

STANDBY SERVICES

Schedule S

Availability: Required subject to Section 3.7, where the Customer uses self-provided generation to meet all or part of the Customer's electric load requirements. This Schedule is not applicable to emergency or other generation used solely as a backup to Company service or in concert with Company supported load control programs. This self-provided generation does not use the Company's transmission and distribution facilities in meeting all or part of the Customer's load requirements.

Customers that are not taking Market-Priced Service from the Company may purchase generation (energy and capacity) and transmission, including standby generation services, from third party suppliers. The Company does not require the Customer to purchase or have available any level of standby generation supply. In all circumstances, whether the Customer is receiving generation supply from the Company or an electric supplier, Schedule S provisions for Delivery Service are applicable.

Standby Services are provided under Schedule S in conjunction with the Customer's contract for service under Schedules GL or P (the Controlling Schedule). Controlling Schedule provisions apply, including applicable Riders, unless they are specifically altered herein.

Definitions: Terms used herein are defined as follows:

- (1) **Delivery Service** – electric distribution services (wires, billing and metering) plus generation regulatory assets and nuclear decommissioning costs.
- (2) **Contract Capability (CC)** - the amount of load in kW supplied by the Customer's self-provided generation. Separate specification of the CC for summer and non-summer seasons is permitted. The CC is the level specified by the Customer and does not necessarily need to be equal to the installed nameplate capacity of the Customer's on-site generators.
- (3) **Delivery Service Requirement** - the maximum level of Delivery Service required, as specified by the Customer for use under Option B, Standby for Interruptible Delivery Service. The level of Delivery Service Requirement is specified by the Customer and applicable for the Term of Contract.

Standby Services and Rates:

Standby for Delivery Service:

(Customer may choose between Option A and Option B; Option A is the default)

Option A. Standby for Firm Delivery Service

Delivery Services provided by the Company for that portion of the Customer's total facility load above CC are provided at tariff rates under the Controlling Schedule. The Delivery Service Demand Charge under the Controlling Schedule is applied to the level of the Customer's CC. The Delivery Service usage below the CC is charged under the Controlling Schedule at the tariff kWh Delivery Service Energy Charge. In other words, the monthly charge for energy used is the total metered energy delivered over the Company's wires multiplied by the Controlling Schedule Delivery Service Energy Charge.

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For Schedule GL Customers, the minimum monthly Delivery Service Demand Charge will be equal to the seasonal CC. For Schedule P Customers, the minimum monthly Delivery Service Demand Charge will be equal to the seasonal CC or the minimum billing demand as defined in Schedule P, whichever is greater. In addition to the application of the Delivery Service Demand Charge to the CC, to the extent that the Customer's total facility load exceeds the CC, then the Delivery Service Demand Charge under the Controlling Schedule will be applied to the Customer's total facility load above CC. That is, the Customer pays a monthly Delivery Service Demand Charge under the Controlling Schedule based on total facility load, with the CC as the minimum monthly Delivery Service Billing Demand (with the exception noted above regarding the minimum billing demand under Schedule P).

Option B. Standby for Interruptible Delivery Service

Delivery Services will be provided by the Company up to the maximum level specified by the Customer as its Delivery Service Requirement. The monthly Delivery Service Demand Charge under the Controlling Schedule is applied to the Customer's specified Delivery Service Requirement. The Delivery Service usage is charged under the Controlling Schedule at the tariff kWh Delivery Service rate. At the Customer's expense, load monitoring and control equipment will be owned, installed, operated and maintained by the Company. This load limiting equipment will be designed to ensure that the maximum load to be delivered over the Company's distribution facilities to the Customer cannot exceed the Delivery Service Requirement. In the event that the Customer's actual requirements exceed the Delivery Service Requirement, the load limiting equipment will operate in such a manner as to completely sever all service to the Customer's facility. Service will be restored after the Customer's load falls below the Delivery Service Requirement and the load limiting equipment is reset.

Special Provisions

(1) **Metering:** The Customer is required to furnish and maintain Company-approved metering and communication equipment necessary to allow the Company to monitor and meter the output of the Customer's self-provided generation power source(s), and to communicate rate and billing information on an interactive basis.

(2) **Changes in Contract Capability:** A seasonal CC will be increased by the Company when the amount of actual self-provided generation is found to be 15% or more above the existing level. At the Customer's request and with the Company's approval, a seasonal CC will be reduced by up to 15% if such a request is consistent with the maximum use of the self-provided generation. One such request is permitted during the Term of Contract.

(3) **Reporting:** At the Company's request, the Customer shall provide certain data or information concerning the unavailability of its alternative power source(s).

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- (4) ***Parallel Operation:*** Operation by the Customer of electric generation facilities in parallel with the Company's service is permitted only where operating conditions satisfactory to the Company have been obtained. Special Provisions (4a) and (4b) apply to interconnection arrangements under this Schedule.
- (4a) Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgment provides safety for personnel, affords adequate protection against damage to the Company's system or to its customers' property, and prevents any interference with the Company's supply of service to others. The Company is not liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential which originates from a Customer's generating facility. The Company may require the Customer to purchase and maintain adequate insurance protection to save the Company harmless for any damage, loss or injury resulting from connection of the Customer's generating facility to the Company's electric system. Such protective equipment is installed, owned and maintained by the Customer at the Customer's expense.
- (4b) Parallel operation must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company. The Customer must cease parallel operation upon notification by the Company if such operation is determined to be unsafe, interferes with the supply of service to others, or interferes with system maintenance or operation. The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the Customer to operate in compliance with Company requirements.
- (5) ***Ownership of Generation Facilities:*** Services described above are not affected by ownership of the Customer's self-provided generation.
- (6) ***Term of Contract:*** The initial Term of Contract for Standby Service is one year and will automatically renew for subsequent 12 month periods beyond the initial term. The initial Term of Contract for Option B, Standby for Interruptible Delivery Service, is three years and will automatically renew for subsequent 3-year periods beyond the initial term.

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