
Sec. 130-56. Electric rates.

- (a) Service rate classifications. All electric service supplied by NBU shall be designated by the following classifications with descriptions, rates and conditions of sale as indicated further in this article:
- (1) Residential (RE);
 - (2) Small general service (SGS);
 - (3) Large general service (LGS);
 - (4) Very large power-distribution (VLP-D);
 - (5) Transmission service rate (TSR);
 - (6) Experimental electric rate (EER);
 - (7) Lighting athletic fields (LAF);
 - (8) Area lighting rate (AL);
 - (9) Second feeder service (SFS);
 - (10) Net metering (NM); and
 - (11) Interstate highway lighting rate (HL).
- (b) Upon application for service, NBU shall make the initial determination of the customer's service rate classification, which classification is subject to change in accordance with the provisions of this article.
- (c) Residential service rate (RE).
- (1) *Availability.* The residential rate (RE) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
 - (2) *Applicability.* The residential rate is applicable for electric service used solely for residential purposes, and related activities, consisting of service to single-family dwellings or individually metered multifamily dwellings. Where two residential units are billed through one meter, the electric service availability charge shall be doubled. Where more than two residential units or apartments are billed through one meter, the applicable general service rate shall be used.

This rate shall not be applicable for service to a residence also used for nonresidential purposes, including but not limited to boardinghouses, barbershops, beauty shops, general contractors, storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar nonresidential activities. If the wiring is so arranged that the service for residential purposes and that for commercial purposes are separately metered, this rate is applicable to the service supplied for residential purposes.
 - (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire. Other service voltages may, under certain specific conditions, be furnished with the approval of NBU's chief operations officer.
 - (4) *Monthly rates.* The monthly rates for residential service are as follows:
 - a. Electric service availability charge, \$22.80 per month effective August 1, 2025, and \$24.97 per month effective August 1, 2026.
 - b. Delivery charge, \$0.03016 per kilowatt-hour (kWh) effective August 1, 2025, and \$0.03303 per kWh effective August 1, 2026.
 - c. Cost of power charge:

Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

Base Transmission Rate (BTR):

\$0.0052 per kWh

- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.

(d) Small general service rate (SGS).

- (1) *Availability.* The small general service rate (SGS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
- (2) *Applicability.* The small general service rate is applicable for electric service to all nonresidential establishments, or where a residence is also used for nonresidential purposes, and billed through one meter, or where the nonresidential part of a residence is separately metered from the part solely residential, or where three or more residential units are billed through one meter, and use does not exceed 25 kilowatt (kW) demand.
- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire; or 120/208 volt three-phase, 60-hertz, four-wire; or 120/240 volt three-phase, 60-hertz, three-wire or four-wire; or 277/480 volt three-phase, 60-hertz, four-wire.

(4) *Monthly rates.* The monthly rates for small general service are as follows:

- a. Electric service availability charge, \$40.42 per month effective August 1, 2025, and \$44.26 per month effective August 1, 2026.
- b. Delivery charge, \$0.01778 per kWh effective August 1, 2025, and \$0.01947 per kWh effective August 1, 2026.
- c. Cost of power charge:

Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

Base Transmission Rate (BTR):

\$0.0052 per kWh

- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.

(5) *Determination of metered kW demand.* The customer's kW demand may be measured when the customer's monthly energy consumption exceeds 3,000 kWhs, and/or where customer's total connected load exceeds 25 kW in motors and other inductive-type equipment. Measurement shall be by maximum 15-minute demand. If after measurement it is determined that the customer's monthly demand has exceeded 25 kW, the customer shall be charged for kW billing demand under the appropriate rate class schedule.

(e) Large general service rate (LGS).

- (1) *Availability.* The large general service rate (LGS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.

- (2) *Applicability.* The large general service rate is applicable for electric service to all nonresidential establishments, or where a residence is also used for nonresidential purposes and billed through one meter, or where the part of a residence is separately metered from the part solely residential, or where three or more residential units are billed through one meter, and use exceeds a maximum 15-minute measured demand of 25 kW during two billing periods for the June through September billing periods or for any four billing periods over a 12-month period, but does not exceed an estimated or measured 1,000 kW, maximum 15-minute measured demand during two billing periods.

When a customer is reclassified to the LGS rate from another rate schedule, the customer may not change to another rate classification within a 12-month period unless there is a substantial change in the character or conditions of service. A customer may request reclassification to another rate classification only after fulfilling all obligations of this rate.

- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire; or 120/208 volt three-phase, 60-hertz, four-wire; 120/240 volt three-phase, 60-hertz, three-wire or four-wire; or 277/480 volt, three-phase, 60-hertz, four-wire; or 7200/12470 volt, three-phase, 60-hertz, four-wire.

- (4) *Monthly rate.* The monthly rates for large general service are as follows:

- a. Electric service availability charge, per month determined by installed kilovolt-amperes (kVA) aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Greater than 12,999	\$8,688.12	\$9,513.49
Less than 13,000 and greater than 7,999	\$7,645.54	\$8,371.86
Less than 8,000 and greater than 3,999	\$5,734.17	\$6,278.91
Less than 4,000 and greater than 2,999	\$3,822.77	\$4,185.94
Less than 3,000 and greater than 1,999	\$2,548.52	\$2,790.62
Less than 2,000 and greater than 1,499	\$1,274.27	\$1,395.32
Less than 1,500 and greater than 750	\$764.56	\$837.20
Less than 751 and greater than 500	\$573.42	\$627.89
Less than 501 and greater than 300	\$445.99	\$488.36
Less than 301 and greater than 150	\$254.87	\$279.08
Less than 151	\$76.46	\$83.72

- b. Delivered Power Distribution Demand charge, \$11.38 per kW effective August 1, 2025, and \$12.46 per kW effective August 1, 2026.

- c. Cost of power charge:

Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

- d. Power supply demand charge, \$1.15 per kW billing demand per month.

- e. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.

- (5) *Determination of billing kW demand.* The billing kW demand shall be the highest measured kW demand established in any 15-minute demand interval during the current month.

(f) Very large power distribution rate (VLP-D).

- (1) *Availability.* Very large power-distribution service (VLP-D) shall be available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
- (2) *Applicability.* The very large power-distribution rate is applicable for electric service when the measured kW demand exceeds 1,000 kW during a 15-minute demand interval during two billing periods over a 12-month period.
- (3) *Service conditions.* The service furnished under this section shall be nominal 277/480 volt, three-phase, 60-hertz, four-wire; or 7200/12470 volt, three-phase, 60-hertz, four-wire.
- (4) *Monthly rate.* The monthly rates for very large power-distribution service are as follows:
 - a. Electric service availability charge, per month determined by installed kVA aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Greater than 12,999	\$11,490.69	\$12,582.30
Less than 13,000 and greater than 7,999	\$9,192.53	\$10,065.82
Less than 8,000 and greater than 3,999	\$6,894.41	\$7,549.38
Less than 4,000 and greater than 2,999	\$4,596.26	\$5,032.91
Less than 3,000 and greater than 1,999	\$3,064.17	\$3,355.27
Less than 2,000 and greater than 1,499	\$1,532.08	\$1,677.63
Less than 1,500 and greater than 750	\$919.26	\$1,006.59
Less than 751 and greater than 500	\$689.44	\$754.93
Less than 501 and greater than 300	\$536.24	\$587.19
Less than 301 and greater than 150	\$306.42	\$335.53
Less than 151	\$91.94	\$100.68

- b. Delivered Power Distribution Demand charge, \$8.36 per kW effective August 1, 2025, and \$9.15 per kW effective August 1, 2026.
 - c. Cost of power charge:
Base Generation Rate (BGR):
October—May billing period, \$0.04 per kWh
June—September billing period, \$0.05 per kWh
 - d. Power supply demand charge, \$1.15 per kW billing demand per month.
 - e. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments. The minimum monthly bill will not include the power factor penalty for the first six months to any new customer to this rate class.
 - (5) *Determination of billing kW demand.* The kW billing demand shall be the highest measured kW demand established in any 15-minute period during the current month or 75 percent of the highest 15-minute kW demand in any of the preceding 11 months, but not less than 1,000 kW.
- (g) Transmission service rate (TSR).
- (1) *Availability.* Transmission service rate (TSR) shall be available, as approved by the NBU board of trustees, in the electric service area of NBU under the rules, regulations, and policies as established by

NBU, which are subject to change from time to time, and as provided for in this article, at the rates set forth in this section.

