Lowell Light and Power

Policy 4

Rate Schedules

Lowell Light and Power

Rate Schedules

Policy 4-1

Subject: Power Supply Cost Adjustment Factor - PCA

Applicability

The power Supply Cost Adjustment Factor (PCA) shall apply to all LL&P Electric Rate Schedules, except for non-metered rates (Street Lighting, Residential Security Lighting). The adjustment shall be applied to all kilowatt-hours billed to the customer for the billing period.

Base Power Supply Cost

The PCA is calculated on base energy charges determined through the Michigan Public Power Association, factoring the variable fuel costs associated with the power generated, additional market-purchased power, and variable transmission costs.

Power Supply Cost Adjustment Factor Calculation

The PCA will be calculated using the most recent six month's actual power cost and applied to each customer's following monthly billed energy (kWh) or a two-month lag from when the cost occurred to when billed.

The PCA Adjustment shall be calculated according to the following formula:

$$PCA = [(P/S) * (1 + L)] - B$$

P = Wholesale power supplier cost

Utility cost of power during previous six-month period calculated using the most recent six month's actual power cost plus periodic true up of accumulated positive or negative balance of recovered cost of power resulting from the application of the PCA. If an unusual occurrence happens resulting in abnormally high cost the Management/Governing body will determine whether that cost should be recovered over a longer period.

S = Number of kilowatt-hours sold

Sales are estimated by dividing kilowatt-hours purchased by (1 + L), during the same time period as factor "P".

L = System annual average losses (3.9%)

B = This amount reflects the average cost of power per kilowatt-hour sold and recovered through base retail rates ($0.0552)

Applied PCA Charges

The PCA charges for each billing period will be a charge or a credit depending on the calculation and evaluation that was done for the previous month.

Revised August 2020
Revised April 2022

Lowell Light and Power

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Policy 4-2

Subject: Energy Waste Reduction Program Adjustment Factor

Applicability

The Energy Waste Reduction (EWR) Program Adjustment Factor shall apply to all LL&P Electric Rate Schedules, except for non-metered rates (Street Lighting, Residential Security Lighting, etc.). The adjustment shall be applied to either all kilowatt-hours billed to the customer or as a fixed rate to each customer's monthly bill.

Energy Waste Reduction Program Charges

The charges applied to the customer accounts will be in accordance with the Lowell Light and Power Energy Waste Reduction Program.

Lowell Light and Power's Energy Waste Reduction Program is a portfolio of incentives, resources, and rebates to provide assistance with the wise use of energy to Residential, Commercial, and Industrial electric customers.

Energy Waste Reduction Program Charge Adjustment Factor Calculation

The Energy Waste Reduction Program rates shall be calculated based on the average annual program costs for 2026 – 2029, according to the Energy Waste Reduction Program Plan.

Energy Waste Reduction Program Rates

Residential Rates (111/121/130)	$0.00399 per kWh
Commercial Rate (221)	$0.00531 per kWh
Commercial/ Industrial Demand Rates (222/223/224)	Chart Below

Tier	Monthly EWR Charge
kWh Tier 1 (15000 and below)	$ 23.00
kWh Tier 2 (15001 - 25000)	$ 35.50
kWh Tier 3 (25001 - 35000)	$ 55.50
kWh Tier 4 (35001 - 40000)	$ 69.00
kWh Tier 5 (40001 - 50000)	$ 85.50
kWh Tier 6 (50001 - 100000)	$ 115.50
kWh Tier 7 (100001 - 350000)	$ 380.00
kWh Tier 8 (350,001 and above)	$ 1,450.00

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Determination of EWR Tier – Applicable to C&I Demand Rates (222/223/224)

Commercial and Industrial Demand customers with at least 12 months of usage history will be assigned an Energy Waste Reduction (EWR) tier each January. The tier will be determined based on the customer's average monthly kWh usage during the preceding calendar year (January–December). Customers will remain in their assigned tier for the full 12-month period (January – December), with reassignment occurring annually.

New customers, or customers with less than 12 months of usage history, will be assigned a provisional tier based on anticipated load or expected usage levels. These accounts will be re-evaluated after 6 months and again after 12 months of actual usage to determine the appropriate tier. Once a customer has accumulated a full 12 months of usage as of January, a tier will be established for the January–December period.

