

NEBRASKA PUBLIC POWER DISTRICT

Schedule: PC-2 Issued: 12/18/19
Supersedes Schedule: PC-2 Issued: 01/22/07
Sheet No.: 1 of 1 Sheets

RETAIL PRODUCTION COST ADJUSTMENT (PCA) RATE SCHEDULE

(Name of Schedule)

APPLICABLE: This Retail Production Cost Adjustment (Retail PCA) Rate Schedule is applicable to sales of power and energy under a Retail Service Rate Schedule, where such Retail Service Rate Schedule provides for an adjustment to the energy charges for the Retail PCA.

PURPOSE: One purpose of the Retail PCA is to provide the District the ability to collect and to adjust, if necessary, the appropriate revenues to more closely track the cost associated with (1) the fuel used for energy production, (2) the direct purchase of energy from other suppliers, and (3) other energy related costs, all of which are required for the energy supply under a Retail Service Rate Schedule. The Retail PCA shall be applied to the energy sales for the variation between actual energy costs and the base energy costs included in the Retail Service Rate Schedule.

A second purpose of the Retail PCA is to provide the District the ability to refund a portion of its wholesale production surplus to applicable retail customers under certain circumstances.

ESTABLISHMENT OF RETAIL PCA FACTORS:

When the District decides to utilize a Retail PCA, a single Retail PCA factor (in mills/kWh) shall be calculated by the District based on the dollar amount to collect or refund and the estimated energy sales to applicable retail customers for the next twelve months, and shall be assessed on a monthly basis to energy purchased by the applicable retail customers during the corresponding twelve month period.

RESERVATION OF AUTHORITY AND RIGHT TO AMEND:

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.

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: February 1, 2020

Approved: 12/12/19 Resolution No.: 19-69 Issued By: [Signature]