

RIDER: The Power Cost Adjustment Factor (PCA-1)

Applicable Rate Schedules: RS-1, GS-1, IW-1, SC-1, MC-1, and IS-1 rate schedules.

Power Cost Adjustment Factor:

The Power Cost Adjustment Factor (PCAF) replaces the System Cost Adjustment Factor (SCAF). The PCAF is a charge per kWh that is used to ensure an adequate revenue stream to cover all power and transmission costs incurred by BEU and will be assessed to all customer classes with energy charges. It is designed to adjust bills either up or down.

A base PCAF (base) is calculated for the fiscal year of 2023–24 based on the net total of all power and transmission costs and revenues divided by the total retail kWh sales. The resulting \$/kWh amount is rounded to 4 decimals. The PCAF (base) is \$.1184/kWh. A monthly PCAF (month) is calculated based on a 12-month rolling average of the net of all power and transmission costs and revenues divided by the total retail kWh sales based on recent data. The resulting \$/kWh amount is rounded to 4 decimals. This PCAF (month) will be published monthly by the Utility Directors Office.

The PCAF \$/kWh is calculated as PCAF (month) - PCAF (base) and averaged over a three-month (quarterly) period. The customer's bill will be adjusted quarterly by PCAF times the customer's kWh usage for that period. All bills rendered under the tariffs described herein with kWh charges shall be subject to the PCAF.

If there is a catastrophic upward cost change in the power or transmission markets, then the Electric Utility Director has the administrative authority to temporarily amend the PCAF calculation and timely seek direction from City Council.