

NEBRASKA PUBLIC POWER DISTRICT

Schedule: EC-RIDER Issued: 11/25/08
Supersedes Schedule: EC-RIDER Issued: 12/17/01
Sheet No: 1 of 5 Sheets

ENERGY CURTAILMENT SERVICE RIDER RATE SCHEDULE
(Name of Schedule)

AVAILABLE: In the retail distribution service territory of the District.

APPLICABLE: To Customers who are served under the following rate schedules:

- General Service Demand
- High Tension Service
- Large Industrial Service

This rate schedule may be used in combination with the Off-Peak Service Rider Rate Schedule (OP-Rider), Demand Waiver Program Rider Rate Schedule (DW-Rider), and the Miscellaneous Municipal Service Rider Rate Schedule (MM-Rider), subject to the modified billing provisions included in this rate schedule.

The District is offering this rate schedule on a pilot program basis to Customers who voluntarily agree to reduce their load during an Energy Curtailment Period (ECP) by a minimum of 50 kW. In order to be served under this rate schedule, a Customer must complete a service agreement and submit to the District for approval. This agreement shall include the following information:

1. The method by which the Customer is to be notified of an ECP (e-mail or pager).
2. A list of the specific means by which the Customer anticipates reducing their load during an ECP (including estimated kW reductions for each). The load reduction must be relatively constant within each interval of an ECP.

For Customers who plan to curtail load during an ECP, a recording demand meter and internet access is required to implement this rate schedule. For Customers who plan to operate their own generation equipment to reduce their load during an ECP, the generator shall be metered separately from the Customer's load with a recording demand meter in order to implement this rate schedule.

In order for this rate schedule to be economical, a minimum level of Customer participation must be attained. Therefore, a Customer with an approved agreement will not begin taking service under this rate schedule until notified by the District.

TAX CLAUSE: In the event of the imposition of any new or increased tax or any payment in lieu thereof, in excess of that provided for under Article VIII, Section 11 of the Nebraska Constitution, by any lawful authority on the production, transmission, or sale of electricity, the rate provided herein may be increased to reflect the amount of such tax or in lieu of tax increase.

Effective: January 1, 2009

Approved: 11/14/08

Resolution No: 08-145

Issued by: *Vivida A. Swartz*

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BASE RATE:

The base rates, charges and Base Rate Adjustments for electric service regularly applicable under the Customer's appropriate standard rate schedule (subject to any applicable modifications noted in this rate schedule) and the application of any curtailment credits earned for load reductions during Energy Curtailment Periods.

ENERGY CURTAILMENT PERIODS:

The District shall call for an Energy Curtailment Period (ECP) anytime when market conditions are such that Customers can be offered credits for voluntarily reducing their load.

LIMITS ON ENERGY CURTAILMENT PERIODS:

Since Customer participation in an ECP is strictly voluntary, there are no limits on the number of ECPs that the District can call for each year. The length of an ECP will vary from one (1) hour up to twelve (12) hours per day.

ENERGY CURTAILMENT PERIOD INTERVALS:

When calculating the Customer's actual load reduction and curtailment credits for an ECP, the District shall divide each ECP into multiple intervals. The interval length shall match the demand integration period listed in the Customer's standard rate schedule (either 30-minute or 60-minute).

NOTICE OF ENERGY CURTAILMENT PERIODS:

When conditions warrant, the District shall declare an ECP and send an energy curtailment notice to those Customers that are taking service under this rate schedule. The notice shall include the start and end time of the ECP, the interval \$/kW price that the District is willing to pay the Customer for load reduction, and the deadline for accepting the offer. The District will provide as much notice as possible. Official notification of an ECP shall be made according to the procedures listed in the Customer's approved agreement for service under this rate schedule.

