

LANAI DIVISION

RIDER PA

PREFERENTIAL ELECTRICITY RATE RIDER FOR PROTECTED AGRICULTURE

APPLICABILITY:

This Rider is available only for electric service for Protected Agricultural activities as defined by Act 203, 2019 Session Laws of Hawaii, codified as Section 269-27.7, Hawaii Revised Statutes. "Protected Agriculture" is "any crop production technologies or techniques that partially or fully control a plant's micro-climate to target the particular requirements of the species; provided that the term shall not include agricultural activities that produce medical cannabis." This Rider establishes preferential electricity rates for agricultural activities that utilize Protected Agriculture to produce fruits or vegetables for distribution.

This Rider is available to customers that receive service under Schedule G, Schedule J, Schedule P, Schedule TOU-G, Schedule TOU-J, or Schedule TOU-P, where the Company determines that 70 percent or more of the Customer's annual electrical usage ("70 Percent threshold") is for Protected Agricultural activities or where the 70 Percent Threshold is not met, the customer elects to separately meter the electric usage for protected agriculture activities. This Rider may not be combined with Rider I, Rider M, or Rider T. Compatibility with any riders or schedules established subsequent to this rider will be at the Company's discretion.

Control of a plant's micro-climate can be achieved by controlling one or more of the following in the plant's immediate environment: air or growing media temperature, humidity, light, nutrients, or airflow. Control of a plant's micro-climate must also include controlling the plant's environment by limiting or eliminating exposure to animals, insects, or pests that could potentially harm the plant species. Open field, soil-based growing methods, including open field drip irrigation and the use of natural or constructed wind breaks, do not constitute Protected Agriculture activities for the purposes of establishing eligibility for Rider PA.

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APPLICABILITY CONTINUED:

Electrical usage related to post-harvest washing, cooling, and cold storage (not freezing) of fruits and vegetables grown using Protected Agriculture technologies or techniques are eligible activities in determining the 70 Percent Threshold, provided that the form of the fruits and vegetables are not altered and such post-harvest activities are conducted on the same electric meter as the growing of the plant species, and further that such electrical usage occurs prior to the first sale of, transfer of control of, or title to the fruits or vegetables for distribution. Post-harvest activities related to canning, milling, markets, or packaging of fruits and vegetables or establishments engaged in the conversion, treatment or packaging of the fruits and vegetables for distribution are not eligible to be counted toward the 70 Percent Threshold. Post-harvest activities related to fruits, vegetables, or other products that are not grown using Protected Agriculture technologies or techniques or are not grown on the same parcel as the Rider PA identified electric meter are not eligible to be counted toward the 70 Percent Threshold.

Customers taking service under this Rider must demonstrate compliance with the Eligibility Criteria and Terms and Conditions of this Rider to the satisfaction of the Company.

The Energy Credit provided under this Rider is subject to the review and approval of the Public Utilities Commission. Further, the Commission reserves the right to review, modify, and terminate the Rider at any time.

ELIGIBILITY CRITERIA:

The customer must provide the Company with the following:

- 1) a written statement of compliance with Section 269-27.7, Hawaii Revised Statutes;
- 2) maps, drawings, or plans as requested by the Company demonstrating that the customer's electrical service requirements served under this Rider are Protected Agricultural activities and are at least 70% of the customer's projected annual load;

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ELIGIBILITY CRITERIA CONTINUED:

- 3) a list of equipment used for Protected Agricultural activities, that use electricity. The customer will also identify efforts to incorporate renewable energy sources and energy efficiency measures in place that help offset energy usage to the extent practicable, such as, but not limited to energy star rated appliances; energy efficient heating, cooling, motors, pumps, and lighting, and the installation of solar PV or other renewable energy sources that use electricity; and
- 4) access to the customer's site, upon reasonable notice not to be less than 24 hours (unless an apparent safety or emergency situation exists which requires immediate inspection to resolve a known or suspected problem) provided by the Company, to inspect and confirm the status of customer's compliance with the Eligibility Criteria and Terms and Conditions of the Rider.

(Eligibility Criteria 1, 2, and 3 above would be fulfilled by completing, subject to Company approval, the Rider PA - Protected Agriculture Contract.)

RATES:

The rate(s) for service under this Rider including the Customer Charge, Non-Fuel Energy Charge, and Demand Charge, and as applicable Voltage Discount and Power Factor, shall be as specified in the otherwise applicable regular rate schedule identified in the applicability section above except that an Energy Credit of -4.7 cents/kWh adjustment for billed kWhs shall be added. The Energy Credit will not be used in the determination of any applicable voltage adjustment or power factor adjustment but will be used in the determination of percentage of base bill adjustments.

TERMS AND CONDITIONS:

- 1) The Company may require the customer to complete an annual survey and the customer shall be required to provide any data necessary to fulfill any surveys, reporting requirements, or other analysis that may be required by the Company or by the Commission.
- 2) The Company may (at its own expense) install a data recording device to profile the load served and may collect such data at reasonable time intervals. The Company's data collection activities shall not interfere with the provision of service under this Rider.

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TERMS AND CONDITIONS CONTINUED:

- 3) Upon provision of reasonable notice (written or digital and not less than 24 hours unless an apparent safety or emergency situation exists which requires immediate inspection to resolve a known or suspected problem), the Company shall be permitted access to the customer's site to inspect, install, maintain, upgrade, replace, or remove Company equipment, or to confirm the status of customer's continued compliance with the Eligibility criteria and Terms and Conditions of this Rider, and such access shall not be unreasonably denied.
- 4) If the customer fails to satisfy the requirements outlined in the Eligibility Criteria or Terms and Conditions in this Rider, service under this Rider shall terminate, and any subsequent electric service will be provided at the rates and terms of the appropriate rate schedule. Prior to Rider termination, the Company will provide the customer a written or electronic notice of non-compliance describing the reason(s) for the termination. The customer within 30 days from the Date of Presentation may by written request to the Company seek a reasonable extension on the period to cure the non-compliance. If non-compliance continues beyond the cure period (initial 30-day notice plus any one-time reasonable extension requested by the customer and agreed to by the Company) the Company may terminate the customer's Rider participation. In addition, the customer will not be permitted to receive service under this Rider for a period of one year, and the customer may be required to refund any Energy Credits that were provided under this Rider during the period in which the customer was determined to be ineligible to receive the Energy Credits.
- 5) The customer engaged in Protected Agricultural activities and already qualified by the Company shall no later than February 1 of each year provide the Company with a written update verifying that the customer continues to satisfy the Eligibility Criteria and Terms and Conditions in this Rider. Further, the customer upon changes to its operations such that it is no longer eligible for this Rider shall notify the Company as to the change in circumstances and is no longer eligible for service under this Rider.
- 6) The initial term of contract shall be three years and shall continue thereafter on a year-to-year basis until terminated by either party with a 90-day written notice.

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TERMS AND CONDITIONS CONTINUED:

- 7) Contracts under this Rider shall include a provision that the agreement with the Company shall at all times be subject to changes or modifications by the Public Utilities Commission as said Commission may from time to time direct in the exercise of its jurisdiction.

RULES AND REGULATIONS:

Service supplied under this Schedule shall be subject to the Rules and Regulations of the Company.

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