

**MERCED IRRIGATION DISTRICT****ELECTRIC SERVICE SCHEDULE EC  
ENVIRONMENTAL CHARGE****APPLICABILITY:**

The Environmental Charge (EC) is applicable to all Energy Resources customers served by the District and to all kilowatt-hours (kWh) billed under all rate schedules.

**TERRITORY SERVED:**

This Schedule applies within the area where Merced Irrigation District provides electric service.

**RATES:**

The charge is the product of the total kWh for the customer billing period times the EC amount. The Environmental Charge is calculated and adjusted annually based on the District's fiscal calendar (April 1 – March 31). The EC will be determined based on a reconciliation of actual costs and projected values. Any over or under collections will be accounted for in the following year.

- The District shall calculate the EC annually to recover costs relating to the Renewable Portfolio Standard (RPS, Greenhouse Gas (GHG) emission reductions, and other regulations intended to encourage the use of renewable energy in California.
- GHG costs include, but are not limited to: (1) forecast expenditures related specifically to GHG emissions, which include but are not limited to, (a) the purchase of GHG emission credits or offsets (less revenues from the sale of GHG emission credits), (b) GHG costs imposed by legislative mandates, regulatory agencies, or judicial orders or decrees, and (2) other costs directly related to compliance with GHG requirements.
- RPS costs recovered by the EC are subject to change based on (1) any cost limitation that may be adopted by the Board and approved by the California Energy Commission pursuant to SBX1-2, and (2) implementation by the CEC of SB 591, which generally allows consideration of the output from the Exchequer hydroelectric facility to be taken into account in the calculation of the District's RPS obligation.