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STANDBY SERVICE

	OPTION A: FIRM			OPTION B: NON-FIRM		
	On-Peak	Shoulder	Off-Peak	On-Peak	Shoulder	Off-Peak
Transmission Service	31-941	31-942	31-943	31-950	31-951	31-952
Primary Service	31-944	31-945	31-946	31-953	31-954	31-955
Secondary Service	31-947	31-948	31-949	31-956	31-957	31-958

<u>RULES AND REGULATIONS</u>: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this service.

AVAILABILITY: This schedule, including Attachment 1 - Definitions and Useful Terms, provides **Backup**, **Scheduled Maintenance**, and **Supplemental Services**, is applicable to any Customer who has the following conditions:

- Requests to become a Standby Service Customer of the Company. Otherwise, the Company views the Customer as a Non-Standby Service Customer. For information about the different categories of Non-Standby Service Customers, including exemptions from Standby Service, please see Attachment No. 1 – Definitions.
- 2. Utilizes **Extended Parallel Generation Systems** to meet all or a portion of electrical requirements, which is capable of greater than 100 kW. Customers with **Extended Parallel Generation Systems** used to meet all or a portion of electrical requirements that are capable of 100 kW or less are considered **Non-Standby Service Customers** and exempt from paying standby charges. Please see Attachment No. 1-Definitions for more information regarding **Non-Standby Service Customers**.
- 3. Enters into a contract for services related to its Generator. Contracts will be made for this service provided the Company has sufficient Capacity available in production, transmission and Distribution Facilities to provide such service at the location where the service is requested.

The Company delivers alternating current service at transmission, primary or secondary voltage under this rate schedule, supplied through one Meter.

Power production equipment at the Customer site shall not operate in parallel with the Company's system until the installation has been inspected by an authorized Company representative and final written approval is received from the Company to commence parallel operation.

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STANDBY RATE OPTIONS - FIRM AND NON-FIRM

OPTION A: FIRM STANDBY			
	Transmission	Primary	Secondary
	Service	Service	Service
F	irm Standby Fixed	Charges	
Customer Charge	\$199.00/month	\$199.00/month	\$199.00/month
Minimum Monthly Bill	Customer + Reservation + Standby Facilities Charges	Customer + Reservation + Standby Facilities Charges	Customer + Reservation + Standby Facilities Charges
Summer Reservation Charge per month per kW of Contracted Backup Demand	14.90 ¢/kW	16.04 ¢/kW	16.77 ¢/kW
Winter Reservation Charge per month per kW of Contracted Backup Demand	4.68 ¢/kW	5.10 ¢/kW	5.37 ¢/kW
Standby Facilities Charge per month per kW of Contracted Backup Demand	Not Applicable	52.83 ¢/kW	72.26 ¢/kW
Firm Standb	y On-Peak Demand	l Charge - Summer	
Metered Demand per day per kW On-Peak Backup Charge	63.67 ¢/kW	68.38 ¢/kW	71.38 ¢/kW
Firm Stand	by On-Peak Deman	d Charge - Winter	
Metered Demand per day per kW On-Peak Backup Charge	64.33 ¢/kW	70.03 ¢/kW	73.73 ¢/kW
Firm St	andby Energy Cha	rges - Summer	T
Energy Charges per kWh On-Peak Charge	6.660 ¢/kWh	7.067 ¢/kWh	7.319 ¢/kWh
Shoulder Charge	4.952 ¢/kWh	5.228 ¢/kWh	5.397 ¢/kWh
Off-Peak Charge	2.272 ¢/kWh	2.376 ¢/kWh	2.437 ¢/kWh
Firm S	tandby Energy Cha	rges - Winter	
Energy Charges per kWh			
On-Peak Charge	5.844 ¢/kWh	6.251 ¢/kWh	6.507 ¢/kWh
Shoulder Charge	4.460 ¢/kWh	4.742 ¢/kWh	4.917 ¢/kWh
Off-Peak Charge	3.352 ¢/kWh	3.546 ¢/kWh	3.665 ¢/kWh



