



2026 Schedule of Rates & Fees



COMMERCIAL ALL ELECTRIC WITH GROUND SOURCE HEAT PUMP SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Commercial customers having a single meter that includes a ground source heat pump (GSHP) in excess of 50 kW but no more than 150 kW in aggregated name plate capacity of the GSHP equipment (condensers and pumps).

Character of Service: AC, 60 cycles, 120/240 volts, three wire, and three-phase.

Special Conditions: This Program is available to commercial customers. A GSHP will be the only central heating and/or cooling system for the commercial workspaces. Commercial structures that are classified as Utility and Miscellaneous Group U by the International Code Council are not eligible for this rate. GSHPs that qualify for this program will not be interrupted. A GSHP paired with another heating source such as natural gas, fuel oil, or propane may qualify for the Dual Fuel Program.

To qualify for the special rate, the customer shall provide:

1. The GSHP is the only heat source. Only closed loop GSHPs are eligible for this rate beginning September 1, 2016.
2. ERMU and the customer will agree on a meter location prior to the meter socket installation.
3. Commercial customers may have a separate meter to determine the energy and demand of the GSHP. Electric usage for the non-heating/cooling energy use of the building may be metered and priced using the appropriate rate (demand, or non-demand) schedule.
4. Accommodations for a meter and associated wiring installed according to the applicable electrical codes and will be installed by a qualified electrician.
5. Inspection by a State certified inspector and representative of ERMU.
6. Customers on this rate will not be eligible for the Dual Fuel Program.

Meter equipment must be accessible to our service department at any time.

Ground Source Heat Pump Service Rate:

Basic Monthly Electric Charge: \$33.00 per month

Energy Charge: \$0.10212 / kWh

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: Basic Monthly Electric Charge.

Commercial All Electric with Ground Source Heat Pump Service Rate

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate, or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



COMMERCIAL CLEAN ENERGY CHOICE PROGRAM RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ERMU customers receiving service under another commercial electric rate.

This Program is available to commercial customers choosing to purchase renewable energy. Customers' will be required to participate for one calendar year and the applicable Clean Energy Choice incremental charge will apply to all energy sold in the calendar year.

The customer shall agree to:

1. Contact ERMU staff to discuss program participation.
2. Sign a contractual agreement for one calendar year prior to December 1 for participation in the upcoming year.
3. Continue to participate in the program annually until customer provides written notice of cancelation to ERMU.
4. Provide written notice of cancelation in the program to ERMU prior to December 1 of a given year for the upcoming year.

ERMU shall provide:

1. Estimate of annual incremental charge for participating in program.
2. Clean Energy Choice incremental charge per kWh is \$0.002.
3. The incremental charge applies to all kWh purchases in excess of the Wholesale Renewable Energy Standard.
4. The incremental charge will be calculated based on actual kWh consumed in the billing period.
5. The incremental charge will be calculated as follows:
[kWh consumed X (100% - Wholesale Renewable Energy Standard) X \$0.002]
6. Monthly billing statement with the Clean Energy Choice incremental charge identified.
7. Program price changes by November 1 for the coming year.

Federal, state and local taxes may apply.

Adopted December 18, 2025
Effective January 1, 2026



DEMAND ALL ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential customer accounts. Existing or new Customer accounts with electric energy as a sole source of heating, and with actual or projected demand greater than or equal to 50 kW. A Customer account with a billing demand of less than 50 kW for 12 consecutive months will be given the option of switching to the Non-Demand rate. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. (Not applicable to resale, standby or auxiliary service.) A Customer on this rate may qualify for integrity testing.

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three-phase will only be applicable to existing customers now being served by this voltage. A customer requiring voltages other than that already established shall be required to provide suitable space and location for ERMU’s transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Demand Service Rate:

Basic Monthly Electric Charge: \$80.00 per month.

| | <u>Summer</u> | <u>Winter</u> |
|----------------|---------------|--------------------------|
| Demand Charge: | \$17.00 | \$12.00 in kW / month |
| Energy Charge: | \$0.07353 | \$0.07353 in kWh / month |

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state and local taxes may apply.

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand

Demand All Electric Service Rate

charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's system so that the load will not unduly interfere with service on ERMU's lines. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

Power Factor Adjustment: For loads of 50 kW or more, or at the option of ERMU for loads of less than 50 kW, power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025

Effective January 1, 2026



DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential customer accounts, including privately-owned public electric vehicle chargers. Existing or new Customer accounts with actual or projected demand greater than or equal to 50 kW. A Customer account with a billing demand of less than 50 kW for 12 consecutive months will be given the option of switching to the Non-Demand rate. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. (Not applicable to resale, standby or auxiliary service.) A Customer on this rate may qualify for integrity testing.