Management reserves the right to adjust a customer's usage tier more frequently if warranted.

Revised November 11, 2025, effective January 2026

Lowell Light and Power

Rate Schedules

Policy 4-3

Subject: Low Income Assistance Program Charges

Applicability

Low Income Assistance Program Charges shall apply to all billing meters subject to the Low-Income Energy Assistance Fund charge as defined in Section 9t of Public Act 95 of 2013, MCL 460.9t as amended. For a residential customer, the charge will only apply to one meter per residential site.

Low Income Assistance Charge Requirement

Under Public Act 95, as amended, municipal electric utilities may elect to opt-out of the Low Income Energy Assistance Fund charge (LIEAF). A municipally owned electric utility that opts out of the LIEAF charge under subsection 9 of Public Act 95, as amended, must establish and fund an energy assistance program for its residential customers that provides assistance to its residential customers for both their electric and home heating needs.

Low Income Energy Assistance Fund Determination

The decision of whether or not to participate in the LIEAF Charge or an alternative program for the program year shall be made by the Board in accordance with Public Act 95 of 2013, as amended.

Low Income Assistance Program Rates

State of Michigan Low Income Energy Assistance Fund (LIEAF) Charge:
All Residential/Commercial/Industrial Rates (121,130, 221-224) - $0.00 per Month

Lowell Energy Outreach Charge (LEO) - Local Alternative Option:
All Residential/Commercial/Industrial Rates (121,130, 221-224) - $0.10 per Month

Adopted July 2025, effective October 2025
Updated June 2026

Lowell Light and Power

Rate Schedules

Policy 4-4

Subject: Renewable Energy Charge - REP

Applicability

The Renewable Energy Charge (REP) shall apply to all LL&P Electric Rate Schedules, except for non-metered rates (Street Lighting, Residential Security Lighting). The adjustment shall be applied as a fixed rate to each customer's monthly bill.

Renewable Energy Charges

The charges applied to customer accounts will be in accordance with the Lowell Light and Power Renewable Energy Plan (REP).

Renewable Energy Charges Calculation

The REP rates shall be calculated every 2 years according to the Lowell Light and Power Renewable Energy Plan.

REP Rates

Residential Rates (111/121/130)	$0.00 per Month
Commercial/Industrial Rate (221)	$0.00 per Month
Commercial/Industrial Rate (222)	$0.00 per Month
Commercial/Industrial Rate (223, 224)	$0.00 per Month

Revised February 10, 2022
Renewable Energy Charge – REP eliminated – effective January 2025

Lowell Light and Power

Rate Schedules

Policy 4-5

Subject: Residential Service Secondary Rate - RS 111/121

Availability

This rate shall apply only to the electric service requirements for a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing within.

Apartment housing or multiple dwelling units may take service under this schedule, providing there is a separate meter for each apartment or dwelling unit.

RS 111 applies to residential services that are not subject to the Low-Income Energy Assistance Fund charge as defined in Section 9t of Public Act 95 of 2013, MCL 460.9t as amended.

Character of Service

Alternating current, single phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or as agreed to by the Board. Multiphase service shall be supplied in accordance with the Board's standard policy.

Monthly Rate

Customer Charge (all months)	$26.83 per month
Energy Charges* (all months)	
Distribution Charge	$0.0436 per kWh
Energy Charge	$0.0585 per kWh
Total Energy	$0.1061 per kWh

*This rate is subject to the Power Cost Adjustment factor--§4, Rates, Policy PCA

Minimum Monthly Bill

The customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher monthly bill is required under the Board's standard policy because of circumstances affecting the Board's cost of rendering service.

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Payment

Bills are due when issued for all classes of service. The net period is 20 days from the date the customer is billed. All balances outstanding (over ten dollars) after the due date are subject to an additional charge computed at 2% of the total bill plus a $10.00 late payment fee.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service being delivered through a single delivery and metering point, and at a single voltage.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-6

Subject: Residential Service Time-of-Use Secondary Rate RT 130

Availability

This rate shall apply only to the electric service requirements for a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing within.

Apartment housing or multiple dwelling units may take service under this schedule, providing there is a separate meter for each apartment or dwelling unit.

This rate is only available to customers that choose this rate and agree to remain on it for a period of at least 12 months. The customer shall not evade this rule by temporarily terminating service.

