every twelve months.

Attachment C
Effect on Various Monthly Billings to Customers
of the Proposed Rate Schedules

CUSTOMER IMPACT

MONTHLY WATER BILLS					
BWL BILLING INCREASE \$2.5 million					
			Current Monthly Bill	3/1/2012 Proposed Monthly Bill	Monthly Increase
<u>Residential (Rate 1)</u>					
Meter Size	5/8"				
CCF	6	\$	24.30	\$ 26.48	\$ 2.18
<u>General Water Service (Rate 2)</u>					
Meter Size	4"				
CCF	365	\$	1,274.67	\$ 1,389.24	\$ 114.57
<u>Lawn Sprinkling Water Service (Rate 5)</u>					
CCF	15	\$	35.07	\$ 38.22	\$ 3.15

MONTHLY STEAM BILLS					
BWL REVENUE INCREASE \$0.8 million					
			Current Monthly Bill	3/1/2012 Proposed Monthly Bill	Monthly Increase
<u>General Steam Service (Rate 1)</u>					
Lbs	20,000	\$	295.85	\$ 319.86	\$ 24.01
Lbs	50,000	\$	722.85	\$ 781.36	\$ 58.51
Lbs	200,000	\$	2,857.81	\$ 3,088.82	\$ 231.01
Lbs	800,000	\$	11,781.67	\$ 12,738.68	\$ 957.01
Lbs	1,000,000	\$	14,756.29	\$ 15,955.30	\$ 1,199.01
<u>Industrial Steam Service (Rate 2)</u>					
Lbs	20,000,000	\$	252,750.61	\$ 275,362.53	\$ 22,611.92
<u>Residential Steam Service (Rate 5)</u>					
Lbs	10,000	\$	118.82	\$ 128.47	\$ 9.65

MONTHLY ELECTRIC BILLS					
BWL BILLING - Revenue Neutral					
			Current Monthly Bill	3/1/2012 Proposed Monthly Bill	Monthly Increase
<u>Residential (Rate 1)</u>					
500 KWH		\$	61.01	\$ 61.01	\$ -
750 KWH		\$	87.74	\$ 87.74	\$ -
1000 KWH		\$	114.47	\$ 114.47	\$ -
<u>Commercial and Industrial</u>					
750 KWH	8 KW (Rate 3)	\$	111.46	\$ 111.46	\$ -
1,500 KWH	12 KW (Rate 3)	\$	198.35	\$ 198.35	\$ -
35,000 KWH	100 KW (Rate 4)	\$	3,681.30	\$ 3,681.30	\$ -
35,000 KWH	1000 KW (Rate 4)	\$	12,852.30	\$ 12,852.30	\$ -
400,000 KWH	1,000 KW (Rate 5)	\$	37,662.70	\$ 37,662.70	\$ -
650,000 KWH	1,000 KW (Rate 5)	\$	53,542.90	\$ 53,542.90	\$ -