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three-phase will only be applicable to existing customers now being served by this voltage. A customer requiring voltages other than that already established shall be required to provide suitable space and location for ERMU’s transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Demand Service Rate:

Basic Monthly Electric Charge: \$80.00per month.

| | <u>Summer</u> | <u>Winter</u> |
|----------------|---------------|--------------------------|
| Demand Charge: | \$17.00 | \$12.00 in kW / month |
| Energy Charge: | \$0.07353 | \$0.07353 in kWh / month |

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state and local taxes may apply.

Demand Electric Service Rate

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period. 10:00 p.m.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of Elk River Municipal Utilities' system so that the load will not unduly interfere with service on Elk River Municipal Utilities' lines. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

Power Factor Adjustment: For loads of 50 kW or more, or at the option of ERMU for loads of less than 50 kW, power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

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ELECTRIC VEHICLE CHARGING RATES

Residential and Commercial Electric Vehicle Charging Rate

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Single family residences, non-demand and demand customers receiving service under another rate (does not include privately-owned public chargers).

Electric Vehicle Charging Rate: This Program is available to all customers of ERMU that own an electrically powered vehicle used for on road transportation. Charging of the vehicle can occur any time but will be subject to on-peak and off-peak energy charges per hour daily. On-peak hours are Monday through Friday between 10 AM and 10 PM. Off-peak hours are Monday through Friday between 10 PM and 10 AM, Saturdays, Sundays, and the following holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day).

To qualify for the special rate, the customer shall provide:

1. Electric vehicle charging station that is used for the sole purpose of charging electric vehicles. This charging station must be 240 volt.
2. Customer is responsible for installation of the additional meter socket in a mutually agreed upon location.
3. Inspection by a State Certified electrical inspector of all metering equipment and provide an affidavit to ERMU when completed.

ERMU shall provide:

1. All on-peak electric energy consumed by the electric vehicle charging equipment will be at the summer rate of \$0.14106 /kWh for the five monthly billing periods of June – October, and the winter rate of \$0.12911/kWh for the seven monthly billing periods of November – May.
2. All off-peak electric energy consumed by electric vehicle charging equipment will be at the rate of \$0.06858/kWh.
3. This equipment will be available for charging at applicable rates 24 hours per day and is not subject to any load control strategies.
4. All electric energy provided to an account that participates in this rate will be automatically enrolled in the Clean Energy Choice Program at the 100 percent participation level at no additional monthly charge.
5. All electric energy provided for the electric vehicle charging equipment will be 100 percent renewable.
6. Electric meter.
7. Final inspection prior to meter activation to ensure only qualified loads are being supplied through the electric vehicle charging equipment.

Electric Vehicle Charging Rates

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Public Electric Vehicle Charging Rate: This rate is available to anyone charging an electric vehicle or plugin electric vehicle at a public electric vehicle charging station owned and operated by ERMU within the ERMU service territory. All persons must have an active ChargePoint account or have the capability to create a ChargePoint account prior to utilizing the charging equipment for an electric vehicle or plug-in hybrid electric vehicle.

To charge at the public charging stations customers shall:

1. Utilize their existing ChargePoint account or create a new account using a credit or debit card prior to charging the electric vehicle or plug-in hybrid.

ERMU shall provide:

1. Access to public electric vehicle charging stations located in the ERMU service territory.
2. The chargers will be either level two (240 volt) or DC Fast Charging (480 volt) charging equipment.
3. Electric energy consumed at the level two charging stations will be at a rate of \$0.20 per kWh at all times.
4. Electric energy consumed at the DC Fast Charging station will be at a rate of \$0.25 per kWh at all times.
5. Electric energy provided at the public electric vehicle charging stations will be 100 percent renewable.

Federal, state, and local taxes may apply.

Adopted December 18, 2025

Effective January 1, 2026



MORATORIUM EFFECTIVE FEBRUARY 14, 2017 ON THE FOLLOWING LOAD CONTROL PROGRAMS

ENERGY MANAGEMENT PROGRAM RATES

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Single family residences, non-demand and demand customers receiving service under another rate, who add a second meter for any of the following controlled loads:

Dual Fuel Space Heating Rate: This Program is available to residential customers only. A dual fuel space heating system consists of an electric heating system and a secondary non-electric space heating system both capable of heating the living space at design conditions. Interruptions of the electric heating system will usually occur for up to 12 hours daily on peak winter days and a maximum of 400 hours per heating season.

