

SCHEDULE BR BUSINESS RETENTION RATE

Applicability:

This Schedule is applicable to existing customers with a minimum monthly demand of at least 150 kW provided that:

A. The customer must demonstrate to the satisfaction of the General Manager of Riverside Public Utilities that relocation of its entire operations or a qualified portion of their operations which consists of load of at least 150 kW, to a site outside of Riverside's service territory is a viable alternative or that the threat of closure of the customer's existing facilities is otherwise imminent.

B. Customers must provide:

1. an affidavit that "but for" the economic development retention rate incentives, in combination with other city-sponsored-incentives, such customer would relocate outside of the City's electric service territory, and
2. substantial evidence demonstrating the business has considered viable locations outside of Riverside's service territory including but not limited to incentive offer letters from competing states, local jurisdictions and economic development organizations and/or real estate sale and lease agreements for competing sites, or
3. substantial evidence documenting the imminent threat of facility closure, including but not limited to letters from business owners or appropriate corporate officers documenting the circumstances which have lead to this imminent threat and why the Business Retention Rate is necessary to retain the business within Riverside's service territory.

C. The customer's application for this Schedule is approved by the General Manager of Riverside Public Utilities, based upon standards and guidelines adopted by resolution of the Riverside Board of Public Utilities and approved by resolution of the City Council.

Territory:

City of Riverside

Rates:

Except as provided herein, or in the Economic Development Business Retention Rate Agreement, all charges and provisions of the customer's Otherwise Applicable Tariff shall apply, except that the customer's energy charges for mid and off peak usage shall be subject to discount as follows:

Year 1 - 25%
Year 2 - 15%

Special Conditions:

1. Term:

Economic Development Business Retention Rate Agreements entered into under this Schedule shall be for a single two-year term.

2. Otherwise Applicable Tariff:

The Utility's published electric rate schedule which otherwise applies to Customer for service provided under this Schedule, provided however Schedule CS shall not be a Customer's Otherwise Applicable Tariff.

3. Approval:

Application of this Schedule shall be subject to approval of the Public Utilities General Manager. The General Manager's approval shall be based upon standards and guidelines established and adopted by resolution of the Riverside Board of Public Utilities and approved by resolution of the City Council. The standards and guidelines: 1) shall include but not be limited to the consideration of such factors as evidence that relocation is imminent, job retention, property tax increment, land use, City's business base, retention of a business within a Riverside Redevelopment Project Area and City's overall economic development strategic vision and 2) shall provide adequate protection against arbitrary application of this Schedule.

The General Manager's decision to disapprove application of this Schedule to a customer shall be appealable to the Riverside Board of Public Utilities, not later than thirty days after Riverside notifies the customer of the General Manager's decision. Customer shall file a written appeal with the Riverside City Clerk setting forth the grounds on which the appeal is based. The Riverside Board of Public Utilities shall consider the appeal within thirty (30) days after receipt of the written appeal, and shall affirm, modify or reverse the decision of the General Manager.

4. Agreement:

The customer must sign the standard Economic Development Business Retention Rate Agreement, as approved by the Riverside Board of Public Utilities and the City Council, in order for the rates under this Schedule to be applicable. In addition to the other terms of this Schedule, the Economic Development Business Retention Rate Agreement shall require the customer to reimburse Riverside for all rate reductions received under this Schedule, if the customer fails to maintain the required minimum load during the two-year term of the Agreement.

5. Minimum Load:

All customers must agree to maintain a minimum level of load for two years from the date service is first rendered under this Schedule as set forth in the Economic Development Business Retention Rate Agreement.

6. State Mandated Public Benefits Charge:

The rates in Customer's Otherwise Applicable Tariff and under this Schedule are subject to a surcharge as adopted via City Council Resolution No. 19203, and such surcharge as in effect from time to time. The applicable Public Benefits Charge will be applied to the Customer's total electricity usage charges for the applicable billing period.

7. Miscellaneous Fees and Charges:

Rates charged pursuant to this Schedule shall be subject to any Energy Users Taxes, Utility Users Taxes and any other governmental taxes, duties, or fees which are applicable to Electric Service provided to Customer by Riverside. Rates are also subject to adjustment, as established by Riverside's Board of Public Utilities and adopted by Riverside's City Council in response to federal or state climate change laws renewable portfolio standards or other mandatory legislation. These adjustments may include but are not limited to charges to mitigate the impacts of greenhouse gas emissions or "green power" premiums. No discount shall be made to customer for these fees and charges.

8. Agreement Deadline:

The start date of the Economic Development Business Retention Rate Agreement shall commence with the customer's first billing cycle following approval of the Public Utilities General Manager.

9. Program Cap and Termination Date:

The total contract demand on this Schedule shall collectively not exceed 20 MW (megawatts) at any one time. Once this limit is reached, the rate will be closed to all customers, new or existing, until such time as qualified customers under the

20 MW Program Cap with an executed Economic Development Business Retention Rate Agreement expires thus allowing participation by additional qualified customers until a new 20 MW Program Cap is reached.

All Business Retention Rate Agreements must be executed prior to December 31, 2012, after which no further agreements will be executed. This Schedule will remain open until such time as the last agreement expires or terminates.

10. Multiple Applications

Application of this Schedule shall be limited to each customer to once every five years.

11. Restrictions:

Residential customers and federal, state or local governmental agencies are not qualified under this Schedule.