

# SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

## BUYBACK SERVICE RIDER

### SUPPLEMENTAL TO RESIDENTIAL PRICE PLANS E-23 AND E-26 GENERAL SERVICE PRICE PLANS E-32 AND E-36, LARGE GENERAL SERVICE PRICE PLANS E-61, E-63 AND E-65

Effective: November 1, 2004

#### APPLICABILITY:

To those cogeneration and small power production customers served by SRP under Standard Price Plans E-23, E-26, E-32, E-36, E-61, E-63, and E-65 who purchase power and energy provided by SRP and who are qualified to sell power and energy back to SRP.

#### CONDITIONS:

1. To segregate load between firm service and buyback service, two or more meters are required. The customer's purchases from and sales to SRP must be measured separately. The customer is required to provide a metering service entrance for all meters and pay the costs for the additional meter(s).
2. An Interconnection/Generation Agreement with the customer is required for service under this rider.
3. The customer will pay SRP for interconnection costs prior to commencement of service under this rider. Interconnection costs include but are not limited to reasonable costs of connection, switching, relaying, metering, transmission, distribution, safety provisions, engineering studies and administrative costs incurred by SRP directly related to the installation of the physical facilities necessary to permit interconnected operations.

#### CREDIT:

$$\text{Buyback Credit} = \sum [(\text{Hourly Buyback Energy}) \times (\text{Hourly Indexed Energy Price} - \$0.00017/\text{kWh})]$$

where:

Hourly credits are summed across all hours in the billing cycle. Hourly credits are the product of the hourly energy sold to SRP and the adjusted Hourly Indexed Energy Price. The adjusted Hourly Indexed Price is the product of the Dow Jones Firm On-Peak or Firm Off-Peak Price at Palo Verde (or another comparable index if the Dow Jones Index is no longer available), multiplied by the Hourly Pricing Percentage. The Hourly Pricing Percentage “shapes” the Dow Jones On-Peak and Off-Peak Prices, based on historical hourly price relationships published by the California Power Exchange (CA PX) for the Palo Verde Day Ahead Market Clearing Price Post Congestion from April 1998 until January 2001, when the CA PX discontinued operations.

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The price adjustment of \$0.00017/kWh represents the cost incurred by SRP for scheduling, system control, and dispatch services.

**ADJUSTMENTS:**

SRP increases or decreases billings under this schedule in proportion to any taxes, fees, or charges (excluding federal or state income taxes) levied or imposed by any governmental authority and payable by SRP for any services, power, or energy provided under this schedule.

**RULES AND REGULATIONS:**

Service under this schedule is in accordance with the terms of SRP's Rules and Regulations, including any amendments.