Character of Service

Alternating current, single phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or as agreed to by the Board. Multiphase service shall be supplied in accordance with the Board's standard policy.

Monthly Rate

<u>Customer Charge (all months)</u>	$26.83 per month
<u>Energy Charge* (Energy Only) - Winter</u>	
Off-Peak	$0.0503 per KWh
Super Off-Peak	$0.0365 per KWh
<u>Energy Charge* (Energy Only) – Summer</u>	
Off-Peak	$0.0498 per KWh
Super Off-Peak	$0.0316 per KWh
On-Peak	$0.1345 per KWh
<u>Energy Charge – All Months</u>	
Distribution Charge	$0.0436 per KWh

**This rate is subject to the Power Cost Adjustment factor--§4, Rates, Policy PCA*

Lowell Light and Power

Determination of Seasonal Periods

Summer Period shall mean June, July, August, and September billing months. Winter Period shall mean January, February, March, April, May, October, November, and December billing months.

Determination of Off-Peak, Super Off-Peak, and On-Peak Periods

Summer Period: For the purposes of this rate schedule, **On-Peak** hours for each day shall be from 12:00 p.m. (noon) to 7:00 p.m. except for Saturdays, Sundays, and the weekdays that are observed as Federal holidays for Independence Day and Labor Day. For the purposes of this rate schedule, **Super Off-Peak** period shall be from 11:00 p.m. to 5:00 a.m. All other hours of the day shall be considered **Off-Peak.**

Winter Period: For the purposes of this rate schedule, **Super Off-Peak** period shall be from 11:00 p.m. to 5:00 a.m. All other hours of the day shall be considered **Off-Peak.**

Minimum Monthly Bill

The customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher monthly bill is required under the Board's standard policy because of circumstances affecting the Board's cost of rendering service.

Payment

Bills are due when issued for all classes of service. The net period is 20 days from the date the customer is billed. All balances outstanding (over ten dollars) after the due date are subject to an additional charge computed at 2% of the total bill plus a $10.00 late payment fee.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service being delivered through a single delivery and metering point, and at a single voltage.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-7

Subject: General Service Secondary Rate - GS 221

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is less than 50 kW during the latest 12-month period) for electric service to commercial, industrial, and governmental customers, and to institutional customers, including without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single or three phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or as agreed to by the Board. Multiphase service shall be supplied in accordance with the Board's standard policy.

Monthly Rate

Customer Charge (all months)	$48.00 per month
Energy Charges* (all months)	
Distribution Charge	$0.0502 per kWh
Energy Charge	$0.0838 per kWh
Total Energy	$0.1340 per kWh

**This rate is subject to the Power Cost Adjustment factor--§4, Rates, Policy PCA*

Determination of Demand

The board shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute of the month of a) the load metered in kW or b) 85% of the load in kVA and shall in no case be less than 70 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Monthly Bill

The customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher monthly bill is required under the Board's standard policy because of circumstances affecting the Board's cost of rendering service.

Contract Requirement

The board may require contracts for service provided under this schedule. Customers whose demand requirements exceed 50 kW shall be required to execute contracts and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power the customer is capable of using, and the Board shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by the board under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as deemed necessary by the Board.

Payment

Bills are due when issued for all classes of service. The net period is 20 days from the date the customer is billed. All balances outstanding (over ten dollars) after the due date are subject to an additional charge computed at 2% of the total bill plus a $10.00 late payment fee.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service being delivered through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different delivery voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-8

Subject: General Service Secondary Demand Rate - GSD 222

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is greater than 50 kW during the latest 12 month period) for electric service to commercial, industrial, and governmental customers, and to institutional customers, including without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers.

Character of Service

Alternating current, single or three phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or as agreed to by the Board. Multiphase service shall be supplied in accordance with the Board's standard policy.

Monthly Rate

Customer Charge (all months)	$175.50 per month
Energy Charge* (all months)	$0.0577 per kWh
Demand Charge (all months)	
Distribution Charge	$8.77 per kW
Power Supply	$8.23 per kW
Total Demand	$17.00 per kW

**This rate is subject to the Power Cost Adjustment factor--§4, Rates, Policy PCA*

Determination of Demand

The board shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute of the month of a) the load metered in kW or b) 85% of the load in kVA and shall in no case be less than 70 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months. Customer may not change service type to avoid minimum demand charges.

