

SCHEDULE "D"
Residential Service

Availability:

Applicable to lighting, heating, cooking, air conditioning and single-phase residential service in single-family dwellings metered and billed separately by the Company. This schedule does not apply where residence and business are combined. Service supplied under this rate is subject to the Rules of the Company.

Storage water heaters may be connected to this service, provided that each element is controlled by a thermostat and the maximum wattage of the heating elements that may be energized at any one time shall not exceed 5,000 watts.

Rate:

Customer Charge: (Per Customer per month) \$9.72

Energy Charge: (To be added to Customer Charge) All KWH \$0.17489 per KWH

Minimum Charge: The minimum monthly charge shall be - (Per Customer per month) \$12.16

Resource Cost Adjustment (DSM & IRP) Surcharge:

The Resource Cost Adjustment (DSM & IRP) Surcharge shall be added to the Customer and Energy Charges, and energy cost adjustment.

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Apartment House Collection Arrangement:

Any apartment owner having title to three or more apartments at one location, each apartment being separately metered and billed by the Company on Residential Rate Schedule, may elect to accept a commission of ten per cent (10%) of the amount of the bills rendered for such apartments not to exceed \$5.00 per month for each apartment upon entering into a collection arrangement with the Company under the following terms and conditions.

1. All accounts shall be kept in the name of the apartment house owner who shall assume the responsibility for the payment of all bills before they become past due.
2. All accounts shall remain active at all times and, though vacant, shall be subject to the minimum charge applicable.
3. Failure to comply with 1 or 2 above shall terminate the Apartment House Agreement.
4. The Company will render individual bills for each apartment on a regular billing period basis and will also furnish a statement showing gross and net billings.
5. Provision of this section applies to all existing Apartment House Agreements. No new Agreements will be accepted as of January 1, 1994.

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Energy Rate Adjustment Clause (ERAC):

This Energy Rate Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation of 422.94 cents per million Btu for fuel delivered in its service tanks and a cost for purchased energy of 4.9404 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 422.94 cents per million Btu, and/or the purchased energy cost is more or less than 4.9404 cents per kilowatthour, a corresponding adjustment (Energy Cost Adjustment Factor) to the energy charges shall be made. This adjustment shall be comprised of a Company Generation Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu, multiplied by a generation conversion factor of .011230 million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 422.94 cents per million Btu multiplied by a generation conversion factor of .011230 million Btu per kilowatthour, weighted by the proportion of the 1995 test year generation to total system energy in kilowatthours.

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The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 4.9404 cents per kilowatthour weighted by the proportion of the 1995 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Rate Adjustment Factor shall be the sum of the Generation Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

The Energy Rate Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's billing period, the Energy Rate Adjustment will be prorated for the number of days each cost was in effect.

This Energy Rate Adjustment Clause is consistent with the terms of the Company's operations and purchased energy contracts and may be revised to reflect any revisions or changes in operations and the purchased energy contracts, subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Rate Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Rate Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Rate Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Rate Adjustment Clause revenue and the expected Energy Rate Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Rate Adjustment Clause to reconcile the revenue variance over the sales estimated for the subsequent quarter.