To qualify for the special rate, the customer shall provide:

1. An electric space heating system which can be interrupted by a single 5 amp rated relay.
2. A secondary non-electric space heating system capable of automatic start-up and continuous operation upon interruption of the electric heating system.
3. Obtain a load control device furnished by ERMU.
4. Accommodations for a meter and load control device and associated wiring installed according to the applicable electrical codes, and installed by a qualified electrician.
5. Inspection by a State certified electrical inspector and a representative of ERMU.
6. Radiant heat in the slab of the building qualifies for dual fuel, not electric thermal storage.
7. Dual Fuel is not allowed in garages, pole sheds, or any structure that does not conform to the residential building code.
8. Exceptions by management approval only.

ERMU shall provide:

1. All electric energy consumed by the primary electric heating system at \$0.06858 per kWh.
2. During peak load conditions, ERMU will turn customer controlled electrical heat off for extended periods of time as stated above.
3. A meter to measure electricity consumed by the electric heating system.
4. A load control device and meter socket to accommodate the meter.

Rate is subject to application of Power Cost Adjustment (PCA).

Federal, state and local taxes may apply.

MORATORIUM EFFECTIVE FEBRUARY 14, 2017 ON THE FOLLOWING LOAD CONTROL PROGRAMS

Energy Management Program Rates

Electric Thermal Storage (ETS) Space Heating Rate: This Program is available to all ERMU customers. An ETS space heating system is designed to store heat produced by electricity generated during eight off-peak hours for use in heating during the remaining on-peak hours daily. Off-peak hours typically occur between 11 PM and 7 AM. Qualifying ETS configurations may be central storage furnaces, room storage heaters or slab (deep heat) systems including combinations of same.

To qualify for the special rate, the customer shall provide:

1. An ETS space heating system listed by UL or some other nationally recognized testing agency which can be interrupted by a single 5 amp rated relay.
2. Obtain a load control device from ERMU.
3. Accommodations for a meter and load control device and associated wiring installed according to the applicable electrical codes, and installed by a qualified electrician.
4. Inspection by a State certified electrical inspector and a representative of ERMU.

ERMU shall provide:

1. All electric energy consumed by this ETS system at \$0.05343 per kWh.
2. This equipment will be energized only for 8 off peak hours daily. Additional on-time is provided on weekend days and holidays.
3. A meter to measure electricity consumed by the ETS space heating system.
4. A load control device which will automatically control ETS space heating system during on-peak hours.

Rate is subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Electric Thermal Storage (ETS) Water Heating Rate: This Program is available to all ERMU customers. An ETS water heater is designed with extra storage capacity to provide total domestic hot water needs from electricity consumed only during eight off-peak hours daily. Off-peak hours typically occur between 11 PM and 7 AM. Qualifying ETS configurations may be a large single tank, dual tanks plumbed in series, or an electric and non-electric tank plumbed in series with the electric placed on the cold water side. Electric water heater must have an energy factor of .91 or more and a minimum of 80 gallons of storage capacity.

To qualify for the special rate, the customer shall provide:

1. An ETS water heating system which can be interrupted directly by a single 30 amp rated relay.
2. Obtain a load control device from ERMU.
3. Accommodations for a meter and load control device and associated wiring installed according to the applicable electrical codes, and installed by a qualified electrician.
4. Inspection by a State certified electrical inspector and a representative of ERMU.
5. This rate is not available for hot water use in any production process for Commercial and Industrial users.

MORATORIUM EFFECTIVE FEBRUARY 14, 2017 ON THE FOLLOWING LOAD CONTROL PROGRAMS

Energy Management Program Rates

ERMU shall provide:

1. All electric energy consumed by the ETS water heater at \$0.05343 per kWh.
2. This equipment will be energized only for 8 off-peak hours daily.
3. A meter to measure electricity consumed by the ETS water heater.
4. A load control device and meter socket to accommodate the off-peak meter.

Rate is subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Adopted December 18, 2025
Effective January 1, 2026



GROUND SOURCE HEAT PUMP PROGRAM RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Single family residences, non-demand and demand customers receiving service under another rate, who add a second meter for any of the following controlled loads:

Ground Source Heat Pump Rate: This Program is available to residential and commercial customers. A ground source heat pump (GSHP) is a central heating and/or cooling system for residential living spaces or commercial workspaces. Residential living spaces will meet all the applicable Minnesota state building codes. Commercial structures that are classified as Utility and Miscellaneous Group U by the International Code Council are not eligible for this rate. This program is available to residential or commercial customers with a GSHP as their sole heat source.

