



## ELECTRIC SUPPLY AGREEMENT

ARIZONA PUBLIC SERVICE COMPANY, an Arizona corporation ("APS") and the City of Yuma ("Customer") enter into this Electric Supply Agreement (the "Agreement") as of October 1, 2017 (the "Effective Date"). APS and Customer may be referred to individually in this Agreement as a "Party" and together as the "Parties."

### 1. ELECTRIC SERVICE

#### 1.1. Purchase and Sale of Power – Maximum Demand.

APS shall supply, and Customer shall take and pay for, all electric service required for operation of Customer's Water Campus, located at 175 N MAIN STREET WTR PL, YUMA, AZ 85364, up to a Maximum kW as specified below and subject to the provisions of Sections 1.2 and 1.3 hereof. APS will bill Customer for such service in accordance with applicable rate and service schedules and will credit Customer on such bill for any Preference Power received by Customer, in accordance with the terms of APS Rate Rider Schedule PPR – Preference Power Rider and the terms of Attachment A hereto.

Electric service supplied under this Agreement shall be in the form of THREE phase alternating current at approximately 60 hertz and approximately 480 volts.

"Maximum kW" shall be determined in accordance with the formula selected below.

Three Phase: (Service Entrance Section Amperage \_\_\_\_ x 80% [or 100% for continuous rated breakers] x 1.73 x service level voltage \_\_\_\_ x power factor 85%) / 1,000 = \_\_\_\_ Maximum kW

Single Phase: (Service Entrance Section Amperage \_\_\_\_ x 80% [or 100% for continuous rated breakers] x service level voltage \_\_\_\_ x power factor 85%) / 1,000 = \_\_\_\_ Maximum kW

X Maximum kW of 1296 mutually agreed upon by Customer and APS.

If Customer's account is totalized in accordance with APS's Service Schedule 4, whether adjacent or remote, the total simultaneous electric service demands and energy usage of Customer shall not exceed the Maximum kW specified above..

The Maximum kW may be adjusted by Customer in accordance with Section 5 below.

- 1.2. **Minimum Demand.** The minimum quantity of electric service to be supplied by APS and to be received and paid for by Customer under this Agreement (the "Minimum Demand") shall be based on the following for the Initial Term of this Agreement as set forth in Section 2 hereof.

Customers with Peak Demands of Less than 3,000 kW

The Minimum Demand kW shall be the lesser of (i) fifty percent (50%) of the Customer's expected peak demand of 1296 kW or (ii) fifty percent (50%) of the Maximum kW as determined in Section 1.1.

Customers with Peak Demands Equal to or Greater than 3,000 kW

The Minimum Demand kW shall be on the lesser of (i) two-thirds (2/3) of the Customer's expected peak demand of \_\_\_\_\_ kW or (ii) two-thirds (2/3) of the Maximum kW as determined in Section 1.1.

- 1.3. **Adjustment Period:** At the end of the Customer's first twelve (12)-month service period (the "First Year"), APS will evaluate Customer's demand and adjust its Minimum Demand as necessary in accordance with the following:

Customers with Peak Demands of Less than 3,000 kW

The Minimum Demand kW shall be the lesser of (i) fifty percent (50%) of the Customer's actual peak demand during the First Year or (ii) fifty percent (50%) of the Maximum kW as determined in Section 1.1.

Customers with Peak Demands Equal to or Greater than 3,000 kW

The Minimum Demand kW shall be the lesser of (i) two-thirds (2/3) of the Customer's actual peak demand during the First Year or (ii) two-thirds (2/3) of the Maximum kW as determined in Section 1.1.

APS may in its discretion evaluate and adjust the Customer's Minimum Demand in accordance with this Section 1.3 at the end of each subsequent twelve (12)-month period during the Term of this Agreement.

In the event that the adjusted Minimum Demand is less than the prior year's Minimum Demand, no adjustment shall be made and the prior year's Minimum Demand shall remain in place until the next evaluation pursuant to this Section 1.3.

- 1.4. **Point of Delivery.** The "Point of Delivery" shall be designated as the point where APS's service wire connects to Customer's installation, or such other Point of Delivery as follows:

N/A

- 1.5. **Metering of Service.** Measurement for all electric service supplied under this Agreement shall be at one central point designated as either the Point of Delivery as set forth in Section 1.4 above, or the designated "billing" meter if the account is totaled in accordance with APS's Service Schedule 4. If the account is totaled, Customer's load at each Point of Delivery shall not exceed the physical limitations of APS's then-existing system at each Point of Delivery.
- 1.6. **Applicable Schedules.** Such electric service shall be supplied in accordance with APS's applicable Rate Schedules, Rate Rider Schedule PPR Preference Power Rider, and Service Schedule 1, "TERMS AND CONDITIONS FOR STANDARD OFFER AND DIRECT ACCESS SERVICES," as they may change from time to time. Changes made to either schedule shall thereafter automatically amend, and apply to, this Agreement to the same extent as though they had been originally incorporated as a part of this Agreement. Copies of the applicable Rate Schedule, Rate Rider Schedule PPR Preference Power Rider, and Service Schedule 1 now in effect are attached to and made a part of this Agreement.
- 1.7. **Service Curtailment.** The electric service supplied hereunder may be interrupted or curtailed in accordance with APS's Service Schedule 5 "GUIDELINES FOR ELECTRIC CURTAILMENT," as filed with the Arizona Corporation Commission, which is subject to change as provided by law.
- 1.8. **Notice of Request to Increase Demand.** The terms of Section 5 below shall apply in the event that Customer wants to increase the Maximum kW specified in Section 1.1 above.

