COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Investigation of Amendments to the Public Utility Regulatory Policies Act of 1978 and Demand Response Practices	)))	Case No. 2022-00370

COMMENTS OF KENTUCKY POWER COMPANY

Introduction

The Infrastructure Investment and Jobs Act of 2021 ("IIJA"), also known as the Bipartisan Infrastructure Law, authorizes $1.2 trillion for infrastructure spending, with a significant amount of funding directed to energy infrastructure and programs. Beyond the funding opportunities outlined in the IIJA, the legislation also amends the Public Utility Regulatory Policies Act of 1978 ("PURPA"), to add two new must consider provisions, relating to (1) demand response ("DR") practices; and (2) electric vehicle ("EV") charging programs. The IIJA required states to commence consideration of these standards no later than November 15, 2022, and this consideration must be concluded and a determination as to whether to adopt each standard made by November 15, 2023. The Public Service Commission of Kentucky ("Commission") opened this case on November 7, 2022 in order to permit the Commission to consider the IIJA amendments to PURPA related to demand response practices and to elicit comments from interested parties.[1]

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[1] Order, *In The Matter Of: Electronic Investigation of Amendments to the Public Utility Regulatory Policies Act of 1978 and Demand Response Practices*, Case No. 2022-00370 (Ky. P.S.C. November 7, 2022).

Given the potential impacts of the PURPA amendment and the review by the Commission, Kentucky Power Company ("Kentucky Power" or the "Company") appreciates the opportunity to comment on potential standards and submits the following comments to the Commission for its consideration with respect to adopting standards to promote the use of demand response practices (IIJA Sec. 40104).

Comments

1. A report of existing measures used to promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.

Kentucky Power currently offers three approved demand response programs to commercial and industrial customers:

- Tariff Contract Service - Interruptible Power ("C.S.-I.R.P.") – A PJM Regional Transmission Organization ("RTO") resource-based demand response program, which is available to customers who contract for service under the Company's Tariff Industrial General Service ("Tariff I.G.S."). Attached hereto as **Exhibit 1** is a copy of Kentucky Power's current Tariff C.S.-I.R.P.
- Rider Demand Response Service ("Rider D.R.S.") – A utility peak-shaving demand response offering aimed at lowering Kentucky Power's RTO capacity obligation, which available to customers taking firm service from the Company under a standard demand-metered rate schedule and that have the ability to curtail load under the provisions of Rider DRS. Attached hereto as **Exhibit 2** is a copy of Kentucky Power's current Rider D.R.S.
- Tariff Voluntary Curtailment Service ("Tariff V.C.S.") – A demand-response offering that provides eligible customers with the opportunity to reduce their cost

of electric service by curtailing usage during Voluntary Curtailment Events requested by the Company, which is available to customers that have a curtailable usage of not less than 1,000 kW at the metering point for a single account for electric service, have accounts that are current, and maintain satisfactory credit criteria. Attached hereto as **Exhibit 3** is a copy of Kentucky Power's current Tariff V.C.S.

Kentucky Power representatives communicate demand response offerings with new and existing customers. Representatives meet with and review the energy and demand needs of the new customer as well as discuss the general operations of the customer. Through these discussions, the company representative is able to determine program eligibility and offer demand response programs that the new customer may interested in participating in.

Kentucky Power Company does not currently offer any demand response programs to residential customers.

2. Appropriate measures to promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.

The new PURPA 111(d) Standards under IIJA address the potential for an electric utility to promote the use of demand response and demand flexibility practices by residential, commercial and industrial (C&I) customers to reduce electricity consumption during periods of unusually high demand. The federal legislation also directs states (via the appropriate regulatory body) to consider the use of DR and rate recovery mechanisms for electric utilities.

Kentucky Power believes the electric utility is the logical entity to provide DR at scale for all customer classes including residential and commercial customers. Industrial customers may be resistant to DR programs because of the work they perform to manage their energy usage. The electric utility is the only entity that serves all customers in its territory, which is key to cost effectively identifying the opportunities and producing the scale of participation needed to improve the DR value proposition proposal. The electric utility also is well positioned to lower peak demand capacity costs for its residential and commercial customers. The electric utility has the capabilities to ensure performance is met and the experience to engage and grow voluntary customer participation to the scale needed to drive down costs.

Another potential enhancement for demand response programs is through distribution grid batteries. Scale could be developed more quickly, and distribution scale batteries could provide capacity and ancillary benefits to lower costs for customers.

The electric utility also would like to see cost recovery methodology addressed so that it can be made whole and not be penalized for offering demand response programs. A rider that includes a sharing of the benefits associated between the electric utility and the participating customers should be considered and approved by the Commission. The Company understands that cost recovery is a balancing act between the rate customers actually pay and what the customer may be willing to pay.

The Company could potentially offer demand response programs to residential and commercial customers through approved Demand-Side Management programs or additional tariff-based offerings. These offerings could be presented in a variety of ways to potentially gain participation, as follows:

- Residential demand response programs to support aggregated and controllable customer loads including thermostat control, electric water heating control, air conditioning and space heating cycling.

- Residential behavioral demand response programs to engage customers in advance of high load days to voluntarily curtail load.
- Commercial and industrial demand response programs to support aggregated and controllable load customer loads including Energy Management Systems (EMS), electric water heating control, air conditioning and space heating control.
- Commercial and industrial demand response programs to identify controllable process loads that can be curtailed as needed to provide grid stability and resiliency.