To qualify for the special rate, the customer shall provide:

1. The GSHP is the only heat source. Only closed loop GSHPs are eligible for this rate beginning January 1, 2016.
2. ERMU and the customer will agree on a meter location prior to the meter socket installation.
3. Commercial customers may have a separate meter to determine the load of the heat pumps. Electric usage for the remainder of the building will be metered and priced using the appropriate rate (Demand or Non-Demand).
4. Accommodations for a meter and associated wiring installed according to the applicable electrical codes and will be installed by a qualified electrician.
5. Inspection by a State certified electrical inspector and a representative of ERMU.

ERMU shall provide:

1. All electric energy consumed by the primary electric heating system at \$0.10212 per kWh.
2. A meter socket to accommodate the meter in a mutually agreed to location.
3. A meter to measure electricity consumed by the electric heating system.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Adopted December 18, 2025
Effective January 1, 2026



LARGE INDUSTRIAL DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential customer accounts. Existing or new Customer accounts with actual or projected demand greater than or equal to 1 MW. A Customer account with a billing demand of less than 1 MW for 12 consecutive months may be switched to the Demand Electric Service Rate. The Customer accounts shall be in compliance with all policies, procedures, safety requirements, and shall be taken through one or more meters. Not applicable to resale, standby or auxiliary service.

Character Of Service: 3-Phase Primary, 7,200/12,470 volt, AC, 60 cycles.

Special Conditions: Customer must provide a location suitable for the installation of a customer-owned metering cabinet(s). Customer will be responsible for providing suitable wire and connection in the metering cabinet(s). The primary meter(s) and cabinet(s) shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to the existing meter(s), unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually. A customer on the rate may qualify for integrity testing.

Customer must execute Commercial Electric Service Application and Commercial Service Agreement with the utility.

ERMU equipment and metering must be accessible to ERMU 24 hours per day.

Demand Service Rate:

Basic Monthly Electric Charge: \$ 125.00 per month.

| | <u>Summer</u> | <u>Winter</u> |
|----------------|---------------|---------------------------|
| Demand Charge: | \$ 16.50 | \$ 11.50 in kW / month |
| Energy Charge: | \$ 0.07293 | \$ 0.07293 in kWh / month |

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Large Industrial Demand Electric Service Rate

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess load capacity requested by customer in the electric service agreement.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's system so that the load will not unduly interfere with service on ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

Power Factor Adjustment: Power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



NON-DEMAND ALL ELECTRIC SERVICE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential customer accounts. Existing or new Customer accounts with electric energy as a sole source of heating, and with actual or projected demands of less than 50 kW for the previous 12 consecutive months if applicable. When the Customer achieves an actual maximum demand of 50 kW or greater, the Customer will be placed on the Demand Electric Service rate in the next billing cycle. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. Rating of individual single-phase motors and other single-phase power and heating units served under this schedule shall not exceed ten (10) horsepower (or 7.355 kW) except by special permission. (Not applicable to resale, standby or auxiliary service.)

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three phase will only be applicable to existing customers now being served by this voltage. A Customer requiring voltages other than that already established by ERMU shall be required to provide suitable space and location for ERMU's' transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Installation of Demand Meter: At the option of ERMU, a demand meter may be installed on any customer whose monthly usage exceeds 15,000 kWh.

Non-Demand All Electric Service Rate:

Basic Monthly Electric Charge: \$33.00 per month

Summer

\$0.13673 / kWh / month

Winter

\$ 0.11494 / kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Non-Demand All Electric Service Rate

Federal, state, and local taxes may apply.

Minimum Bill: The Basic Monthly Electric Charge plus \$1.00 per kW per month of excess transformer capacity requested by customer.

In case of equipment having abnormally low annual utilization factors or unusual operating characteristics, special minimum charges may be prescribed by ERMU.

Power Factor Adjustment: The rates set forth in this schedule are based on the maintenance by the Customer of a power factor of not less than 98% at all times. If the power factor, as measured by the electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rate set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



NON-DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential customer accounts, including privately-owned public electric vehicle chargers. Existing or new Customer accounts with actual or projected demands of less than 50 kW for the previous 12 consecutive months if applicable. When the Customer achieves an actual maximum demand of 50 kW or greater, the Customer will be placed on the Demand Electric Service rate in the next billing cycle. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. Rating of individual single-phase motors and other single-phase power and heating units served under this schedule shall not exceed ten (10) horsepower (or 7.355 kW) except by special permission. (Not applicable to resale, standby or auxiliary service.)

