

TACOMA POWER

SCHEDULE H-3

STREET LIGHTING SERVICE

12.06.295

A. FOR THE PURPOSE OF THIS SECTION, THE FOLLOWING DEFINITIONS APPLY:

1. "Jurisdiction" shall mean a city, town, county, or other political subdivision of the state of Washington within the Tacoma Power service territory.
2. "Service Point" shall have the same meaning as defined in the Tacoma Power Customer Service Policies (as authorized under TMC 12.06.330), which is the point where the customer's service conductors are connected to Tacoma Power's service utility conductors.
3. "Street Lighting Service" shall mean lighting service supplied by Tacoma Power, where Tacoma Power owns the streetlight fixtures and provides power to the Service Point during the duration of the service.
4. "Capital Recovery Period" shall mean the time period over which Tacoma Power will levy a charge equal to the amortized value of the investment cost for the streetlight fixtures. Unless an alternative time period is mutually determined in writing between Tacoma Power and the Jurisdiction, this period will be 15 years. Streetlight fixtures remain the property of Tacoma Power after the Capital Recovery Period unless a Transfer of Ownership Charge has been paid.
5. "Transfer of Ownership Charge" shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests ownership of the fixtures. The charge is determined by costs of equipment, installation, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.
6. "Termination Charge" shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests termination of Street Lighting Service. The charge is determined by costs of equipment, installation, removal, disposal, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.
7. "Utility Financing Cost" shall mean the current cost of capital financing to Tacoma Power, as determined solely by Tacoma Power.

B. SCHEDULE H-3 AVAILABILITY:

1. To qualify for Street Lighting Service under the Schedule H-3, the Jurisdiction must agree to convert a minimum of 300 Jurisdiction streetlights.
2. For service under Schedule H-3, a Jurisdiction must submit a request in writing to Tacoma Power. Tacoma Power reserves the right to delay provision of service under Schedule H-3 for up to two years after the request date.

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12.06.295 (continued)

C. SERVICE CONDITIONS:

1. Monthly Rate: Rates stated herein are charged per fixture installed.
2. Streetlight Fixtures: Streetlight fixtures provided under the Schedule H-3 are owned by Tacoma Power unless the Transfer of Ownership provisions in this section are completed. Under the Schedule H-3, Tacoma Power will provide replacement streetlight fixtures as fixtures become inoperable.
3. Transfer of Ownership: A Jurisdiction may request in writing to purchase and transfer the ownership of and responsibility for a portion or all of a Jurisdiction's streetlight fixtures under this Schedule H-3 at any time. Transfer of ownership shall occur after the Jurisdiction has paid a Transfer of Ownership Charge. Until the Transfer of Ownership Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3. After transfer of ownership, service will be billed under the Schedule H-1 for non-Tacoma Power owned streetlight fixtures.
4. Termination: A Jurisdiction may request in writing to terminate Schedule H-3 Street Lighting Service for a portion or all of Tacoma Power owned streetlight fixtures at any time. In the event of termination, the Jurisdiction shall pay the Termination Charge. Until the Termination Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3.
5. Fixture Specifications: Tacoma Power will provide fixtures that meet the Jurisdiction Traffic Engineer's specifications. Tacoma Power may solicit input from the Jurisdiction on other fixture features, requirements, and options but retains final authority for fixture selection and purchase. Tacoma Power will purchase only such lighting fixture options as are directly related to Street Lighting Service. Non-streetlight related options that are determined by Tacoma Power to be compatible with the streetlight fixture are allowed. The Jurisdiction will be solely responsible for installation, operation, maintenance, and all costs associated with non-streetlight related options. The Jurisdiction shall notify Tacoma Power of the type, quantity, location, and energy requirements of all non-streetlight related options installed.
6. Liability: The Jurisdiction is wholly responsible for all illumination engineering to meet roadway lighting specifications and the operation of all non-streetlight related options. By accepting Street Lighting Service under Schedule H-3, the Jurisdiction agrees to hold Tacoma Power harmless from any claim for damages associated with the streetlight fixtures provided under this Schedule H-3.
7. Installation: Tacoma Power may authorize the Jurisdiction to install some or all streetlight fixtures covered under this Schedule H-3. If the Jurisdiction elects to perform such installations, the cost shall be at the expense of the Jurisdiction.

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12.06.295 (continued)

C. SERVICE CONDITIONS (continued)

8. Service Point: Schedule H-3 will be available to provide Street Lighting Service to customer Service Points with existing streetlight fixtures only.
9. Poles and Circuits: The Jurisdiction that owns the poles and circuits associated with light service under Schedule H-3 shall be responsible for the appropriate maintenance of said poles and circuits. The Jurisdiction is responsible for the safe operation of the poles, circuits, and light fixtures. Tacoma Power reserves the right to refuse or discontinue service under Schedule H-3 if Tacoma Power determines a pole or circuit is inadequate to provide safe Street Lighting Service. In the event a Schedule H-3 streetlight fixture must be discontinued due to an unsafe condition, the Jurisdiction shall remedy the condition immediately or follow the Termination provision above.
10. Maintenance and Repair: The Jurisdiction is responsible for performing, at its sole expense, all maintenance and repair activities associated with the streetlight fixture provided by Tacoma Power under this Schedule H-3. Maintenance and repair includes, but is not limited to, labor and equipment. In the event a Schedule H-3 streetlight fixture fails, the Jurisdiction shall return the failed streetlight fixture to Tacoma Power for replacement. If the Jurisdiction damages a streetlight fixture while performing maintenance, the Jurisdiction will be responsible for the cost to repair or replace the streetlight fixture.
11. Energy: Tacoma Power will provide energy for the streetlight fixture up to the Jurisdiction provided Service Point.
12. Additional Rules: Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

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D. MONTHLY RATES:

The sum of the following energy and capital recovery charges:

1. Energy: Energy charge for lamp installations shall be the monthly rate of the otherwise applicable published rate schedule as set forth in Chapter 12.06.290 Street lighting and traffic signal service.
2. Capital Recovery Charge: For the biennium during which the fixtures shall be installed, the Capital Recovery Charge shall be calculated as follows:
 - (A) The monthly amount required to achieve full expense recovery from the Jurisdiction over the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and estimated installation cost.
 - (B) The amount calculated in a) shall be multiplied by the number of months in the rate period.
 - (C) The amount in b) shall be divided by the estimated number of fixture-months to be billed during the rate period.
3. Accounting records shall be kept that record the differences between actual and estimated installation cost, and actual and estimated fixture-months billed. For biennia subsequent to that in which the fixtures are installed, the Capital Recovery Charge shall be calculated as follows:
 - (A) The amount required to be recovered from the Jurisdiction each month of the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and actual installation cost.
 - (B) The amount calculated in (a) shall be multiplied by the number of months in the rate period.
 - (C) The amount in (b) shall be divided by the estimated number of fixture-months to be billed during the rate period.
 - (D) The amount in (c) shall be adjusted to reflect the difference between actual and estimated expenses and recoveries during the biennium during which the fixtures were installed.