



**RIDER PF
POWER FACTOR**

PURPOSE

The Power Factor Adjustment is designed to recover the cost of providing the reactive component of power associated with inductive loads and to encourage customers to correct the poor power factors.

APPLICABILITY

Currently, the Power Factor Adjustment is only applicable to customers served under Rate Schedules A-3. Bills will be adjusted as follows:

RATE

This rider introduces a penalty for A-3 customers at the rate of 0.1% of the customer's bill for each percentage point deviation that their power factor is below 95%.