

LARGE CUSTOMER CURTAILMENT OPTION

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Purpose

This is an optional program for qualifying large general service Applicants or Customers who are willing to curtail load in exchange for being excluded from scheduled rotating outages.

Applicable

To qualifying Applicants or Customers with Monthly Demand exceeding 4,000 kW at least once during the last 12- month period. Participating Customers must also be served from a dedicated feeder, be using remote meter reading and be able to demonstrate to the Company the ability to reduce load by 15 percent. Participating Customers must execute a Large Customer Curtailment Option (LCCO) plan with the Company. The approved LCCO plan will specify an effective start date. The LCCO plan must be renewed every 12 months.

Program Operation

The Company shall require a Customer participating in the LCCO program to operate its LCCO plan upon each and every notice from the Company that a scheduled rotating outage is required within the Company's service territory.

Upon notification from the Company of a LCCO curtailment, LCCO Customers must immediately commence implementation of the load curtailment measures contained in their LCCO plan. The Company will inform LCCO Customers of both the required load curtailment and the estimated start and end times of curtailment. Upon such notice, LCCO Customers will be required to reduce their load by the specified percentage called for by the Company's forecast, up to a maximum of 15 percent. Should the Company determine that the actual reduction required is greater or less than the forecasted reduction, LCCO Customers shall be notified at the start of the current hour that an increase, up to a maximum of 15 percent, or decrease in the percentage reduction is required beginning in the hour following the current hour. The Company may also extend the end time of any required reduction as necessary and LCCO Customers shall be required to comply with any extension.

The baseline for determining the required load reduction shall be defined as the LCCO Customer's average usage for each hour for approximately 14 typical operational days during the period leading up to the LCCO event. For establishing operational days, if the reduction is called for during a business day, then 14 prior business days are used; and if the reduction is called for on a weekend or holiday, then 14 prior weekend and holiday days are used. The LCCO Customer may request that specific days be excluded from the baseline calculation of 14 similar days upon demonstrating to the Company's satisfaction that the specific days are not similar days. The load measurements for the circuit shall be taken at the Company's distribution substation.

Required load reductions must be achieved as quickly as possible, but must be achieved within 30 minutes after the LCCO Customer received notification to reduce load. LCCO Customers who fail to curtail to or beyond the required percentage load reduction within the specified amount of time or who fail to maintain the load reduction for the entire duration of the event will be assessed a non compliance penalty of \$10,000 and may be removed from the LCCO plan.

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Program Operations (continued)

Monetary penalties will be in addition to all other Company charges for Electric Service. If the LCCO Customer can show good cause why they were unable to achieve the percentage reduction called for within the specified time periods, the LCCO Customer may be allowed one grace before being removed from the LCCO plan.

Service under this schedule shall be for a term of one year. Customers are required to provide the Company with an updated LCCO plan on an annual basis. Upon review of this plan, service under the LCCO plan may be extended.

Special Conditions

For Customers participating in the Company's Energy Exchange (ENX) program, Schedule 71, the LCCO program requirements are separate from and in addition to any provisions of Schedule 71. Any reductions required under the LCCO plan must be made in addition to reductions pledged under Schedule 71. That is, any customer participating in both LCCO and ENX will be required to first meet the LCCO required load curtailment in order to remain eligible for LCCO and then secondly must achieve the reductions pledged under Schedule 71 in order to qualify for ENX benefits.

LCCO Customers will receive no payment from the Company as a result of participation in this program. The Company is not responsible for any damages that may be experienced by an LCCO Customer or loss of ENX Schedule 71 benefits arising out of participation in this program.

Participation in the LCCO Plan is not a guarantee against a Customer being subject to a scheduled rotating outage in the event emergency conditions cause the LCCO Customer's circuit to become subject to a scheduled rotating outage.