- (2) *Applicability.* The transmission service rate is applicable only for electric service to customers which require transmission level service (operated at 60 kilovolts (kV), or above) at each specifically identified individual service location and which meet all of the service conditions provided in this article.
 - (3) *Service conditions.* The transmission service rate is available in accordance with terms, conditions and rates established by NBU and reviewed by the NBU board of trustees.
 - (4) *Monthly rate.* The monthly rates for transmission service shall be the sum of the following:
 - a. ERCOT charges: The actual fees and rates for ERCOT transmission service as approved by the Public Utility Commission of Texas.
 - b. Local transformation, metering and miscellaneous charges.
 - c. Power supply charge: The monthly power supply charge shall be the total power supply costs as they are incurred by NBU. Such costs shall include, but are not limited to, costs for purchasing, scheduling, coordinating, and providing capacity and energy to the customer, facilities charges plus any special charges or adjustments.
- (h) Experimental electric rate (EER).
- (1) *Applicability.* The experimental electric rate shall be applicable to customers in any rate class at times selected by NBU. The time period for which the experimental electric rate may apply shall not exceed two years. At any time, the number of customers affected by the experimental electric rate shall not exceed one percent of the total number of customers served by NBU.
 - (2) *Purpose.* The purpose of the experimental rate is to aid in design of new rates. NBU shall have the authority to initiate or discontinue the experimental electric rate at NBU's discretion.
 - (3) *Selection.* The methods and criteria for selection for a rate class to be used for the experimental electric rate shall be chosen and defined by NBU. Participation in the experimental electric rate by customers shall be on a voluntary basis.
- (i) Lighting athletic fields (LAF).
- (1) *Applicability.* Service will be supplied through a single point of delivery and shall be used for lighting of outdoor athletic fields and facilities used exclusively in conjunction with athletic events on these fields.
 - (2) *Service conditions.* Single or three-phase service at the voltage of the available primary distribution lines of NBU (primary), or at the secondary voltage of transformation facilities supplied from NBU's distribution system (secondary).
 - (3) *Monthly rate.* The monthly rates for athletic field service are as follows:
 - a. Electric service availability charge, per month determined by installed kVA aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Greater than 12,999	\$6,716.97	\$7,355.08
Less than 13,000 and greater than 7,999	\$5,373.57	\$5,884.06
Less than 8,000 and greater than 3,999	\$4,030.19	\$4,413.05
Less than 4,000 and greater than 2,999	\$2,686.79	\$2,942.03
Less than 3,000 and greater than 1,999	\$1,791.19	\$1,961.35
Less than 2,000 and greater than 1,499	\$895.60	\$980.68
Less than 1,500 and greater than 750	\$537.36	\$588.41

Less than 751 and greater than 500	\$403.01	\$441.30
Less than 501 and greater than 300	\$313.45	\$343.23
Less than 301 and greater than 150	\$179.12	\$196.13
Less than 151	\$53.74	\$58.84

- b. Delivery charge: \$0.07428 per kWh effective August 1, 2025, and \$0.08134 per kWh effective August 1, 2026.
 - c. Cost of power charge:
 - Base Generation Rate (BGR):
 - October—May billing period, \$0.04 per kWh
 - June—September billing period, \$0.05 per kWh
 - Base Transmission Rate (BTR):
 - \$0.0052 per kWh
 - d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (j) Area lighting rate (AL).
 - (1) *Availability.* The area lighting rate (AL) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section. Service under this tariff is subject to connection charges contained in the NBU electrical connection policy.
 - (2) *Applicability.* The area lighting rate is applicable for electric service for pole-mounted area security lighting near NBU's electric distribution lines.
 - (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single phase, 60-hertz, three wire. Other service voltages may, under certain specific conditions, be furnished with the approval of NBU's chief operations officer.
 - (4) *Monthly rates.* The monthly rates for area lighting service are as follows:
 - a. \$13.17 per lamp per month effective August 1, 2025, and \$14.42 per lamp per month effective August 1, 2026.
 - b. *Minimum monthly bill.* The minimum monthly bill shall be the charge per lamp plus any special charges or adjustments.
- (k) Second feeder service rate (SFS).
 - (1) *Availability.* The second feeder service rate (SFS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section, provided NBU agrees that such service can be feasibly and economically provided by NBU. Service under this tariff is subject to connection charges and specifications contained in NBU electrical connection policy.
 - (2) *Applicability.* The second feeder service rate is applicable only for electric service to customers in LGS and VLP rate classes that require reserve capacity on a second distribution feeder at a specifically identified individual service location and that meet all of the service conditions provided in this article.
 - (3) *Service conditions.* Second feeder service is the reservation of capacity on a second feeder in order to provide redundant feeder capacity and provide the capability to automatically transfer the customer's total load from a primary feeder to an alternate second feeder.