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three phase will only be applicable to existing customers now being served by this voltage. A Customer requiring voltages other than that already established by ERMU shall be required to provide suitable space and location for ERMU's transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Installation of Demand Meter: At the option of ERMU, a demand meter may be installed on any customer whose monthly usage exceeds 15,000 kWh.

Non-Demand Service Rate:

Basic Monthly Electric Charge: \$33.00 per month

Summer

Winter

\$0.13673 / kWh / month

\$0.11494 / kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Non-Demand Electric Service Rate

Federal, state, and local taxes may apply.

Minimum Bill: The Basic Monthly Electric Charge plus \$1.00 per kW per month of excess transformer capacity requested by customer.

In the case of equipment having abnormally low annual utilization factors or unusual operating characteristics, special minimum charges may be prescribed by ERMU.

Power Factor Adjustment: The rates set forth in this schedule are based on the maintenance by the Customer of a power factor of not less than 98% at all times. If the power factor, as measured by the electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rate set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



OFF-PEAK DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential customer accounts. Existing or new Customer accounts with actual or projected demand greater than or equal to 50 kW. A Customer account with a billing demand of less than 50 kW for 12 consecutive months will be given the option of switching to the Non-Demand rate. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. (Not applicable to resale, standby or auxiliary service.)

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three-phase will only be applicable to existing customers now being served by this voltage. A customer requiring voltages other than that already established shall be required to provide suitable space location of ERMU’s transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer.

Meter equipment must be accessible to our service department at any time.

Off Peak Demand Service Rate:

Basic Monthly Electric Charge: \$80.00 per month.

| | <u>Summer</u> | <u>Winter</u> |
|----------------|---------------|--------------------------|
| Demand Charge: | | |
| On-Peak | \$17.00 | \$12.00 in kW / month |
| Off-Peak | \$6.50 | \$6.50 in kW / month |
| Energy Charge: | \$0.07643 | \$0.07643 in kWh / month |

- On-Peak Demand: Actual demand during On-Peak Periods
- On-Peak Period: 3:00 PM -10:00 PM weekdays
- Off-Peak Demand: Actual demand during Off-Peak Periods less On-Peak Demand
- Off-Peak Period: All non On-Peak Periods

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Off-Peak Demand Electric Service Rate

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's system so that the load will not unduly interfere with service on ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

Power Factor Adjustment: For loads of 50 kW or more, or at the option of ERMU for loads of less than 50 kW, power factor adjustments will be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.



RESIDENTIAL ALL ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Single-family residences and individually metered apartments for all domestic purposes with electric energy as a sole source of heating, and when all service is supplied through a single meter, provided ratings of individual single-phase motors do not exceed five (5) horsepower.

Character of Service: AC, 60 cycles, 120/240 volt, three wire, single-phase.

Special Conditions: Residential service to a multiple dwelling or apartment house through a single meter is allowed for existing services only. Service under this rate schedule shall not be sub-metered and resold to the individual tenants on the basis of usage and the cost of electric service to the tenant must be furnished without specific charge or price which varies with the quantity of energy used.

Any apartment or dwelling unit which has separate permanent kitchen facilities shall be considered as one single family private residence.

Meter equipment must be accessible to our service department at any time.

Residential All Electric Service Rate:

Basic Monthly Electric Charge: \$15.50 per month

Summer

\$0.14106/ kWh / month

Winter

\$0.12911/ kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: The Basic Monthly Electric Charge.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Residential All Electric Service Rate

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



RESIDENTIAL CLEAN ENERGY CHOICE PROGRAM RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ERMU customers receiving service under another residential electric rate.

This Program is available to residential customers choosing to purchase renewable energy. Customers will have the option to purchase 50, 75 or 100 percent of the monthly energy consumption from renewable energy sources.

ERMU customers receiving service under the electric vehicle charging rate will be automatically enrolled in the Residential Clean Energy Choice Program Rate at the 100 percent participation level at no additional monthly charge.

The customer shall agree to:

1. Complete an application - through the online registration process, or by returning a printed copy to ERMU.
2. Clearly indicate the participation level and the additional monthly charge applicable to the 50, 75 or 100 percent subscription level desired.
3. Provide notice to ERMU to cancel participation.

ERMU shall provide:

1. Monthly billing statement with the Clean Energy Choice participation level clearly identified.
2. The applicable incremental cost per participation level will be identified and added to the billing statement.

| Participation Level % | Monthly Charge |
|-----------------------|----------------|
| 50 | \$1 |
| 75 | \$2 |
| 100 | \$3 |

Federal, state and local taxes may apply.

