Chapter 11, Solution 84.

(a) Maximum demand charge $= 2{,}400 \times 30 = \$72{,}000$
Energy cost $= \$0.04 \times 1{,}200 \times 10^3 = \$48{,}000$
Total charge $=$ **$120,000**

(b) To obtain $120,000 from 1,200 MWh will require a flat rate of

$$\frac{\$120{,}000}{1{,}200 \times 10^3} \text{ per kWh} = \textbf{\$0.10 per kWh}$$