# Rider R-4
## Electrical Cogeneration Service

AVAILABILITY
In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY
Service under this rate is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing, or other purposes.

RATE
A monthly net bill at the following rate plus any adjustments incorporated herein:

Minimum Customer Charge per month @ $225.00

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider R-1.

CONDITIONS
1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this rate and not for other purposes. The gas taken under this rate will be separately metered.

2. This rate will not be available for standby use.

3. For the purpose of this rate, the annual load factor must be sixty percent (60%) or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve (12). If less than a sixty percent (60%) load factor occurs for a twelve (12) month period, the rate charged will be the rate that the customer would otherwise be served under for the months in which the annual load factor did not equal sixty percent (60%).

TAX CLAUSE
To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company.

RULES AND REGULATIONS
The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this rate.