Tariff and Business Rules Annual Updates

Proposal for Board Review of Tariff Amendments

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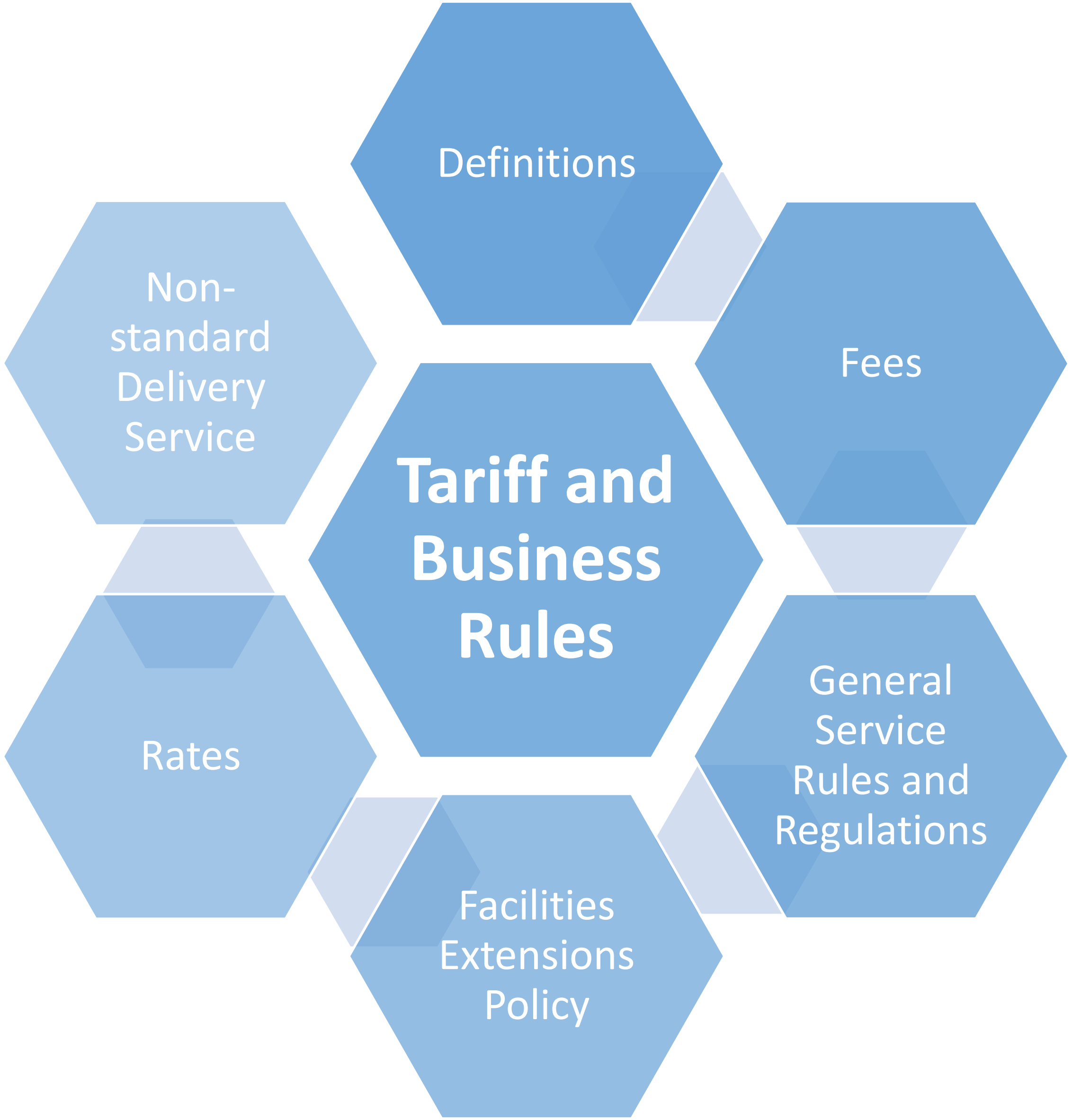
Summary of Annual Updates



- PEC has established a consistent process for conducting an annual review of PEC's Tariff and Business Rules.

- This review consists of all sections; however, Rate specific revisions pursuant to the Rate Policy are made separate from this review process.

- PEC brought these updates to the Board in a draft resolution in October and now a final resolution this month with some additional changes.

- If approved by the Board, the updates will be effective on March 1, 2026.

