

SCHEDULE SG
STANDBY GENERATOR

I. APPLICABILITY

This schedule is applicable on a voluntary basis to any Customer who: (1) purchases electricity in accordance with either Schedule 5, Schedule 6, Schedule 6TS, Schedule GS-2, Schedule GS-2T, Schedule GS-3, or Schedule GS-4, and (2) has standby generation capacity of 100 kW or greater which is not normally operated in parallel with the Company, and (3) the standby generation electrically is connected to only one companion account. This schedule is not applicable to customers who elect Schedule CS or Schedule CS-1, and payments are not applicable to load served under Schedule RTP. Under this schedule the Customer agrees to transfer load normally served by the Company to his standby generation upon Company request. Standby generation is defined as generation installed by the Customer to supply electricity during those times when service is not available from the Company.

II. NOTIFICATION, GENERATION PROVISIONS, AND MONTHLY BILLING TO THE CUSTOMER

- A. Company-owned facilities will be required to meter the output of the Customer's generator. Billing to the Customer shall include a monthly charge of \$95.00 to cover costs associated with metering facilities, meter reading and processing, communication, and administration.
- B. Operation may be requested by the Company only from May 16 through September 30 (Summer) and from December 1 through March 31 (Winter). During the Summer, the potential operation period is from 2 p.m. to 9 p.m. During the Winter, the potential operation period is from 6 a.m. to 11 a.m., or from 5 p.m. to 10 p.m. For each calendar year, the total number of operation requests shall be limited to 13 during the Winter and 19 during the Summer.
- C. When notification of requested operation is provided at a time other than during a potential operation period, the Customer shall begin operation within two hours, or at the beginning of the next potential operation period, whichever occurs later. When notification of requested operation is provided by the Company during a potential operation period, the Customer shall begin operation within two hours of receiving notification. The Customer shall continue operation until notification by the Company, or until the end of the potential operation period, whichever occurs first.

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II. NOTIFICATION, GENERATION PROVISIONS, AND MONTHLY BILLING TO THE CUSTOMER (Continued)

D. Primary notification shall be through telecommunication equipment provided by the Company. The Customer shall arrange for telephone service, at the Customer's expense, dedicated solely to such equipment. A secondary notification procedure shall be established which is mutually agreeable to the Customer and the Company.

III. DETERMINATION OF PAYMENT TO CUSTOMER

A. For each season the Customer shall contract for the amount of load the standby generation will maintain upon Company requested operation. This amount shall be based on the kW output of the Customer's standby generator, and shall be referred to as the capacity level (CL). Summer CL need not equal Winter CL. Both shall be mutually agreeable to the Customer and the Company, but no greater than the load connected to the Customer's generation.

B. Payment to the Customer may be made in the form of a deduction from billing to the Customer. During billing months where operation of standby generation is not requested by the Company, the customer shall be paid based on the applicable contracted CL. For all other billing months the Customer shall be paid based on the Average Capacity Generated during Company requests. Average Capacity Generated is defined as the total energy generated during period(s) of Company requested operation during the current billing month, divided by the hours of requested operation during the current billing month. For the billing months of November through April, the Customer shall be paid \$1.278 per kW. For the billing months of May through October, the Customer shall be paid \$2.556 per kW.

C. When the Average Capacity Generated for any billing month is less than the applicable contracted CL, the applicable contracted CL shall be reduced to the Average Capacity Generated. In the event that contract Summer CL is reduced prior to September 30, the Customer shall reimburse the Company for overpayments during prior billing months where operation was not requested, beginning with the most recent May billing month. In the event that contract Winter CL is reduced prior to March 31, the Customer shall reimburse the Company for overpayments during prior billing months where operation was

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III. DETERMINATION OF PAYMENT TO CUSTOMER (Continued)

not requested, beginning with the most recent November billing month. Contract Summer CL may be increased by mutual agreement subsequent to the October billing month but prior to the May billing Month. Contract Winter CL may be increased by mutual agreement subsequent to the April billing month but prior to the November billing month.

IV. METERING AND FACILITY INSPECTION

All facilities necessary to meter the Customer's standby generation shall be installed and maintained according to Company specifications. All electrical facilities on the line side of the metering installation shall be subject to inspection by the Company's authorized representative at all reasonable times.

V. METER READING, BILLING, AND PAYMENT

Meters may be read monthly. Billing and payment will be made concurrent with billing under Schedule 5, Schedule 6, Schedule 6TS, Schedule GS-2, Schedule GS-2T, Schedule GS-3 or Schedule GS-4.

VI. TERM OF CONTRACT

The term of contract under this schedule shall be such as may be mutually agreed upon, but for not less than one year.