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OPTION B: NON-FIRM STANE	DBY		
	Transmission	Primary	Secondary
	Service	Service	Service
Non-	Firm Standby Fixed	d Charges	•
Customer Charge	\$199.00/month	\$199.00/month	\$199.00/month
Minimum Monthly Bill	Customer + Reservation + Standby Facilities Charges	Customer + Reservation + Standby Facilities Charges	Customer + Reservation + Standby Facilities Charges
Reservation Charge per month per kW of Contracted Backup Demand	Not Available	Not Available	Not Available
Standby Facilities Charge per month per kW of Contracted Backup Demand	Not Applicable	52.83 ¢/kW	72.26 ¢/kW
Non-Firm Stand	lby On-Peak Demai	nd Charge - Summ	er
Metered Demand per day per kW On-Peak Backup Charge	Not Available	Not Available	Not Available
Non-Firm Stan	dby On-Peak Dema	and Charge - Winte	r
Metered Demand per day per kW On-Peak Backup Charge	Not Available	Not Available	Not Available
	Standby Energy Ch	arges - Summer	1
Energy Charges per kWh On-Peak Charge Shoulder Charge Off-Peak Charge	Not Available 4.952 ¢/kWh 2.272 ¢/kWh	Not Available 5.228 ¢/kWh 2.376 ¢/kWh	Not Available 5.397 ¢/kWh 2.437 ¢/kWh
Non-Firm	Standby Energy Cl	narges - Winter	
Energy Charges per kWh On-Peak Charge	Not Available	Not Available	Not Available
Shoulder Charge Off-Peak Charge	4.460 ¢/kWh 3.352 ¢/kWh	4.742 ¢/kWh 3.546 ¢/kWh	4.917 ¢/kWh 3.665 ¢/kWh

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply and by any Voluntary Rate Riders selected by the Customer, unless otherwise noted in this schedule. See Sections 12.00, 13.00 and 14.00 of the Minnesota electric rates for the matrices of riders.

DETERMINATION OF METERED DEMAND: Metered **Demand** shall be based on the

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maximum kW registered over any period of one hour during the month in which the bill is rendered.

TERMS AND CONDITIONS:

- 1. Company's Meter will be detented to measure power and Energy from Company to Customer only. Any flow of power and Energy from Customer to Company will be separately metered under one of Company's Purchase Power Rate Schedules, Distributive Generation Rider, or by contract.
- 2. Option A Firm Standby: Exclusive of any scheduled maintenance hours, if the number of hours on which **Backup Service** is supplied exceeds 120 On-Peak hours in the Summer season and 240 On-Peak hours in the Winter season, Customer may be required to take service under a standard, non-standby, rate schedule.
- 3. Option B Non-Firm Standby: Backup Service is not available during any on-peak season. This service is only available in the Summer Shoulder and Summer Off-Peak and Winter Shoulder and Winter Off-Peak hours on a non-firm basis. The Company makes no guarantee that this service will be available, however, the Company will make reasonable efforts to provide Backup Service under Option B whenever possible.
- 4. One year (12 months) written notice to Company is required to convert from this standby service to regular firm service, unless authorized by the Company.
- 5. Any additional facilities, beyond normal transmission and Distribution Facilities, required to C furnish service will be provided at Customer's expense.
- 6. Customer shall indemnify Company against all liability which may result from any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, or operation of the Customer generation facility or by any related act or omission of the Customer, its employees, agents, contractors or subcontractors.
- During times of Customer generation, Customer will be expected to provide vars as needed to serve their load. Customer will provide equipment to maintain a unity power factor + or - 10% for Supplemental Service, and when Customer is taking Backup Service from Company.



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CONTRACT PERIOD: Standby Service is applicable only by signed agreement, setting forth the location and conditions applicable to the electric service, such as the **Contracted Backup Demand**, type of standby service (Option A or B), excess facilities required for service and other applicable terms and conditions, and providing for an initial minimum contract period of one year, unless otherwise authorized by Company.



ATTACHMENT NO. 1 DEFINITIONS AND USEFUL TERMS

С **Backup Demand** (a component of Backup Service) is the Demand taken when on-peak Demand provided by Company is used to make up for reduced output from Customer's generation. С **Backup Demand Charge** is the sum of the ten highest daily Backup Demands multiplied by Ν the applicable Backup Demand Charge for that season. Ν **Backup Service** is the Energy and Demand supplied by the utility during unscheduled С outages of the Customer's Generator. С Billing Demand is the Customer's Demand used by the Company for billing purposes. С **Capacity** is the ability to functionally serve a required load on a continuing basis. **Contracted Backup Demand** is the amount of Capacity selected to backup the Customer's С generation, not to exceed the capability of the Customer's Generator. С **Demand** is the rate at which electric Energy is delivered to or by a system, part of a system, С or a piece of equipment and is expressed in Kilowatts ("kW") or Megawatts; С **Energy** is the Customer's electric consumption requirement, measured in Kilowatt-Hours С ("kWh"). **Extended Parallel Generation Systems** are generation systems that are designed to remain connected in parallel to and in phase to the utility Distribution system for an extended period of С time. **Excess Distribution Facility Investment** are Distribution Facilities required to provide С service to the distributed generation system that are not provided in the Company retail service schedules. The Customer is required to pay up-front for these facilities and pay maintenance costs as long as the facilities are required.