## 2. TERM OF AGREEMENT

The Term of this Agreement shall begin on the Effective Date and continue for a period of two (2) years thereafter (the "Initial Term").

Thereafter, this Agreement shall be automatically extended for additional periods of the same length as the Initial Term, unless and until: (a) it is terminated by mutual agreement of the Parties; (b) it is replaced by another electric supply agreement for the same service as contemplated herein; (c) Customer terminates it upon sixty (60) days advance written notice to APS, provided that the applicable Rate Schedule, Rate Rider Schedule PPR Preference Power Rider, and other applicable service schedules shall continue to apply to Customer following such termination; (d) APS terminates it pursuant to Section 7 (Termination of Service) specified in Service Schedule 1 attached hereto; (e) APS terminates it based on a breach of its terms by Customer; or (f) APS terminates it pursuant to any termination provision specified in the Rate Schedules attached to this Agreement.

This Agreement does not preclude Customer from selecting Direct Access service during the Initial Term and any extension thereof.

### 3. ACCELERATION

In addition to any other rights and remedies available to APS in law or equity, if APS terminates this Agreement pursuant to Section 2 above, all amounts owed by Customer for service pursuant to this Agreement shall become immediately due and payable to APS, including initial charges, minimum guarantee, or other amounts stated in the applicable Rate Schedule and Service Schedule 1, which are independent of energy delivered.

### 4. DEPOSITS

Customer agrees that, in addition to any other rights that APS may have regarding the application of Customer deposits, APS is hereby entitled to apply any or all funds deposited with APS pursuant to this Agreement against any or all sums past due and owing to APS from Customer under this Agreement or any other applicable agreement; provided, however, that such past due sums are for the same class of service as that provided under this Agreement.

### 5. CONTRACT ADJUSTMENT

In the event that Customer wants to increase the Maximum kW specified in Section 1.1, the following conditions apply:

- 5.1. **Written Request.** No less than ninety (90) days prior to date upon which Customer wants an increase to go into effect, Customer shall submit to APS a written request that includes the requested revised Maximum kW and the reason for the requested adjustment. If the requested additional capacity is available, APS will notify Customer of the same, together with the date upon which the requested increase will go into effect.
- 5.2. **Costs.** If the requested additional capacity is not available, in whole or in part, such that Customer's requested revised Maximum kW requires installation or modification to APS's existing facilities, as determined by APS in its sole discretion, Customer will be required to pay APS for the costs associated with the required installation or modifications in accordance with APS's Service Schedule 3.
- 5.3. **Subsequent Adjustment.** Upon increase of Customer's Maximum kW in accordance with this Section 5, Customer may not request any subsequent increase for a period of at least one (1) year thereafter.
- 5.4. **System Capacity.** Customer acknowledges that upon execution of an electric supply agreement that specifies a maximum kW level (including the present Agreement), APS is under no obligation to maintain or reserve system capacity beyond the maximum kW specified in the applicable agreement.

### 6. GENERAL PROVISIONS

- 6.1. **Fees and Costs.** If either party shall successfully bring suit to compel performance or for breach of this Agreement, that party shall be entitled to recover reasonable attorney's fees in addition to the amount of judgment and costs.
- 6.2. **No Waiver.** No delay of a Party in the exercise of, or the failure to exercise, any rights under this Agreement shall operate as a waiver of such rights, a waiver of any other rights under this Agreement or a release of the other Party from any of its obligations under this Agreement. .
- 6.3. **Limited Warranty.** THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES, EXPRESSED OR IMPLIED (INCLUDING WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), NOT SPECIFIED IN THIS AGREEMENT, THE REFERENCED SCHEDULES, ANY OTHER REFERENCED OR ATTACHED DOCUMENTS, OR IN THE APPLICABLE RULES OF THE ACC CONCERNING DELIVERY OF ELECTRICITY BY APS TO CUSTOMER. THIS AGREEMENT, INCLUDING THE REFERENCED SCHEDULES, ANY OTHER REFERENCED OR ATTACHED DOCUMENTS, AND THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION, STATES THE ENTIRE OBLIGATION OF APS IN CONNECTION WITH THE SALE AND DELIVERY OF ELECTRICITY TO CUSTOMER.
- 6.4. **Rate Filings.** The rates, terms and other contract provisions governing electric power sold to Customer are subject to the jurisdiction of the Arizona Corporation Commission ("ACC"), and nothing contained herein shall be construed as affecting or limiting in any way the right of APS (a) to make unilateral filings of changed rates, terms and other contract provisions, which shall be effective when

filed, or within a specified number of days thereafter as specified therein (such rates or other contract provisions specified in such filing to be subject to modification if required by a final decision of the ACC); or (b) to unilaterally make application to the ACC for changes in such rates or other contract provisions, following a hearing and decision as permitted by law and the ACC's rules and regulations.

