

SCHEDULE 50-1

ALTERNATIVE CAPACITY POWER SERVICE

I. AVAILABILITY

Service is available to any customer of Northeastern REMC (Northeastern) whose:

- Maximum demand exceeds three thousand-kilowatts (3,000 kW) for six out of any twelve consecutive months,
- Average monthly load factor exceeds 65% for any 12 consecutive months, and
- Enters a service agreement with Northeastern for a minimum term of 5 years.

If, during the term of the service agreement, the customer is no longer able to satisfy the above qualifications, it shall receive service under Northeastern's applicable rate schedule.

This schedule is not available for standby service.

II. CHARACTER OF SERVICE

The type of service rendered under this rate schedule shall be multi-phase, sixty (60) hertz, approximately 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

<i>Standard Service at Secondary Voltages</i>	
Customer Charge per Service Location per Month	\$200.00
<i>Credit for Primary Service</i>	
Credit per Service Location per Month	\$10.50

Distribution Demand Charge

<i>Standard Service at Secondary Voltages</i>	
Demand Charge per kW Distribution Billing Demand	\$5.90
<i>Credit for Primary Service</i>	
Credit per kW Distribution Billing Demand	\$.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 monthly Power Factor for the month shall be calculated from the kilowatts hours "A" and reactive kilovolt-amperes hours "B" by the following formula:

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

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

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

Power Supply Service

Power Supply Demand Charge

The customer shall choose between the Coincident Demand and Non-Coincident Demand Charge options shown below. Unless Northeastern, its wholesale power supplier, and the customer mutually agree otherwise, the demand charge option selected by the customer shall remain in effect for the term of the service agreement.

Coincident Demand Charge Option

Demand Charge per kW Coincident Demand \$8.75

The Coincident kW 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 demand during the billing month.

If the customer's peak power factor for the billing month is less than 90%, then the Coincident kW Demand equals:

$$\frac{\text{Coincident kW Demand}}{\text{Actual Peak Power Factor}} \quad \times 90\%$$

Otherwise, no adjustment is made to the Coincident kW Demand.

Non-Coincident Demand Charge Option

Demand Charge per kW Non-Coincident Demand \$7.50

The Non-Coincident kW demand shall be the maximum kW demand the customer establishes during any 15-minute integrated interval during the billing month adjusted for Peak Power Factor as follows:

If the customer's Peak Power Factor for the billing month is less than 90%, then the Non-Coincident kW Demand equals:

$$\frac{\text{Maximum kW Demand}}{\text{Actual Peak Power Factor}} \quad \times 90\%$$

Otherwise, no adjustment is made to the Non-Coincident kW Demand.

Power Supply Energy Charge
Energy Charge per kWh

\$.022708

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 Billing kVa Demand, Coincident kW Demand, Non-Coincident kW Demand, Energy, and kVarh).

All rates specified herein are applicable to consumption metered at primary voltages. If customer's requirements dictate secondary voltage metering, the secondary metered units (such as Billing kVa Demand, Coincident kW Demand, Energy, and kVarh) will be multiplied by 1.015 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 Billing kVa, Coincident kW, kWh and kVarh for each service location. The Facility 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.

X. POWER COST ADJUSTMENT

Refer to Appendix A.

XI. FUEL COST ADJUSTMENT

Refer to Appendix FC.

XII. NON-FUEL COST ADJUSTMENT

Refer to Appendix FC.

XIII. SCR COST ADJUSTMENT

Refer to Appendix FC.

XV. TERMS OF PAYMENT

Refer to Appendix B.

XVI. LATE PAYMENT CHARGE

Refer to Appendix B.

XVII. INTERPRETATION

Refer to Appendix B.

XVIII. ALL OTHER NON-RECURRING CHARGES

Refer to Appendix B.

XIX. OPERATION ROUND UP

Refer to Appendix E.