Adopted December 18, 2025
Effective January 1, 2026



RESIDENTIAL ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Single-family residences and individually metered apartments for all domestic purposes when all service is supplied through a single meter, provided ratings of individual single-phase motors do not exceed five (5) horsepower.

Character of Service: AC, 60 cycles, 120/240 volt, three wire, single-phase.

Special Conditions: Residential service to a multiple dwelling or apartment house through a single meter is allowed for existing services only. Service under this rate schedule shall not be sub-metered and resold to the individual tenants on the basis of usage and the cost of electric service to the tenant must be furnished without specific charge or price which varies with the quantity of energy used.

Any apartment or dwelling unit which has separate permanent kitchen facilities shall be considered as one single family private residence.

Meter equipment must be accessible to our service department at any time.

Residential Electric Service Rate:

Basic Monthly Electric Charge: \$15.50 per month

| Summer | Winter |
|-------------------------|-------------------------|
| \$0.14106 / kWh / month | \$0.12911 / kWh / month |

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: Basic Monthly Electric Charge.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Residential Electric Service Rate

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



STREET/SECURITY LIGHT SERVICE RATE

Available: To any customer meeting Elk River Municipal Utilities (ERMU) criteria for service under this schedule, and whose lighting needs are not being furnished under any other schedule. Installation costs will be determined by ERMU per the Utilities Fee Schedule or on a time and materials basis.

Applicable: As determined by ERMU, but generally to non-metered roadway and area lighting.

Character Of Service: 120/240 volts, AC, as available.

Street/Security Light Service

Federal, state, and local taxes may apply.

| Type | Monthly Rate Per Fixture |
|---|--------------------------|
| Standard Low Output with Wood Pole (<249 Watt HPS, <74 Watt LED) | \$10.00 |
| Standard Low Output (<249 Watt HPS, <74 Watt LED) | \$12.00 |
| Standard Medium Output (250-399 Watt HPS, 75-124 Watt LED) | \$17.00 |
| Standard High Output (400 Watt or larger HPS, 125 Watt or larger LED) | \$22.00 |
| Standard Low Output with Decorative Pole (<74 Watt LED) | \$24.00 |
| Decorative Medium Output with Decorative Pole (75-124 Watt LED) | \$33.00 |

Ownership of Equipment: ERMU will install, own, and operate the lights, including fixtures and control equipment, unless otherwise agreed upon by ERMU and the Customer.

Lamp Replacements: Lamp replacements will be made by ERMU.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

General Terms and Conditions Applicable To Non-Metered Lighting Service:

1. Area lighting installed on ERMU poles shall not be of the type that interferes with climbing room, work space, or wire clearance as defined by the National Electrical Safety Code and is to be installed below the secondary line and service drops, all per ERMU’s specification.
2. All area lights installed under this schedule shall be equipped with a photo-electric control which will limit the hours of illumination from dusk to dawn (approximately 4,400 hours per year).

Street/Security Light Service Rate

3. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
4. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



MORATORIUM EFFECTIVE APRIL 14, 2026, ON TRANSMISSION TRANSFORMED SERVICE RATE

TRANSMISSION TRANSFORMED SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Non-residential Customer accounts with projected demand greater than or equal to 10 MW. The Customer must maintain an annual load factor greater than or equal to 75%. A Customer account with a monthly billing demand of less than 10 MW for 12 consecutive months or an annual load factor less than 75% may be switched to another electric rate schedule (additional charges may apply to recover stranded costs). The Customer owned equipment must be in compliance with all policies, procedures, safety requirements, and applicable electrical codes.

Character of Service: 3-Phase Transmission Transformed 7,200/12,470-volt, AC, 60 cycles.

Special Conditions: The Customer must execute a contract with the utility that commits to a minimum term of service, identifies the annual peak demand and load factor, agrees to the requirements for registering generation with Midcontinent Independent System Operator (MISO) if applicable, and accepts the certain risks that include fluctuating market-based rates and prices established by MISO.

The Customer must connect directly to the Utility's distribution substation(s) and provide the location suitable for the installation of the utility owned transformer(s) and metering equipment on the Customer's property. Customer will be responsible for providing suitable wire and connection in the utility owned metering equipment. The metering equipment shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to maintain one metered account, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

ERMU equipment and metering must be accessible to ERMU 24 hours per day.

