

SCHEDULE 40-3

ALTERNATIVE COINCIDENT PEAK LARGE POWER SERVICE

I. AVAILABILITY

Service is available to any new customer of Northeastern REMC (Northeastern) whose maximum 15-minute demand is between fifty kilowatts (50 kW) and one thousand kilowatts (1,000 kW) and any existing customer whose maximum 15-minute demand is between fifty kilowatts (50 kW) and one thousand kilowatts (1,000 kW) and has an average monthly load factor greater than 50%.

The service location must be adjacent to an electric transmission or distribution line that is adequate and suitable for supplying the requested service. This schedule is not available for standby service.

II. CHARACTER OF SERVICE

Service rendered under this schedule shall be as specified below:

A. SINGLE-PHASE

Single-phase service shall be alternating current, sixty (60) hertz, at approximately 120/240 volts, three-wire.

B. MULTI-PHASE

Multi-phase service shall be alternating current, sixty (60) hertz, at approximately 120/208, 120/240, or 277/480 volts, four wire.

Other voltages may be available upon the customer's request subject to agreement by Northeastern

III. MONTHLY CHARGE

The total bill for service shall be the sum of the applicable Distribution Service charges and Power Supply Service charges as shown below.

Distribution Service

Monthly Customer Charge

Standard Service at Secondary Voltages

Customer Charge per Service Location per Month \$150.00

Credit for Primary Service

Credit per Service Location per Month \$10.00

Distribution Demand Charge

Standard Service at Secondary Voltages

Demand Charge per kW Distribution Billing Demand \$2.70

Credit for Primary Service

Credit per kW Distribution Billing Demand \$0.20

The Distribution Billing Demand shall be the Metered Maximum kilowatt (kW) load the customer establishes during any 15-minute integrated interval during the billing month adjusted for Average Power Factor as follows:

The Average Power Factor for the month shall be calculated from the kilowatt-hours "A" and reactive kilovolt-amperes hours "B" using the following formula:

$$\text{Average Power Factor} = \frac{\text{"A"}}{\text{Square Root of (A}^2 + \text{B}^2)}$$

If the Average Power Factor is less than 95% lagging, the Distribution Billing Demand shall be the Metered Maximum kW load adjusted in accordance with the following formula:

$$\text{Distribution Billing Demand} = \frac{\text{Maximum Metered kW} \times .95}{\text{Average Power Factor}}$$

If the Average Power Factor is equal to or in excess of 95% lagging, then:

$$\text{Distribution Billing Demand} = \text{Maximum Metered kW load}$$

Distribution Energy Charge

Energy Charge per kWh \$0.0085

The kWh Energy shall be the customer’s kWh consumption metered during the billing month.

Power Supply Service

Wholesale Rates

The Wholesale Demand and Energy Charges as used herein are set out in Wabash Valley Power Association, Inc., FERC Electric Tariff, Original Volume No. 1 approved by the Federal Energy Regulatory Commission.

Line Losses

Line Losses as used herein shall be Northeastern’s total system losses for the most recent calendar year.

Power Supply Demand Charge

Demand Charge per kW of Coincident Demand shall be;

$$\frac{\text{The Wholesale Demand Charge billed for power delivered to the customer during Billing Month}}{(1 - \text{Line Losses})}$$

The Coincident Demand shall be the customer’s kW demand during the same 60-minute clock hour interval as when Northeastern’s wholesale supplier establishes its highest system billing demand during the Billing Month.

Power Supply Energy Charge

Energy Charge per kWh shall be

$$\frac{\text{The total Wholesale Energy Charges billed for power delivered to the customer during the Billing Month}}{(1 - \text{Line Losses})}$$

The kWh Energy shall be the customer’s kWh consumption metered during the billing month.

IV. MINIMUM CHARGE

The Minimum Charge for Distribution service shall be the customer’s Contract Capacity for service locations served under this rate times \$1.16. In the event no Contract Capacity is specified for the customer, the Minimum Charge shall be the customer’s highest Maximum kW Demand recorded during the previous 11 months times \$1.16.

V. METERING

For each service location, Northeastern shall furnish, install, operate and maintain all metering equipment. Northeastern shall use suitable integrated metering and recording instruments to measure all units of consumption (such as Distribution Billing Demand kW, Coincident Demand kW, Energy kWh and kVarh).

All rates specified herein are applicable to consumption metered at secondary voltages. If customer's requirements dictate primary voltage metering, the primary metered units (including Billing Distribution Billing Demand kW, Coincident Demand kW, Energy kWh and kVarh) will be reduced by 1.5% to allow for transformation losses.

VI. PRIMARY SERVICE (CUSTOMER-OWNED TRANSFORMER AND EQUIPMENT)

Customers who own the primary service installation as defined in this Section, or for any other reason, shall qualify for the Credits for Service at Primary Voltages.

Customer shall furnish, own and maintain at its own expense the complete structure and equipment from Northeastern's available primary voltage. This shall include switches and protective equipment, transformers and other apparatus, any or all of which is necessary for customer to take service at standard primary voltage except metering equipment. Where unique installations are required to serve the customer, Northeastern reserves the right to require the customer to take service at primary voltage.

VII. TOTALED BILLING

If the customer receives service at multiple locations and desires totaled billing, then Northeastern will issue the customer a single bill reflecting the arithmetic sum of the Distribution Billing Demand kW, Coincident Demand kW, Energy kWh and kVarh for each service location. The Customer Charge shall be applied for each metered service location.

VIII. BILLING MONTH

The billing month shall be the period between any two consecutive meter-reading dates. Northeastern shall schedule meter-reading dates, as nearly as practical, 30 days apart.

IX. CONDITIONS OF SERVICE

1. Service shall be provided based upon Northeastern's Rules and Regulations as currently filed with the Indiana Utility Regulatory Commission.
2. Service under this rate will be furnished on a continuous twelve-month basis.
3. Service will be rendered under this rate upon application by the customer for an initial contract period to be determined by the investment to supply the customer's requirements, revenue expected to be received from the customer, and other relevant factors. The initial period shall not be less than twelve months.
4. Northeastern's General Rules, Terms and Conditions shall apply to temporary, seasonal or unusual service or extensions. In such cases, the Minimum Charge conditions, furnishing of substation equipment, connection and disconnection of service, financing of service facilities required, etc., will be covered by Special Agreement with the customer. The customer shall pay for all expenses associated with the installation and removal of any temporary service.
5. Northeastern may require corrective measures or devices for any motor or apparatus, which in the opinion of Northeastern, will cause voltage fluctuation to other

customers. Unless otherwise permitted, the maximum primary voltage fluctuation caused by a customer is as follows.

Fluctuation %	Duration (Secs.)	Duration (Cycles)
3	0.00416	1\4
2	0.00833	1\2
1	0.03333	2

6. The customer is responsible for limiting harmonic current injected into Northeastern system. Harmonic current limits at the point of common coupling between Northeastern and the customer shall be as per IEEE standard 519-1992 or it's amends.

XIV. TERMS OF PAYMENT

Refer to Appendix B.

XV. LATE PAYMENT CHARGE

Refer to Appendix B.

XVI. INTERPRETATION

Refer to Appendix B.

XVII. ALL OTHER NON-RECURRING CHARGES

Refer to Appendix B.

XVIII. OPERATION ROUND UP

Refer to Appendix E.