

**MEMPHIS LIGHT, GAS AND WATER DIVISION
CITY OF MEMPHIS**

**ELECTRIC SERVICE
SCHEDULE LS (E-3)
OUTDOOR LIGHTING RATE**

AVAILABILITY

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Service under this schedule is for a term of not less than 1 year.

Electricity supplied under this rate schedule is for the exclusive use of the Customer and shall not be resold or shared with others.

PAYMENT

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Division's standard policy.

ADJUSTMENT

The energy charges in Part A and Part B of this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, the energy charge in Part A and Part B of this rate schedule shall be increased or decreased to correspond to increases or decreases determined by TVA in the value of the hydro generation benefit allocated to residential customers.)

DETERMINATION OF SEASONAL PERIODS

Service under this schedule shall not be subject to seasonal rates.

TENNESSEE VALLEY AUTHORITY FUEL COST AND PURCHASED POWER ADJUSTMENT RIDER

The energy charges in Part A and Part B below are subject to adjustment under the provisions of the Tennessee Valley Authority Fuel Cost and Purchased Power Adjustment Rider.

**PART A -- CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND
ATHLETIC FIELD LIGHTING INSTALLATIONS**

I. Energy Charge:

All kWh per month: \$0.06563

II. Facility Charge

The annual facility charge shall be 10.41 percent of the installed cost to Division's electric system of the facilities devoted to street and park lighting service specified in this Part A. Such installed cost shall be recomputed on July 1 of each year, or more often if substantial changes in the facilities are made. Each month, one-twelfth of the then total annual facility charge shall be billed to the customer. If any part of the facilities has not been provided at the electric system's expense or if the installed cost of any portion thereof is reflected on books of another municipality or agency or department, the annual facility charge shall be adjusted to reflect properly the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations shall be provided, owned, and maintained by and at the expense of the customer, except as Division may agree otherwise in accordance with the provisions of the paragraph next following in this Section II. The facilities necessary to provide service to such systems and installations shall be provided by and at the expense of Division's electric system, and the annual facility charge provided for first above in

this Section II shall apply to the installed cost of such facilities.

When so authorized by policy duly adopted by Division's governing board, traffic signal systems and athletic field lighting installations may be provided, owned, and maintained by Division's electric system for the customer's benefit. In such cases Division may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation and shall require payment by the customer of a facility charge sufficient to cover all of Division's costs (except reimbursed costs), including appropriate overheads, of providing, owning, and maintaining such system or installation; provided that, for athletic field lighting installations, such facility charge shall in no case be less than 12 percent per year of such costs. Said facility charge shall be in addition to the annual facility charge on the facilities necessary to provide service to such system or installation as provided for in the preceding paragraph. Replacement of lamps and related glassware for traffic signal systems and athletic field lighting installations provided under this paragraph shall be paid for under the provisions of paragraph A in Section IV.

III. Customer Charge -Traffic Signal Systems and Athletic Field Lighting Installations.

Division shall apply a uniform monthly service charge of \$2.78 for service to each traffic signal system or athletic field lighting installation.

IV. Replacement of Lamps and Related Glassware -Street and Park Lighting

Customer shall be billed and shall pay for replacements as provided in paragraph B below, which shall be applied to all service for street and park lighting.

A. Division shall bill the customer monthly for such replacements during each month at Division's cost of materials, including appropriate storeroom expense.

B. Division shall bill the customer monthly for one-twelfth of the amount by which Division's cost of materials, including appropriate storeroom expense, exceeds the product of 3 mills multiplied by the number of kilowatt-hours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

METERING

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 5 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

REVENUE AND COST REVIEW

Division's costs of providing service under Part A of this rate schedule are subject to review at any time and from time to time to determine if Division's revenues from the charges being applied are sufficient to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest.) If any such review discloses that revenues are either less or more than sufficient to cover said costs, Division shall revise the above facility charges so that revenues will be sufficient to cover said costs. Any such revision of the annual facility charge provided for first above in Section II of Part A of this rate schedule shall be by agreement between Division and TVA.

PART B -- CHARGES FOR OUTDOOR LIGHTING FOR INDIVIDUAL CUSTOMERS

OUTDOOR LIGHTING

Customers may lease outdoor lighting fixtures from the Division, subject to Rules and Regulations of Division. Fixture types and associated monthly costs are available in the Schedule of Charges. The schedule will be reviewed and updated from time-to-time due to changes in costs, fixture availability, etc., at the discretion of the Division.

ADDITIONAL FACILITIES

The charges referenced above in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, Division may apply an additional monthly charge.

LAMP REPLACEMENTS

Replacements of lamps and related glassware will be made in accordance with replacement policies of Division without additional charge to the customer.

SPECIAL OUTDOOR LIGHTING INSTALLATIONS

When so authorized by policy duly adopted by Division's governing board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by Division's electric system. In such cases Division may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of Division's costs (except reimbursed costs), including appropriate overheads, or providing, owning, and maintaining such installations, and making lamp replacements.

Service is subject to Rules and Regulations of Division.