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Minimum Monthly Bill

The customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher monthly bill is required under the Board's standard policy because of circumstances affecting the Board's cost of rendering service.

Contract Requirement

The board may require contracts for service provided under this schedule. Customers whose demand requirements exceed 50 kW shall be required to execute contracts and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power the customer is capable of using, and the Board shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by the board under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as deemed necessary by the Board.

Payments

Bills are due when issued for all classes of service. The net period is 20 days from the date the customer is billed. All balances outstanding (over ten dollars) after the due date are subject to an additional charge computed at 2% of the total bill plus a $10.00 late payment fee.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service being delivered through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different delivery voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-9

Subject: General Service Demand Primary Metered Rate - GSDPM 223

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is greater than 50 kW during the latest 12-month period) for electric service to commercial, industrial, and governmental customers, and to institutional customers, including without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers, who take power at a primary metering point and own all facilities beyond that point less transformers.

Character of Service

Alternating current, single or three phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or as agreed to by the Board. Multiphase service shall be supplied in accordance with the Board's standard policy.

Monthly Rate

Customer Charge (all months)	$792.00 per month
Energy Charge* (all months)	$0.0561 per kWh
Demand Charge (all months)	
Distribution Charge	$9.49 per kW
Power Supply	$7.51 per kW
Total Demand	$17.00 per kW

**This rate is subject to the Power Cost Adjustment factor--§4, Rates, Policy PCA*

Determination of Demand

The board shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute of the month of a) the load metered in kW or b) 85% of the load in kVA and shall in no case be less than 70 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months. Customer may not change service type to avoid minimum demand charges.

Minimum Monthly Bill

The customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher monthly bill is required under the Board's standard policy because of circumstances affecting the Board's cost of rendering service.

Contract Requirement

The board may require contracts for service provided under this schedule. Customers whose demand requirements exceed 50 kW shall be required to execute contracts and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power the customer is capable of using, and the Board shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by the board under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as deemed necessary by the Board.

Payment

Bills are due when issued for all classes of service. The net period is 20 days from the date the customer is billed. All balances outstanding (over ten dollars) after the due date are subject to an additional charge computed at 2% of the total bill plus a $10.00 late payment fee.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service being delivered through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different delivery voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-10

Subject: General Service Demand Transformer Ownership Rate - GSDTO 224

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is greater than 50 kW during the latest 12-month period) for electric service to commercial, industrial, and governmental customers, and to institutional customers, including without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers, who own their distribution transformer.

Character of Service

Alternating current, single or three phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or as agreed to by the Board. Multiphase service shall be supplied in accordance with the Board's standard policy.

Monthly Rate

Customer Charge (all months)	$792.00 per month
Energy Charge* (all months)	$0.0561 per kWh
Demand Charge (all months)	
Distribution Charge	$9.20 per kW
Power Supply	$7.51 per kW
Total Demand	$16.71 per kW

This rate is subject to the Power Cost Adjustment factor--§4, Rates, Policy PCA

Determination of Demand

The board shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute of the month of a) the load metered in kW or b) 85% of the load in kVA and shall in no case be less than 70 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months. Customer may not change service type to avoid minimum demand charges.

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Minimum Monthly Bill

The customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher monthly bill is required under the Board's standard policy because of circumstances affecting the Board's cost of rendering service.

Contract Requirement

The board may require contracts for service provided under this schedule. Customers whose demand requirements exceed 50 kW shall be required to execute contracts and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power the customer is capable of using, and the Board shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by the board under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as deemed necessary by the Board.

Payment

Bills are due when issued for all classes of service. The net period is 20 days from the date the customer is billed. All balances outstanding (over ten dollars) after the due date are subject to an additional charge computed at 2% of the total bill plus a $10.00 late payment fee.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service being delivered through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different delivery voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-11

Subject: Street/Security Lighting

Availability

This rate shall apply to private unmetered outdoor lighting service within the area served by the Board's electric system with overhead facilities.