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- a. Service will be provided only by long-term contract approved by the NBU board of trustees. This long-term contract will establish, in addition to other terms and conditions, the amount of capacity reserved on a second feeder for a customer and the adjustment of minimum reserve capacity permitted under this rate.
 - b. Second feeder service does not guarantee continuous service availability and may be interrupted for maintenance activities or when necessary for operational or emergency reasons.
 - c. Where appropriate, the customer will be required to maintain appropriate load balancing as determined by NBU.
- (4) *Monthly rates.* The monthly rates for second feeder service are as follows:
- a. Capacity reservation charge, \$7.51 per used kW per month effective August 1, 2025, and \$8.23 per used kW per month effective August 1, 2026.
 - b. Minimum kW contracted for shall be 1,000kW per month.
- (I) Net metering service rate (NM).
- (1) *Availability.* The net metering service rate is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section. Service under this rate may be subject to additional connection charges and specifications contained in NBU electrical connection policy.
- (2) *Applicability.* The net metering service rate is available to residential customers, small general service customers, and large general service customers with grid-connected solar, wind or other distributed generation facility of less than 50 kW where the customer's load profile exceeds the generating capacity. A distributed generation facility is an electric generation facility of ten megawatts or less and related interconnecting facilities to be interconnected at a voltage less than 60 kilovolts.
- (3) *Service conditions.* Service will be provided in accordance with terms and conditions provided by NBU.
- (4) *Monthly rates.* Monthly net metering service rates are as follows:
- a. Electric service availability charge:
 - Residential customers, \$22.80 per month effective August 1, 2025, and \$24.97 per month effective August 1, 2026.
 - Small general service customers, \$40.42 per month effective August 1, 2025, and \$44.26 per month effective August 1, 2026.
 - Large general service customers (NM)-based on kVa size, same rate schedule as LGS.
 - b. Delivery charge, per kWh, as specified in the appropriate RE or SGS rate plus a fixed cost per type of installed kW as shown below:
 - Residential (RE) solar: \$1.80 per month effective August 1, 2025, and \$1.97 per month effective August 1, 2026.
 - Residential (RE) wind: \$0.84 per month effective August 1, 2025, and \$0.92 per month effective August 1, 2026.
 - Small General Service (SGS) solar: \$0.99 per month effective August 1, 2025, and \$1.09 per month effective August 1, 2026.
 - Small General Service (SGS) wind: \$0.47 per month effective August 1, 2025, and \$0.51 per month effective August 1, 2026.
 - Large General Service (LGS) solar: Not Applicable
 - Large General Service (LGS) wind: Not Applicable

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- c. Cost of power charge:
 - October—May billing period, per kWh, as defined in the appropriate RE, SGS, or LGS rate
 - June—September billing period, per kWh, as defined in the appropriate RE, SGS, or LGS rate
 - d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus the delivery charge per installed kW of generation, and any special charges or adjustments.
 - (5) *Determination of delivery charge kWh.* Customer's monthly delivery charge kWh shall equal the customer's kWh purchased from NBU less any kWh generated into the NBU delivery system, but never less than zero.
 - (6) *Determination of power charge kWh.* Customer's monthly power charge kWh shall equal the actual kWh purchased from NBU.
 - (m) Interstate highway lighting rate (HL).
 - (1) *Applicability.* The interstate highway lighting rate (HL) is applicable for electric service for pole mounted interstate highway lighting located in the electric service area of NBU, but within the corporate limits or extra-territorial jurisdiction of another municipality, pursuant to the terms and conditions of a contract between that municipality and NBU and at the rates set forth in this section.
 - (2) *Monthly rate.* The monthly rates for interstate highway lighting service are as follows:
 - a. Electric service availability charge, \$19.76 per month effective August 1, 2025, and \$21.63 per month effective August 1, 2026.
 - b. Cost of power charge:
 - Base Generation Rate (BGR):
 - October—May billing period, \$0.04 per kWh
 - June—September billing period, \$0.05 per kWh
 - Base Transmission Rate (BTR):
 - \$0.0052 per kWh
 - (3) *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
 - (n) NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-05, §§ I, II, 1-23-06; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2009-15, § 2(Exh. A), 3-23-09; Ord. No. 2014-81, § I(Exh. A), 12-8-14; Ord. No. 2015-60, § I(Exh. A), 11-9-15; Ord. No. 2020-65, § 3, 10-26-20; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-____, § ____ (Exh. A), ____-____-25)

Sec. 130-57. Power factor penalty.