6.5. **Governing Law.** This Agreement will be interpreted in accordance with the substantive and procedural laws of the State of Arizona without regard to any conflicts of law provision contained therein.

## 6. ATTACHMENTS

The following additional documents are attached to and made part of this Agreement:

APS's Rate Schedule: General Service LRG

APS's Rate Rider Schedule PPR Preference Power Rider

APS's Service Schedule 1 (Terms and Conditions for Standard Offer and Direct Access Service)

APS's Service Schedule 5 (Guidelines for Electric Curtailment)

## 7. EXECUTION

This Agreement has been executed by the duly authorized representatives of the Parties, as set forth below:

### ARIZONA PUBLIC SERVICE COMPANY

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date Signed \_\_\_\_\_

### CUSTOMER

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date Signed \_\_\_\_\_  
  
Mailing Address  
PO BOX 13012  
ONE CITY PLAZA  
YUMA, AZ 85366  
  
Permanent Phone # \_\_\_\_\_

### BILLING ADDRESS

175 N MAIN ST WTR PL  
YUMA, AZ 85364  
PREMISE 4680987263

The individual executing this Agreement on behalf of Customer represents and warrants: (i) that he or she is authorized to do so on behalf of the Customer; (ii) that he or she has full legal power and authority to bind Customer in accordance with the terms herein and, if necessary, has obtained all required consents or delegations of such power and authority.

**ATTACHMENT A**  
**TO ELECTRIC SUPPLY AGREEMENT**  
**BETWEEN**  
**ARIZONA PUBLIC SERVICE COMPANY ("APS")**  
**AND**  
**CITY OF YUMA ("CUSTOMER")**  
**Dated October 1, 2017**

A. Preference Power

Customer has entered into an agreement with either the Arizona Power Authority ("APA") or with the Western Area Power Administration ("Western"), (Contract No. 16-DSR-12626), to receive capacity and energy from the Boulder Canyon Project (the "Preference Power") delivered at Western's Mead Substation. APS will schedule such Preference Power for the Customer and deliver the Preference Power to the customer's site as detailed below.

Designated Preference Power Accounts:

**Primary Account Name:** City of Yuma

Primary Premise ID - 4680987263

Address: 175 N Main Street WTR PL, Yuma, AZ

Last 12 months of usage:

Annual kWh: 6,102,900

Summer kWh: 3,850,600

Winter kWh: 2,252,300

**First Alternate Account Name:** City of Yuma

First Alternate Premise ID - 5970927605

Address: 2670 S Avenue 9E Primary, Yuma, AZ

Last 12 months of usage:

Annual kWh: 5,700,000

Summer kWh: 3,031,200

Winter kWh: 2,668,800

**Second Alternate Account Name:** City of Yuma

Back-up #2 Premise ID - 3910759731

Address: 3901 S Avenue 6E SWRPLNT, Yuma, AZ

Last 12 months of usage:

Annual kWh: 3,981,600

Summer kWh: 2,244,000

Winter kWh: 1,737,600

B. Schedule

APS will schedule the Preference Power each month according to the applicable Scheduling Entity's Metering and Scheduling Instructions with Western.

Monthly scheduled amounts of Preference Power shall not exceed either the Winter seasonal or annual limits, or the maximum rate of delivery, each as specified below.

Maximum rate of delivery (kW):	2,000
Annual Energy Amount (kWh):	7,325,842
Summer (March – September) Energy Amount (kWh):	4,968,289
Winter (October – February) Energy Amount (kWh):	2,357,553

The Customer may schedule more kWh of Preference Power than listed above during the Summer season, , provided that such excess does not cause Customer to exceed the specified Annual Energy Amount listed above.

C. Bill Credit

APS will provide a bill credit for the Preference Power to the Customer's primary account specified above, in accordance with the terms of APS's Rate Rider Schedule PPR – Preference Power Rider as the same may be changed from time to time.

If the amount of the scheduled Preference Power is greater than the load for the primary account in any given month then APS will apply the applicable remaining credit to the alternate accounts specified above, in the order listed, unless and until the amount of Preference Power exceeds the total load for all specified accounts.

If Customer plans or is otherwise aware of a reduction in load affecting the above-listed primary and/or alternate accounts such that the Preference Power may exceed the total load of such accounts, Customer shall notify APS as soon as possible, but in no event less than thirty (30) days prior to such reduction in load, so that the Parties can properly identify new primary and/or alternate accounts for appropriate Preference Power bill credit. If emergency or similar circumstances prevent Customer from providing such thirty (30)-day notice, then Customer shall notify APS as soon as it is aware of a reduction in load as described in the foregoing sentence, and APS will make reasonable efforts to update the primary and/or alternate accounts as requested by Customer as soon as reasonably practicable thereafter.