Edits by Section

Section 100	Definitions	• Updated Applicant to reflect interconnection applications • Updated Capacity Demand from power consumed to power delivered or received • Updated Encroachment to include situations encountered such as landscaping and structures • Updated Interconnection to include all interconnections, not just distributed generation • Added Landlord to accompany existing Landlord Provision • Updated Landlord Provision to refer to Landlord
Section 200	Description of the Cooperative's Service Area	• No changes proposed

Edits by Section

Section 300	General Service Rules and Regulations	• Updated Access to Cooperative Records to reference Open Records Request exemptions and to include Geographic Information System (GIS) mapping records • Added CEO designee to waivers for credit and deposit • Added encroachments restriction language and changed suspension penalty to disconnection in conditions of service • Updated language for treatment of Landlords and Landlord Provision for service to rental locations • Updated language for treatment of member requested temporary disconnection for 30 days or less with requirement to request extension or revert to permanent disconnect • Updated disconnect with notice to include failure or refusal to allow maintenance of PEC facilities • Updated disconnect without notice to include imminent threat to persons or property • Added liability indemnification language for disconnection • Added language for assessment of a non-compliant payment processing fee • Changed settlement of final bill for nonpayment from seven business days to three business days • Added language to require Primary Level Service for all non-standard voltage service requests • Added language to metering standards and requirement for PEC approval of meter locations • Updated advanced metering opt-out to clarify removal for non-payment and close future participation • Added language for refusal of access for meter exchange • Updated meter tampering language to clarify tampering can occur without theft of electric service • Added easement amendment fee to cover processing costs for easement amendment applications • Added a cooperative trip fee to cover PEC trip costs to address safe, reliable, or efficient operation

Specific Edits to Section 300 (After October Meeting)

300.12 VOLTAGE DESIGNATIONS

The Cooperative will deliver electric power and energy at one of the Cooperative's standard voltages. Non-standard service may be available if requested but only if the Cooperative determines such service is feasible, and the Applicant agrees to pay any additional cost to the Cooperative for delivering such non-standard service. Non-standard service requests ~~will~~may be required to receive Primary Level Service, as determined by the Cooperative.

Specific Edits to Section 300 (After October Meeting)

The Cooperative adopts the following standard voltages for electric service distribution:

Standard Service	
Single Phase	Three Phase
120 / 240 V	120 / 208 V (wye)
	277 / 480 V (wye)
120 / 208 V (three phase source)	

Non-Standard Service*	
Single Phase	Three Phase
240 / 480 V ~~7,200 V~~	120 / 240 V (delta)
7,200 V~~14,400 V~~	480 V (delta)
14,400 V-	240 / 480 V (delta)~~1,328 / 2,300 V (wye)~~
	2,400~~2,300~~ / 4,160 V (wye)
	7,200 / 12,470 V (Primary Service)
	14,400 / ~~24,900~~24,940 V (Primary Service)

Transmission Service*	
Single Phase	Three Phase
	69,000 V
	138,000 V
	345,000 V

*These voltages are available at the Cooperative's discretion.

Edits by Section

Section 400	Line Extension Policy	• Changed Line Extension to Facilities Extensions • Added language to require interconnection and electric vehicle site plans for applications • Added application and study fee language for all required non-residential services studies • Updated all non-residential service Contribution In Aid Of Construction (CIAC) to include pre-construction payment, all facility requirements such as substation costs, and conditions for service to loads greater than 1,000 kW • Added language to Primary Level Service covering payment of application and study fees, and adding agreements, such as interconnection requirements and cost responsibility • Updated underground service to require PEC approval of location of facilities and easements • Updated non-standard delivery service to include receipt of excess capacity and requirement for Primary Level Service

Specific Edits to Section 400 (After October Meeting)

Section 400: ~~Line Extension Policy~~Facilities Extensions Policy
Applicable: Entire Certified Service Area
Effective Date: ~~October 1, 2025~~ March 1, 2026

400.9 NON-STANDARD DELIVERY SERVICE AND FACILITIES

Non-standard delivery service and facilities include, but are not limited to, facilities necessary to provide service at a non-standard voltage, excess capacity, dual feed, automatic and manual transfer switches, service through more than one Point of Interconnection, redundant facilities, non-standard metering and facilities in excess of those normally required for service under the Cooperative's standard D~~d~~elivery System~~ service and facilities~~. The Cooperative will determine what equipment is classified as non-standard and include this information on the Cost Calculation or the Development Cost Calculation. ~~All~~ ~~n~~Non-standard ~~design~~service requests ~~will~~may require site to be connected at Primary Level Service, as per Section 400.6, and primary level metering service ~~will~~may be required, as determined by the Cooperative.