- (a) NBU shall assess a power factor penalty on VLP customers if the measured power factor during the non-coincident peak kW demand is less than .95.
- (b) If the VLP customer's measured power factor is 0.95 or higher, the customer will be billed on actual kW demand and will not be assessed the power factor penalty fee.
- (c) *Monthly rate.* \$5.013 per kW effective August 1, 2025, and \$5.489 per kW effective August 1, 2026.
- (d) *Glossary*

Power factor. The ratio of real power (KW) to apparent power (kVA). A low power factor indicates inefficient energy use, increasing strain on the utility's system.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2015-60, § I(Exh. A), 11-9-15; Ord. No. 2020-65, § 3, 10-26-20; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-____, §____(Exh. A), ____-____-25)

Sec. 130-58. Billing adjustments.

- (a) *Generation cost recovery factor (GCRF).* GCRF is the generation cost recovery factor expressed as dollars per kWh, to be multiplied by the energy (kWh) sold during a billing period to each customer.

$$\text{GCRF} = \frac{\{A \pm C\}}{S} - \text{BGR}$$

A is the total estimated cost of generation for purchases from all NBU power suppliers. Generation cost includes, but is not limited to, all power costs to serve retail and transmission level loads such as energy purchases from the ERCOT market, load serving entity obligations or related capacity costs, reserves and ERCOT market fees.

C is the additional amount in dollars to be added to or subtracted from the total estimated cost of generation to adjust for differences between the actual cost of generation and the recovery of generation revenue in previous periods.

S is the estimated energy (kWh) sales in the billing period to all customers.

BGR is the base generation rate, expressed as dollars per kWh, included in the base rates for all customers. BGR shall be:

\$0.04 per kWh sold for the October—May billing periods.

\$0.05 per kWh sold for the June—September billing periods.

The GCRF factors calculated may be adjusted accordingly as actual monthly data is available or notification of changes in rates are supplied by generation service providers.

- (b) *Transmission cost recovery factor (TCRF).* TCRF is the transmission system cost recovery factor expressed as dollars per kWh, to be multiplied by the energy (kWh) sold during a billing period to each customer (except TSR customers).

$$\text{TCRF} = \frac{\{T\{A \pm C\}TC\}}{ST} - \text{BTR}$$

T is the estimated total cost of transmission services (including transmission and transformation charges, ERCOT ISO fees, other ERCOT charges, delivery point charges, and other miscellaneous transmission charges), excluding transmission costs directly billed to TSR customers.

ST is the estimated energy (kWh) sales in the billing period to all customers excluding TSR customers.

BTR is the base transmission rate, expressed as dollars per kW for LGS and VLP and as dollars per kWh in other rate classes, included in the base rates for all customers, excluding the TSR customers. BTR shall be:

\$0.0052 per kWh per month.

TC is the additional amount in dollars to be added to or subtracted from the total estimated cost of transmission and transportation services to adjust for differences between the actual total cost of transmission and transformation services and the recovery of transmission and transformation services revenue in previous periods.

The TCRF factors calculated may be adjusted accordingly as actual monthly data is available or notification of changes in rates are supplied by transmission service providers.

(c) *Glossary.* The following charges are reflected as line items on customer bills:

Distribution charge. This charge covers the operation and maintenance of NBU's local distribution infrastructure and the base costs incurred in making service available for customers. The electric service availability charge and delivery charge make up the total distribution charge. The electric service availability charge was formerly known as the customer charge.

Generation charge. This charge reflects the pass-through amount of the cost of power and is equal to the GCRF plus the BGR.

Replenish reserves charge. This charge is designed to replenish NBU's reserves for emergency events and provide rate stability.

Transmission charge. This charge reflects the costs of transmitting energy to the NBU service territory and is equal to the TCRF plus the BTR.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2014-81, § I(Exh. A), 12-8-14; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-____, § ____ (Exh. A), ____ - ____ -25)