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Issued by: Judd A. Swartz

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CUSTOMER ACCEPTANCE OF OFFER:

Customer participation in an ECP is strictly voluntary. When a Customer chooses to accept the terms and price included in an energy curtailment notice, the Customer must notify the District prior to the acceptance deadline. Any acceptance notices received after the stated deadline shall be considered invalid, and no credit will be given to the Customer for load reductions occurring during that ECP. The Customer's acceptance notice must include the total kW amount of load reduction that the Customer commits to provide during each interval of the ECP. The Customer must specify only a single kW amount of reduction that will apply to all intervals of the ECP. This value is defined as the Customer's committed load reduction, and must be at least 50 kW and must be relatively constant within each interval of the ECP.

The District will send the Customer a notice confirming receipt of the Customer's acceptance notice. The District reserves the right to limit the aggregate total of Customer's committed load reduction for an ECP. If the District imposes such a limit, the District's confirmation receipt to the Customer will indicate the Customer's reduced committed load reduction amount for the ECP.

DETERMINATION OF ACTUAL LOAD REDUCTIONS DURING AN ECP:

The District shall review the Customer's loads during all intervals of ECPs that were accepted by the Customer and determine the Customer's actual load reduction for each interval. When determining these amounts, the District shall take into consideration the Customer's load before and after the ECP, their loads on similar days, and the information provided by the Customer in their acceptance notice.

CALCULATION OF CURTAILMENT CREDIT:

The curtailment credit shall be calculated for each interval of an ECP according to the following procedures:

- 1. If the actual load reduction is between 90% and 110% of the Customer's committed load reduction, the curtailment credit for that interval shall be the actual load reduction multiplied by the corresponding interval \$/kW offer price.

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Approved: 11/14/08 Resolution No: 08-145 Issued by: [Signature]

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2. If the actual load reduction is less than 90% of the Customer's committed load reduction, the curtailment credit for that interval shall be:
 - a. The actual load reduction multiplied by the corresponding interval \$/kW offer price, reduced by.
 - b. The difference between 90% of the committed load reduction and the actual load reduction, multiplied by 200% of the corresponding interval \$/kW offer price.
3. If the actual load reduction is greater than 110% of the Customer's committed load reduction, the curtailment credit for that interval shall be 110% of the Customer's committed load reduction multiplied by the corresponding interval \$/kW offer price.

RETAIL BILLING PROCEDURE:

The Customer's appropriate standard rate schedule charges shall be applied to all demand and energy quantities of the Customer, subject to the provisions of the following paragraphs.

This rate schedule is intended to provide credits for energy reductions only, therefore any load reduction that receives curtailment credits per this rate schedule cannot also be used for reducing the Customer's billing demands under the Customer's standard rate schedule and any other applicable rate schedules. Therefore, during all intervals of an ECP, an adjustment to the Customer's measured demands shall be made. This adjustment shall consist of adding the Customer's actual load reductions during an ECP (capped at 110% of the Customer's committed load reduction) to the Customer's corresponding measured demands. These adjusted demand values shall be used for the purpose of determining the demands eligible for use in billing under the Customer's standard rate schedule and any other applicable rate schedules.

A Customer may take service under both this rate schedule and the OP-Rider, DW-Rider, and/or the MM-Rider, however any adjustments to the billing demand as may be necessary as provided for in this section of this rate schedule will be performed prior to the determination of billing demands under these other rate schedules.

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TERMS AND CONDITIONS:

- 1. The Customer shall comply with all applicable terms and conditions of their appropriate standard rate schedule.
2. Customers with loads less than 500 kW taking service under this rate schedule who plan to curtail load during an ECP shall be required to reimburse the District for the necessary investment in a recording demand meter to implement this rate schedule.
3. Customers who plan to operate their own generation equipment to reduce their load during an ECP shall be required to reimburse the District for the necessary investment in a recording demand meter to implement this rate schedule.
4. If a Customer's actual load reduction is not relatively constant within each interval of an ECP, and/or is less than 90% of their committed load reduction during at least one (1) interval of two (2) or more ECPs during the months of June through September, the District may remove the Customer from this rate schedule.
5. Pagers and any computer equipment or service required for internet access will be the responsibility of the Customer.
6. The District retains and reserves the right, power and authority to modify, revise, amend, replace, repeal or cancel this rate schedule, at any time and in whole or in part, by resolution adopted by the District's Board of Directors.

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