Edits by Section

Section 500	Rates	• Changed Peak Demand Charge to Peak Capacity Charge for maximum power delivered or received
		• Updated time-of-use base power charges conditions to clarify opt-out timing
		• Updated sustainable power credit applicability to expire all credits at the end of each calendar year
		• Added Time-Of-Use Base Power Credit section
		• Added Non-Standard Capacity Charge section
		• Updated residential rate schedules to include reference to short-term vacation or recreational vehicle rentals
		• Updated interconnect rates to require interconnect agreement with Landlord and add aggregated DG
		• Added Residential, Farm and Ranch Service, Interconnect TOU Rate section
		• Added Residential, Farm and Ranch Service, Interconnect TOU Rate, With Renewable Energy Rider section
		• Added Small Power Service, Interconnect TOU Rate section
		<u>Fee Schedule Revisions</u>
		• Added GIS Mapping Records Fee - $250.00
		• Added Non-Compliant Payment Processing Fee - $35.00 per account
		• Updated Returned Check/Denied Bank Draft Fee - $35.00
		• Added language to include Temporary Voluntary Disconnect Fee - $75.00
		• Added Easement Amendment Fee - $100.00 or actual cost
		• Added Cooperative Trip Fee - $100.00
		• Updated DG Interconnection fees
		    • <50kW application fee - $500.00
		    • >50kW - <1MW application fee - $700.00
		    • >1MW - <10MW application fee - $2,500.00
		• Updated DG System Expansion fees
		    • <50kW application fee - $250.00
		    • >50kW - <1MW application fee - $700.00

Specific Edit to Section 500 (After October Meeting)

500.3.15 SMALL POWER SERVICE, INTERCONNECT TOU RATE

APPLICABILITY

This schedule applies to distribution service locations built for commercial purposes with a rolling twelve (12) month average maximum demand below fifty (50) kW. The maximum demand will be captured during the hourly interval within the monthly billing cycle with the highest demand. If a Member's maximum monthly demand is fifty (50) kW or greater in any rolling twelve (12) month period, then the Cooperative may re-classify the Member as Large Power Service for a period of at least twelve (12) months or until the rolling twelve (12) month average demand is below fifty (50) kW. This interconnect program applies to Small Power Service Members with a Distributed Generation system that is less than fifty (50) kW AC of capacity. The Member must have an approved Interconnection Agreement for Parallel Operation of Distributed Generation (DG).

RATE

Service will be measured through a single meter, with two (2) registers measuring Delivered Energy and Received Energy. Delivered Energy will determine the charges for energy consumption. Received Energy will determine the credit for surplus energy generated by the member. Monthly charges will apply:

Charges:	Amount:	Unit:	Billing Determinant:
Service Availability Charge	$ 37.50	meter	month
Delivery Charge	$ 0.007849	kWh	Delivered Energy
TOU Base Power Charge	See Note 1	kWh	Delivered Energy
TCOS Pass Through Charge	$ 0.019930	kWh	Delivered Energy
TOU Base Power Credit	See Note 1	kWh	Received Energy

MEMBER CHARGES, CREDITS AND ADJUSTMENTS

SERVICE AVAILABILITY CHARGE

This charge recovers the cost associated with providing services to the membership including billing, metering, collections, customer service, and other enterprise costs.

DELIVERY CHARGE

This charge recovers the cost associated with the maintenance and operations of the distribution infrastructure and other related costs.

TCOS PASS THROUGH CHARGE

This charge recovers the cost incurred to receive access to transmission service in the ERCOT region of Texas as established by the Commission.

Edits by Section

Section 600	Interconnection Policy	• Changed DG facility to DG system throughout • Added language for denial or disconnection of service due to non-compliance • Added language clarifying DG application requirements • Updated application fee language to include studies and engineering review requirements • Removed Pay Interconnect Agreement and Inspection Fees section (now covered in other language) • Added language for Distributed Generation (DG) System Expansion • Added PEC right to approve or deny application to liability section
All/ General		• Changed Line Extension to Facilities Extensions throughout • Changed Service to electric service throughout • Changed electric distribution system to Delivery System throughout

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