Character of Service

Area outdoor lighting service where all facilities for service including fixtures, controls, poles, transformers, secondaries, lamps and other appurtenances are furnished, owned and maintained by the board. The installation will overhang private property from existing or new poles set at points accessible to LL&P construction and maintenance equipment. New or replacement poles (if required) are provided at additional charges, based on current costs for time and materials required.

Monthly Rate

For each mercury vapor/high pressure sodium/metal halide lamp with luminaire controlled by photoelectric relay for lighting customer's premises from dusk-to dawn, where service is supplied from an existing pole and secondary facilities of the Board of Light and Power.

49 Watt	$4.55
65 Watt	$5.81
87 Watt	$7.25
175 Watt	$11.46
218 Watt	$14.33
275 Watt	$14.91
400 Watt	$15.83
1000 Watt	$35.52

Lowell Light and Power

Payment

Bills under this rate schedule will be rendered monthly. Balances left unpaid after due date specified on the bill may be subject to additional charges under the Board's standard policy.

Rules and Regulations

Service under this schedule is subject to the Board's Operating Policies, which are incorporated herein by reference.

Effective: January 2026

Lowell Light and Power

Rate Schedules

Policy 4-12

Subject: Economic Development

Applicability

This special rate schedule is applicable to new or expanding commercial or industrial customers with a new load of 100 kW or greater and with an annual load factor of 50% or higher. Service under this schedule is limited to 10 customers or a total aggregated load of 15 MW. This rate is not applicable for standby, supplemental, or resale services.

New or expanding customers are defined as:

- Businesses that are newly locating in Lowell's service area. Businesses that are relocating an existing load within Lowell's service area are NOT eligible.
- Existing accounts that have been inactive (100 kWh usage or less per month) for 18 months or longer.
- Existing accounts that are adding a load that is 100 kW or greater than the customer's historical bills from the past 12 months. The discount is applicable to the new load portion of a customer's usage. Existing usage will be charged under applicable rate schedule

Purpose

In the interest of economic development, this special rate schedule is offered to help attract large commercial or industrial customers to the service area of Lowell.

Monthly Rate

The applicable monthly Energy Charge and Demand Charge under the customer's applicable rate schedule will be reduced as follows: The Power Cost Adjustment (PCA) and Reactive Power Adjustment are excluded from the discount.

Discount for customers with new loads greater than 100kW from the current or proposed demand rate schedule.

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Description	General Service Demand	General Service No-Demand
Economic Development Discount 3 Year		
Year 1	25%	40%
Year 2	17%	27%
Year 3	8%	13%

Any month the customer is below 100 kW no discount shall apply, in the event the customer falls below the level more than 3 times in a rolling 12 month period Lowell may rescind discounts permanently.

Special Conditions

A. Term: Service under this Schedule requires a contract between Lowell and the customer. The total term of the contract shall be four (4) or six (6) years.

B. Charges: All applicable charges under the customer's rate schedule shall apply. Other surcharges, fees, and taxes imposed by agencies having jurisdiction apply to Schedule ED customers. Other applicable Lowell fees and schedules also apply to Schedule ED customers.

C. Approval: Application of this Rate Schedule shall be subject to the approval of the governing body.

D. Contract: The customer must sign a standard Lowell Economic Development Rate Contract in order for the rates under this Schedule to be applicable.

E. Reapplication: Customers who have received service under the Economic Development Rate are eligible to reapply for the rate as an expanded load customer 12 months after their current Economic Development Rate Contract has expired.

F. Service under this rate schedule is subject to Lowell's Regulations Governing the Sale and Use of Electric Energy, in particular Power Factor Correction.

Adopted October 12, 2017

Lowell Light and Power

Rate Schedules

Policy 4-13

Subject: Cost of Service Study and Rate Design

Applicability

The Board will require a cost-of-service study and rate design to be performed by a third party at a minimum of every five (5) years.

Purpose

To ensure that the LL&P Board and staff are knowledgeable as to the true costs to serve each customer class.

To ensure rates are designed so that LL&P meets its appropriate revenue requirements, which cover, amongst other things, operating and maintenance and capital costs, debt service payments, and the correct level of cash reserves.

To ensure rates are designed so that certain customer classes do not subsidize the costs of other customer classes.

To ensure LL&P meets the current standards of bond rating and/or credit rating agencies.

