



CITY OF LODI

ELECTRIC UTILITY DEPARTMENT

SCHEDULE ECA

ENERGY COST ADJUSTMENT

APPLICABILITY:

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi's wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

RATES:

Effective July 6, 2007, the ECA billing factor for any given month shall be calculated as follows:

$$ECA = \frac{(a) + (b) - (c)(d+f)}{(e)} - (f)$$

Where:

- a) equals the amount the City of Lodi is actually charged by the Northern California Power Agency for the billing month, including adjustments for prior billing periods, less any third party revenue credits.
- b) equals the City of Lodi's estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.
- c) equals the difference between actual retail energy sales and projected sales level for the month which is two (2) months prior to the billing month.
- d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.
- e) equals the forecast of projected retail energy sales for the billing month.
- f) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.

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SCHEDULE I-1 FIXED ECA OPTION:

Customers must elect this option prior to the start of the twelve month cycle (July-Jun) and must be billed for the entire twelve months under this option. Customers may opt out in May prior to the next twelve month billing period.

The City of Lodi will calculate a fixed ECA and the resulting amount shall be automatically implemented for bills rendered during the eleven billing months beginning in July and ending in May. The June billing shall include a true-up for the actual ECA billed in the same eleven month period and the actual ECA for the month of June.