Rider AEP – Alternative Energy Production Clause

Applicable:

To all kWh sales under retail electric rate schedules. The AEP factor shall be added to the Rider No. 2, Energy Adjustment Clause monthly factor for billing purposes. In the event operation of Rider No. 2 is suspended, the AEP_0 factor shall be applied as a separate charge.

<u>For any month, the AEP factor shall be calculated as follows:</u>

$$AEP_0 = (A + B)/(EQ_0 + EQ_1) + G/(EJ_0 + EJ_1)$$

<u>Where:</u>

$A =$ The estimated expense for alternate energy in the month that AEP_0 will be used.

$B =$ The estimated expense for alternate energy in the month prior to A.

$EQ_0 =$ The estimated electric energy to be consumed or delivered during the month in which EP_0 will be used.

$EQ_1 =$ The estimated electric energy to be consumed or delivered during the month prior to EQ_0.

$G =$ The beginning of the month AEP cost adjustment balance for the month of estimated consumption EJ_1. The G balance shall be assumed to be zero prior to January 1999.

$EJ_0 =$ The estimated electric energy consumed under rates set by the Board in the month during which AEP_0 will be used in bill calculations.

$EJ_1 =$ The estimated electric energy consumed under rates set by the Board in the month prior to EJ_0.

The estimated and actual energy shall include all kWhs, consumed or delivered and entered in accts. 440, 442, 444-7, excluding energy from distinct deliveries entered in account 447 and including intrautility energy service as included in accounts 448 and 929 of the Uniform System of Accounts.

The AEP cost adjustment balance (G) shall be the cumulative balance of any excess or deficiency which arises out of the difference between Board recognized alternate energy cost recovery and the amount recovered through application of energy charges to consumption under rates set by the Board.

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Each entry (K) into the alternate energy cost adjustment account shall be the dollar amount determined from solution of the following equation:

$$K = L \times M/N - M \times AEP_2$$

Where:

L =   Actual expense for purchases of alternate energy production in the month prior to EJ_1.

M =   The actual energy consumed in the month prior to EJ_1 under rates set by the Board and recorded in Accounts 440, 442 and 444-6 of the Uniform System of accounts.

N =   The actual energy consumed or delivered in the month prior to EJ_1 and recorded in Accounts 440, 442, 444-7 and excluding distinct interchange deliveries entered into Account 447, and including intrautility energy service as included in accounts 448 and 929 of the Uniform System of Accounts.

AEP_2 =   The alternate energy adjustment charge used for billing in the month prior to EJ_1.