

Schedule No. GS-4-NG
GS-4 NEW GENERATION

APPLICABLE

This rate schedule is applicable when all of the following conditions have been met.

1. The Customer is taking bundled service from the Utility with at least one account that is either currently served under Schedule No. GS-4, or would otherwise qualify for service under Schedule No. GS-4. Each account served under this rate schedule must have a monthly Maximum Demand of at least of 1,000 kilowatts.
2. The Customer (or an affiliated entity, in accordance with Special Condition 7) must own a share of a generation project (hereinafter referred to as "Project") of which an amount of capacity shall be dedicated to the Utility. The Project must be located within the Utility's control area. The in-service date of the Project must be on or after the effective date of this rate schedule. The amount of Project generation capacity that must be dedicated by the Customer for use by the Utility shall be determined according to Special Condition 3, below.
3. The Customer must provide the Utility with full rights to dispatch the Customer's share of the Project as part of the Utility's overall electrical system. The Customer must agree that the timing of all planned maintenance on the Project shall be subject to the Utility's approval, not to be unreasonably withheld. Planned outages may not be scheduled during the summer period (June through September), without the Utility's consent.
4. The Customer shall have met the Interval Meter requirements as described in Special Condition 2, below.
5. A service agreement meeting the requirements of Rule No. 10 is required. The service agreement must be approved by the Commission prior to initiation of service under this rate schedule.

TERRITORY

Entire Nevada Service Area, as specified.

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RATES

Charges under this schedule shall consist of the following components:

1. Universal Energy Charge (UEC). The UEC as specified in the Schedule of Rates for the Customer's otherwise applicable rate schedule. The UEC, pursuant to NAC 702.150 through 702.450, will go to fund the Nevada fund for energy assistance and conservation. Under certain circumstances, Customers will be refunded amounts paid in excess of \$25,000 per calendar quarter. The Commission will administer the collection of the UEC, certify exemptions, and administer refunds. Exemptions are generally kWh sold to:
 - a) Any governmental agency, including the State of Nevada and any political subdivision thereof, and
 - b) Any Customer using electrolytic-manufacturing processes.

Except as provided above, all kWh sold are subject to the charge. The UEC is not subject to charges applicable under the Tax Adjustment Charge.

2. Franchise Fees, Taxes and Mill Assessment Charges. Such charges shall be billed at the rates otherwise established for customers under bundled electric service.
3. Billing Charge. A monthly billing fee of \$15.00 per meter not to exceed \$1,500.00 per customer per month for additional computational and billing costs.
4. Deferred Energy Accounting Adjustment ("DEAA"). Customers shall be responsible for any fully-allocated DEAA balances existing and in effect at the time the Customer moves to this rate schedule, plus the percent of the customer's load to the Utility's total Nevada load of the current test period deferred energy balance at the time that the Customer moves to this rate schedule. See Special Condition 9.
5. Distribution-Only Charges. The rates for distribution service as set forth under the Customer's otherwise applicable rate schedule and as specified in the Schedule of Rates, shall be used, unless distribution service for the Customer is established by an existing contract or contracts.

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RATES (Continued)

6. Transmission Charges. Transmission Charges equal to the Transmission Service charges (exclusive of ancillary services charges) that would otherwise be applicable to Network Integration Transmission Service as outlined in Sierra Pacific Resources Operating Companies Open Access Transmission Tariff (OATT), as filed with and accepted by the Federal Energy Regulatory Commission (FERC), or its successor tariff.
7. Portfolio Charge equal to the additional cost required to meet the Portfolio Standard if any, attributable to the Customer.
8. Long Term Contract Market Adjustment Charge equal to the Customer's load ratio share of any out of market costs of long-term contracts.
9. Generation Service Charges shall be specified in the service agreement. At a minimum, the service agreement shall address charges for hours when (a) actual demand exceeds Contract Demand, and (b) actual demand exceeds available energy from the Project.
10. Administrative Charge. A customer-specific administrative charge shall be specified in the service agreement. The Administrative Charge may be used to compensate the utility for planning, scheduling, dispatching, administration of this rate schedule, or any other charges associated with service under this rate schedule.

