

SCHEDULE EDR-5

ECONOMIC DEVELOPMENT SERVICE TO CUSTOMERS

FOR NEW OR EXPANDED LOADS OVER 1,500 KW

I. AVAILABILITY

This Economic Development Rate is available to any customer of the Northeastern REMC Rural Electric Membership Corporation (Northeastern REMC) for new or expanded service in excess of one thousand five hundred (1,500) kW or greater monthly peak demand.

II. APPLICABILITY

This intent of this rate is to provide a foundation for Northeastern REMC and its wholesale power supplier to work jointly to develop rates that are necessary to meet competition for new or expanding large industrial and commercial loads. Northeastern REMC will provide this service to electric power customers subject to the following conditions:

- A) Application of this rate shall be pursuant to one or more contracts, which specifies the character, terms, and duration of service to the customer.
- B) The contract(s) will be subject to approval by the IURC in a "30-day" filing.
- C) The customer's new or expanded load must be at least 1,500 kW of monthly non-coincident maximum demand (measured over any clock-hour interval) for at least six (6) months out of any contract year and used exclusively (not for resale) by said customer.
- D) The revenues collected by Northeastern REMC and its wholesale power supplier must exceed the expected incremental cost to provide the service specified in the contract including the carrying costs associated with any facilities installed as a direct result of providing such service.
- E) The applying customer shall certify to Northeastern REMC that the addition of facilities requiring the new or expanded electric power service will result in the creation of a minimum of ten (10) full-time equivalent jobs.

Northeastern REMC will be solely responsible for determining when a customer meets these qualifications.

III. CHARACTER OF SERVICE

Service will be delivered at a nominal voltage of 12,470 volts or a higher voltage, grounded wye, or standard secondary voltage as approved by Northeastern REMC. Service supplied hereunder will be in the form of three-phase alternating current, and shall have a frequency of approximately 60 hertz. This rate schedule will be separately applied to service at each point of delivery. However, contract(s) for service under this rate may contain other provisions that are characteristic of the service to be provided.

IV. TERM OF SERVICE

Service under this schedule may continue for a period not to exceed five (5) years from the date that the parties enter a contract(s) with Northeastern REMC, so long as the customer meets the minimum qualifications for service cited herein. This economic development rate is non-renewable.

V. TERMS OF WRITTEN CONTRACT

In addition to a description of the specific obligations of each party, the written contract(s) entered into by the customer, the wholesale supplier, and Northeastern REMC shall address each of the following:

- A) Metering
- F) Determination of billing demand
- G) Determination of billing energy
- H) Prices for services to be rendered
- I) Charges for facilities installed to provide the service
- J) Fuel cost, wholesale power cost, and tax adjustment clauses
- K) Terms of payment
- L) Failure to meet minimum load requirements
- M) Term of Service - The specific price for services to be rendered and term of service, up to the five (5) year maximum, shall be based upon one or more of the following criteria:
 - 1. Economic and/or Environmental Distress
 - a. Selected location is in an area that has below-state-average employment levels.
 - b. Above-county-average wage to be paid by prospect.
 - c. Other "Indiana Edge" Guidelines or future State of Indiana economic development goals.
 - d. Any federal, state, or local incentives and the degree thereof.
 - 2. Power Use Characteristics
 - e. High efficiency and end-use equipment and construction technologies.
 - f. High load factor operations.
 - g. "Off-peak" operating capability.
 - 3. Site Specific Discounts
 - h. Utilization of existing industrial sites.
 - i. Proximity to existing Northeastern REMC facilities.
 - j. Loading of existing Northeastern REMC facilities.

Documentation of compliance with one or more of the above criteria shall be the customer's responsibility. Northeastern REMC and its power supplier shall have the final determination of whether

the customer meets one or more of the above criteria. If so, Northeastern REMC and its power supplier shall designate the term of service (up to five years) to be granted hereunder.

VI. PATRONAGE CAPITAL ALLOCATIONS

Sales made pursuant to this schedule are not eligible for patronage capital allocations and/or patronage capital refunds.

VII. OTHER TERMS AND CONDITIONS

- 1 Service shall be provided based upon Northeastern REMC's rules and regulations as on file with the Indiana Utility Regulatory Commission.
- 2 Subject to the terms agreed to by the parties pursuant to this rate schedule, Northeastern REMC will provide the distribution line and transformation to a mutually agreeable voltage. Switchgear approved by Northeastern REMC shall be provided by the customer and shall have a main breaker with a setting approved by Northeastern REMC. The customer shall be required to provide and maintain circuit protective equipment near the metering point for protection of Northeastern REMC's system.
- 3 At the end of the five-year period, the customer shall revert to the standard tariff in effect and applicable to the customer.
- 4 Northeastern REMC shall have access to the substation and switching installations at all times.
- 5 Northeastern REMC may require corrective measures or devices for any motor or apparatus, which in the opinion of Northeastern REMC will cause voltage fluctuation to other customers or cause excessive total harmonic distortion on Northeastern REMC's distribution system.

XX. OPERATION ROUND UP

Refer to Appendix E.