Adopted September 14, 2017

Lowell Light and Power

Rate Schedules

Policy 4-14

Subject: Standby Rate

Applicability

The Standby Rate will apply to all LL&P Electric Rate Schedules, except for non-metered rates (Street Lighting & Security Lighting). The adjustment shall be applied to either all kilowatt-hours billed to the customer or as a fixed rate to each customer's monthly bill.

Purpose

To allow customers to install distributed generation and ensure LL&P properly recovers costs for providing back-up electric service.

Monthly Standby Rates

Secondary Rate (221/222)	$9.21 per kW of Installed Generation
Primary Rate (223/224)	$8.93 per kW of Installed Generation
Transmission Rate	$2.72 per kW of Installed Generation
Additional Billed Rate for a Scheduled Outage	$0.38 kW of Generation Capacity
Additional Billed Rate an Un-Scheduled Outage	$7.54 KW of Generation Capacity
Supplemental Power	Applicable Rate Schedule

Adopted February 8, 2018

Lowell Light and Power

Rate Schedules

Policy 4-15

Subject: Solar/Net Billing Rate

Applicability

The Solar/Net Billing Rate provides customers who install solar panels the ability to sell the energy they produce to LL&P. The result will be an offset on their total energy bill.

Purpose

To establish a solar credit rate for LL&P customers who install solar panels that gives back electricity to LL&P's electric distribution system without causing unfair subsidies to other LL&P customers who have not installed solar panels.

To encourage customers to install solar panels, a renewable energy source, which will have a positive effect on our community and planet.

Solar Credit Rate 5.84 cents per kWh

Periodic Review of Solar Credit Rate

LL&P shall review and update the solar credit rate and implementation methods as significant assumptions change. This will typically mirror annual rate making timing which the LL&P Board and staff anticipate will result in rates moving towards a demand and/or Time-of-Use component.8

System Verification

As outlined in LL&P's Electric Interconnection Policy, 6-10.

Maximum System Size

The peak size can be no greater than 20 kW, as outlined in LL&P's Electric Interconnection Policy, 6-10. From there, the solar install can be up to the greater of: (1) 110% of a customer's peak demand before their solar install or (2) 100% of a customer's average annual kWh usage before their solar install.

Lowell Light and Power

Metering & Billing

The net billing will be done by digital AMI metering for solar installs up to 20 kW as outlined in LL&P's Electric Interconnection Policy, 6-10.

Solar installs over 20 kW will be metered and billed using "buy-all, sell-all" special contracts.

Effective January 2025

Lowell Light and Power

Rate Schedules

Policy 4-16

Subject: Voluntary Green Pricing Program Rate - VGP

Applicability

The Voluntary Green Pricing (VGP) Program offers customers the opportunity to participate in a voluntary green pricing program under which the customer may specify, from the options made available, the amount of electricity attributable to the customer that will be renewable energy. This rate shall only apply to LL&P electric rate customers who have voluntarily elected to participate in the VGP Program.

VGP Program Charges

The charges applied to customer accounts will be in accordance to 2016 Public Act 342 (PA 342), Section 61, as filed with the Michigan Public Service Commission (MPSC) on December 15, 2016.

VGP Rate Calculation

The VGP rate shall be determined on an ongoing basis by the Michigan Public Power Agency.

VGP Rates

Residential Rates (111/121/130)	$0.01 per kWh
Commercial (221, 222)	$0.01 per kWh
Industrial Rate (223,224)	$0.01 per kWh

Adopted April 12, 2018

Lowell Light and Power

Rate Schedules

Policy 4-17

Subject: Demand Response (DR) Program Rider

Applicability

The Demand Response (DR) Program is available to customers on General Service Demand Rate GSD 222, General Service Demand Primary Metering Rate GSDPM 223, or General Service Demand Transformer Ownership Rate GSDTO 224.

DR Program Conditions

A customer desiring service under this rider must have the ability to curtail at least 500 kW of electric load and must be able to adhere to the requirements outlined by the Midcontinental Independent System Operator (MISO) for Load Modifying Resources. The General Manager has the authorization to negotiate with qualifying customers the terms and conditions of this rider. The final contract between Lowell Light and Power and a qualifying customer shall be approved by the Board of Lowell Light and Power.

DR Rate Calculation

The applicable DR rate shall be detailed in the contract between the qualifying customer and Lowell Light and Power.

Adopted October 11, 2022