Transmission Demand Charge:

Transmission Demand charges are determined by monthly maximum metered 15-minute Customer demand, adjusted for applicable MISO zone transmission losses. All applicable MISO transmission charges, including but not limited to the below, shall apply to all transmission demand quantities:

- A. Schedule 1
- B. Schedule 2
- C. Schedule 9
- D. Schedule 26

Transmission Transformed Service Rate

Capacity Charge:

Capacity charges are determined by Customer selection of one of the options below:

- A. If customer has its own generation, then the capacity billing determinant shall be the maximum metered 15-minute demand in excess of Customer's registered generation in a given month. To qualify for this billing determinant, Customer's generation must be registered with MISO and comply with all MISO requirements for capacity resources.
- B. If Customer does not have its own generation, or if Customer fails to register its generation with MISO or fails to comply with all MISO requirements for capacity resources, then the capacity billing determinant shall be monthly maximum metered 15-minute Customer demand.

The capacity billing determinants defined above are pass-through costs.

Energy Charge:

Energy billing is determined by actual hourly usage. The following charges shall apply to all energy (kWh) quantities:

- A. MISO Real-Time Locational Marginal Price at the applicable MISO Node.
- B. All applicable MISO Ancillary Services Charges.
- C. MISO Multi-Value Project Charges.
- D. A charge of \$0.002 per kWh for the cost of compliance with the State of Minnesota's Renewable Energy Standard.
- E. A charge of \$0.01 per kWh to cover all dispatch, billing, and administrative costs. This charge shall be inclusive of all regulatory charges collected by Utility on all customers.

City fees, such as franchise and storm water, will apply.

Federal, state, and local taxes may apply.

Failure to Generate: If Customer has registered generation that does not perform as registered when requested by utility, utility's wholesale supplier, or MISO, Customer shall be responsible for:

- A. Any financial or other penalties imposed by MISO related to the generation's failure to perform.
- B. All costs of utility or utility's wholesale supplier to acquire replacement capacity to replace registered generation that did not perform.

Transformation Charge: Customer shall pay a monthly transformation charge based on the cost of providing transmission transformed service to Customer, including recovery of costs for any new substation or related facilities.

Minimum Bill: Charges for failure to meet minimum peak demand and load factor requirements shall be outlined in the contract between Customer and Utility.

Power Factor Adjustment: Power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the

Transmission Transformed Service Rate

power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Service shall comply with all applicable ERMU Policies and rules.
2. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
3. Customer is responsible for any new charges or fees imposed by MISO or any new regulatory or legislative action that results in increased costs to provide power supply to Customer.
4. All rates in this electric rate schedule are subject to change with commission approval.
5. Exceptions by management approval only.

Adopted December 18, 2025
Effective January 1, 2026



WATER SERVICE RATES

Available to: All customers who have municipal water service available at their property, lying within the corporate limits of the City of Elk River.

Special Conditions: Each customer served by one meter. Multiple living entities, such as apartments, may be served by a combined meter upon approval of the Elk River Municipal Utilities (ERMU) and acceptance of applicable charges.

Special Charges: A basic monthly water charge shall be applied to each meter based on the meter size according to the schedule below, and is separate from any water use. Included in the basic monthly water charge is \$1.27 that is collected on a monthly basis from each service connection (excluding irrigation only accounts) to recover the total annual cost of \$15.22 for the State of Minnesota Safe Water Testing Program (Minnesota Statutes 144.3831).

Water Rates:

| METER TYPE | BASIC MONTHLY CHARGE | 1st TIER Cost per 1000 gallons | 2nd TIER Cost per 1000 gallons | 3rd TIER Cost per 1000 gallons |
|--|-----------------------------|--|---|--|
| Residential | \$10.69 | \$2.12 | \$3.79 | \$4.37 |
| Commercial ¾ | \$12.76 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 1 | \$14.20 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 1 ¼ | \$15.62 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 1 ½ | \$17.04 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 2 | \$22.70 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 3 | \$49.66 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 4 | \$68.10 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 6 | \$99.31 | \$2.12 | \$3.79 | \$4.37 |
| Commercial 8 | \$134.78 | \$2.12 | \$3.79 | \$4.37 |
| Commercial Irrigation | | | \$3.79 | \$4.37 |
| Seasonally or Permanently Installed | \$22.70 | | | |

Federal, state, and local taxes may apply.

Water Service Rates

Residential Rate Tier Definition:

First Tier Rate = 0 – 9,000 gallons per month.

Second Tier Rate = Between 9,000 and 15,000 gallons per month.

Third Tier Rate = Above 15,000 gallons per month.