SPECIAL CONDITIONS

1. **Minimum Term.** The term of the service agreement under this rate schedule shall be no less than 5 years.
2. **Metering Requirements.** The Utility shall install a suitable Interval Meter on the Customer's Premises where one does not exist if the Customer is seeking service hereunder. Such installation location shall be furnished by the Customer and approved by the Utility, which location shall, at all reasonable times, be accessible for reading, testing, and maintaining the Meter. No rent or other charge shall be made by the applicant for use of this location. The Customer shall pay all costs for the Interval Meter and the installation by the Utility. Notwithstanding the above, all conditions of Rule 16 shall apply.

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SPECIAL CONDITIONS (Continued)

3. **Project Capacity.** The amount of Project capacity which the Customer shall provide for use under this rate schedule shall be calculated as follows:

$$\text{Capacity} = \text{Contract Demand} * (1 + \text{Reserve Factor}) * (1 + \text{Loss Factor})$$

Where Reserve Factor shall be the capacity of the Project's largest generating unit divided by the Contract Demand, but no greater than 1.00 or no less than 0.25, and

Loss Factor shall be the sum of the transmission and applicable distribution loss factors contained in the Sierra Pacific Resources Operating Companies Open Access Transmission Tariff (OATT), as filed with the Federal Energy Regulatory Commission (FERC).

If Customer's participation in the Project causes the Utility's single largest contingency to be increased, then the Customer shall provide an additional amount of capacity equal to the increase in the Utility's single largest contingency, unless otherwise specified in the service agreement.

4. **Contract Demand Adjustment.** The Contract Demand shall be adjusted on April 1 of each year, beginning after the first full year of service under this rate schedule. The Contract Demand shall be set at the Customer's highest demand during the prior 12 month period. The service agreement shall specify the mechanism for payment for any increase in Contract Demand. The service agreement shall set forth the maximum increase or decrease, in kilowatts, that the Contract Demand may be adjusted.
5. **Minimum Availability Factor.** The Customer's generating facilities are expected to achieve a minimum annual availability factor and to experience minimal outage times during peak periods. If such availability factor is not achieved, an additional charge will be made by the Utility as specified in the service agreement.
6. **Termination.** Upon termination of the service agreement the Customer shall be placed on Schedule IP, or such bundled rate schedule as mutually agreed to by the Customer and Utility. Any agreement to place the Customer on a bundled rate schedule shall be filed with and approved by the Commission.

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SPECIAL CONDITIONS (Continued)

7. **Ownership of Project.** The Customer, its wholly owned subsidiary, or a wholly owned subsidiary of the Customer's parent corporation shall own the Project. During the term of the service agreement all or a share of the ownership of the Project may be transferred to a third party, provided however, the Project capacity remains available to the Utility under the same terms and conditions as prior to the transfer. The Utility's rights to approve any transfer shall be addressed in either the service agreement or a separate agreement with the Project owner.
8. **Conflicts.** Should a conflict exist or develop between Special Conditions 3 through 7 of this Schedule No. GS-4-NG and the Commission-approved service agreement required by this schedule, the provisions of the Commission-approved service agreement shall prevail.
9. **DEAA.** To ensure that Customers that take service hereunder pay their fully allocated share of past regulatory obligations for DEAA balances through a non-bypassable charge, the Utility will determine the amount of liability that the Customer has incurred as of the date that the Customer begins service hereunder.
- A. A separate bill will be issued during the first quarter following energization of the subject Generating Facilities for the amount determined in the Special Condition, and will be due within 30 days of its issue date that is printed on the bill. In the alternative, the Utility shall offer and the Customer may agree to alternative payment arrangements that are the same as those developed for Eligible Customers under the Utility's Schedule DOS. The Utility will then excuse Customers from the payment of such past deferred energy amounts as listed on Schedule DEAA. DEAA on current consumption, if any, shall be addressed in the Customer's service agreement.
- B. Notwithstanding A, above, if the Commission or a court determines and orders that current customers and prior customers should be responsible for uncollected revenues as established as a result of any legal or regulatory proceedings, the Customer shall also pay its fully-allocated share of such contingency amount incurred while the Customer was a bundled customer of the Utility. Similarly, the Utility shall refund to the Customer any fully-allocated amount that the Commission or a court determines should be returned to customers of the Utility while the Customer was a bundled service customer of the Utility.

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