MAPP is the Mid-Continent Area Power Pool or any successor agency assuming or charged with similar responsibility.



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MISO is the Midcontinent Independent System Operator, Inc. assures industry consumers of unbiased regional grid management and open access to the Transmission Facilities under Midwest ISO's functional supervision.

Non-Standby Service Customer is a Customer that a) does not request and receive approval of Standby Services from the Company or, b) is exempt from paying any standby charges as allowed by law or Commission Order, or, c) in lieu of service under this Tariff, may provide Physical Assurance, or d) will take service from any of the Company's other approved base Tariffs.

Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 100 kW or less are considered Non-Standby Service Customers and exempt from paying standby charges.

Standby Service for Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 100 kW or less is available under the Customer's base rate.

For more information regarding **Extended Parallel Generation Systems**, **Physical Assurance Customers**, and **Standby Service for Customers**, please see these terms under Definitions.

Physical Assurance Customer is a Customer who agrees not to require standby services and has an approved mechanical device, inspected and approved by a Company representative, to insure standby service is not taken. The cost of the mechanical device is to be paid by the Customer.

Renewable Energy Attributes refers to the benefits of the Energy from being generated by a renewable resource rather than a fossil-fueled resource.

Renewable Energy Credit is typically viewed as a certification that something was generated by a renewable resource.

Renewable Resource Premium referred to the extra payment received on top of the regular avoided costs. This extra payment is to reflect the value of the **Renewable Energy Credit**, which is a certification of the **Renewable Energy Attributes**.

Scheduled Maintenance Service is defined as the Energy and Demand supplied by the utility during scheduled outages. The daily on-peak backup Demand charge under Variable Charges of the "Rate" section will be waived for a maximum continuous period of 30 days per calendar year to allow for maintenance of Customer generation source. Waiver is only valid during the months of April, May, October, and November, and with a minimum of five working days (excludes weekend and holidays) written notice to Company. In certain cases, such as very large



Customers, the Company and the Customer will mutually agree to different maintenance schedules as listed above.	С			
Standby Service Customer is a Customer who receives the following services from the Company, Sections 11.01; backup power for non-Company generation, supplemental power, and scheduled maintenance power. These services are not applicable for resale, municipal outdoor lighting, or customers with emergency standby Generators.				
Summer On-Peak : For all kW and kWh used Monday through Friday between 1:00 p.m. and 7:00 p.m.				
Summer Off-Peak: For all other kW and kWh not covered by either shoulder or off-peak.				
Summer Season is the period from June 1 through September 30.				
Summer Shoulder : For all kW and kWh used Monday through Friday 9:00 a.m. to 1:00 p.m., and 7:00 p.m. to 10:00 p.m., Saturday through Sunday 9:00 a.m. to 10:00 p.m.				
Supplemental Service is the Energy and Demand supplied by the utility in addition to the capability of the on-site Generator. Except for determination of Demand, Supplemental Service shall be provided under Standard Rate Schedule 10.06.	C C			
Supplemental Demand (a component of Supplemental Service) is the metered Demand measured on Company Meter during on-peak and off-peak periods, less Contracted Backup Demand.	C C			
Winter Season is the period from October 1 through May 31.				
Winter Off-Peak: All other kW and kWh's not covered by either shoulder or off-peak.				
Winter On-Peak : For all kW and kWh used Monday through Friday between 7:00 a.m. and 12:00 noon, and between 5:00 p.m. and 9:00 p.m.				

Winter Shoulder: For all kW and kWh used Monday through Friday hour 6:00 a.m. to 7:00 a.m., hours 12:00 noon to 5:00 p.m. and hour 9:00 pm to 10:00 p.m. and, Saturday through Sunday 6:00 p.m. to 10:00 p.m.