Commercial Rate Tier Definition:

First Tier Rate = 0 – 1.1 X previous year's winter measurement period average monthly consumption.

Second Tier Rate = Between 1.1 X previous year's winter measurement period average monthly consumption to 1.1 X previous year's winter measurement period average monthly consumption + 40,000 gallons.

Third Tier Rate = Above 1.1 X previous year's winter measurement period average monthly consumption + 40,000 gallons.

Winter Measurement Period Definition: December – April billing cycles.

For new customers, if a minimum of 3 winter months previous year's history is not available to establish the Tier amount, the First Tier rate shall be utilized until a minimum of 3 months history is established.

Commercial irrigation is not eligible for First Tier Rate as there is no winter use.

Minimum Bill: Basic monthly water charge plus any charges applicable to multiple living entities.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Adopted December 18, 2025

Effective January 1, 2026

2026 Utilities Fee Schedule

| ELECTRIC | |
|---|---------------------|
| New Residential Electric Connection - Developer - Lot with ERMU water service | \$975.00 |
| New Residential Electric Connection - Developer - Lot without ERMU water service | \$1,475.00 |
| New Electric Connection (standard) | \$900.00 |
| New Electric Connection - Non Standard Loads (i.e seasonal cabin, RV panel, Billboards, electric fence, etc.) | 100% |
| New Wire Footages over 200' (per foot) | \$5.00 |
| New Service Frost Trenching (per foot) | \$6.00 |
| New Commercial & Industrial Electric Connection | 50% |
| Service Upgrades or Additions for Existing Customers | 100% |
| Minimum Temporary Electric Service - Existing Transformer | \$350.00 |
| Minimum Temporary Electric Service - Without Existing Transformer | \$1,000.00 |
| Non-Standard Temporary Electric Service (Additional infrastructure needed to install service to customer) | 100% |
| Grid Access Fee | 5.20/kW |
| Street Light - 30' Decorative Pole with 6' Arm and Cobra Fixture | \$3,400.00 |
| Street Light - 23' Decorative Pole with Cobra Fixture | \$2,400.00 |
| Street Light - 14' Decorative Pole with Cobra Fixture | \$5,500.00 |
| Street Light - 14' Decorative Pole with Acorn Fixture | \$7,500.00 |
| Security Light - Wood Pole with Fixture | \$975.00 |
| Security Light - Existing Pole | \$350.00 |
| Pole Attachment Fee (per pole) | \$15.00 |
| Meter Installation Fee (per individually metered apartment unit) | \$25.00 |
| WATER | |
| Water Access Charge = Water Connection Charge + Water Availability Charge | \$3,990.00 |
| Water Connection Charge (Per Plumbing Unit) - Builder | \$3,600.00 |
| Water Availability Charge (Per Plumbing Unit) - Developer | \$390.00 |
| Abandoned Water Service (minimum) | \$6,000.00 |
| Backflow Preventer Device Non-Compliance (per month) | \$100.00 |
| Deposit for 5/8" Hydrant Meter | \$175.00 |
| Deposit for 2 1/2" Hydrant Meter | \$1,500.00 |
| Hydrant Water Sales - Rental (per week) | \$50.00 |
| Hydrant Water Sales - Units (per 1000 gallons) | 3rd Tier Water Rate |
| Hydrant Wrench | \$40.00 |
| Private Hydrant Maintenance Program Monthly Fee | \$5.00 |
| ADMINISTRATIVE | |
| Administrative Fee for Continued Submission of Checks After No-Check Notice Given | \$20.00 |
| Administrative Fee for Continued Submission of payment on a closed account | \$20.00 |
| Billable Cost of Materials Markup | 15% |
| Billable Labor Markup | 58% |
| Billable Vehicle / Equipment (per hour) | \$50.00 |
| Commerical Application Fee | \$20.00 |
| Electric Service Disconnect/Trip Fee - Meter Technician | \$50.00 |
| Electric Service Disconnect/Trip Fee - Line Crew | \$150.00 |
| Water Service Disconnect/Trip Fee - Water Operator | \$100.00 |
| Manual Meter Reading Fee (per month) | \$50.00 |
| Additional Meter Reading Fee (per month) | \$10.00 |
| Meter Tampering Fee | \$250.00 |
| Meter Testing Fee | \$50.00 |
| NSF Fee | \$30.00 |
| Penalty Amount | 10% |
| Photocopies (per page) | \$0.25 |
| Red Tag Handling Fee | \$20.00 |

*Adopted by the Utilities Commission on December 18, 2025, under authority per Minnesota Statute 412.361.
Federal, state, and local taxes may apply.*