Potential delivery mechanisms could include the following:

- Electric utility programs delivered with internal and external resources.
- Utilize current and developing smart grid capabilities to manage and control peak capacity reduction and performance from all participants.
- Engage with other market providers to partner and maximize customer participation, utilizing the smart grid to ensure common protocols, cybersecurity, control, and management of the demand response resources remain with the electric utility.
- Reverse auctions have been used successfully in the delivery of lowest cost incentives to large commercial and industrial customers and could also be used here to acquire demand response resources from customers and other solution providers at the lowest cost.
- Education and outreach programs to grow demand response scale from its customers over time and the promotion of rate options in combination with program offerings. In Kentucky Power's experience, education is needed to explain the value proposition and benefits to grow significant participation.

Through these comments provided at the Commission's request, Kentucky Power is not proposing or endorsing any particular proposal or position and reserves the right to advocate for and pursue alternative proposals in the future.

Summary

- Long term commitment from all parties is required to lower cost. Building scale to a meaningful level will take some time. A net cost is likely in the beginning.
- Future growth in electricity usage could be supported off peak and managed on peak through demand response programs. These programs, when managed effectively to lower costs, could support new construction and economic development making Kentucky more competitive.

Conclusion

In closing, Kentucky Power thanks the Commission for the opportunity to provide these comments and requests the opportunity to respond to any other comments filed in this docket.

Respectfully submitted,

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COUNSEL FOR KENTUCKY POWER COMPANY

Exhibit 1

KENTUCKY POWER COMPANY P.S.C. KY. NO. 12 ORIGINAL SHEET NO. 12-1 T
CANCELLING P.S.C. KY. NO. 11 2ND REVISED SHEET NO. 12-1 T

TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power)

AVAILABILITY OF SERVICE.

Available for service to customers who contract for service under the Company's Industrial General Service (I.G.S.) tariff. The Company reserves the right to limit the total contract capacity for all customers served under this Tariff to 75,000 kW.

Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.

CONDITIONS OF SERVICE.

The Company will offer eligible customers the option to receive interruptible power service. This interruptible service will be consistent with PJM's Load Management Resource Product – Capacity Performance Demand Response requirement, hereafter referred to as the "PJM Demand Response Program", subject to any limitations on the availability of that Program by PJM. To be eligible for the credit, customers must be able to provide interruptible load (not including behind the meter diesel generation) of at least one (1) MW at a single site and commit to a minimum four (4) year contract term. The contract shall provide that 90 days prior to each contract anniversary date, the customer shall re-nominate the amount of interruptible load for the upcoming contract year, except that the cumulative reductions over the life of the contract shall not exceed 20% of the original interruptible load nominated under the contract. If no re-nomination is received at least 90 days prior to the contract anniversary date, the prior year's interruptible load shall apply for the forthcoming contract year. T

Upon receipt of a request from the Customer for interruptible service, the Company will provide the Customer with a written addendum containing the rates and related terms and conditions of service under which such service will be provided by the Company. If the parties reach an agreement based upon the offer provided to the Customer by the Company, such written contract will be filed with the Commission. The contract shall provide full disclosure of all rates, terms and conditions of service under this Tariff, and any and all agreements related thereto, subject to the designation of the terms and conditions of the contract as confidential, as set forth herein. T

The Customer shall provide reasonable evidence to the Company that the Customer's electric service can be interrupted in accordance with the provisions of the written agreement including, but not limited to, the specific steps to be taken and equipment to be curtailed upon a request for interruption.

The Customer shall contract for capacity sufficient to meet average maximum interruptible power requirements, but in no event will the interruptible amount contracted for be less than 1,000 KW at any delivery point. T

The Company reserves the right to test and verify the customer's ability to curtail. Any such test or verification may require actual physical interruption or curtailment, to the extent such testing or interruption is required under PJM's Demand Response Program. T

NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE COMPANY FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF THIS SCHEDULE.

Except as otherwise provided in the written agreement, the Company's Terms and Conditions of Service shall apply to service under this tariff.

D

(Cont'd on Sheet No. 12-2)

DATE OF ISSUE: April 9, 2021
DATE EFFECTIVE: Service Rendered On And After January 14, 2021
ISSUED BY: /s/ Brian K. West
TITLE: Vice President, Regulatory & Finance
By Authority of Orders of the Public Service Commission
In Case No. 2020-00174 dated January 13, 2021; January 15, 2021; February 22, 2021, and March 17, 2021

KENTUCKY
PUBLIC SERVICE COMMISSION
Linda C. Bridwell
Executive Director
Linda C. Bridwell
EFFECTIVE
1/14/2021
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power) (Cont'd.)

RATE.

Credits under this tariff of $3.68/kW/month will be provided for interruptible load that qualifies under PJM's Demand Response Program rules as capacity for the purpose of the Company's Fixed Resource Requirement (FRR) obligation. T T

Tariff	Tariff Type	Tariff Code Description	Tariff Description
321	IR	CS-IRP SEC	IRP-IGS SECONDARY
330	IR	CS-IRP PR	IRP-IGS PRIMARY
331	IR	CS-IRP ST	IRP-IGS SUBTRANSMISSION
332	IR	CS-IRP TR	IRP-IGS TRANSMISSION

Charges for service under this Tariff will be set forth in the written agreement between the Company and the Customer and will reflect the firm service rates otherwise available to the Customer.

ADJUSTMENT CLAUSES.

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5	
System Sales Clause	Sheet No. 19	
Franchise Tariff	Sheet No. 20	
Demand-Side Management	Sheet No. 22	
Federal Tax Cut Tariff	Sheet No. 23	
Kentucky Economic Development Surcharge	Sheet No. 24	
Environmental Surcharge	Sheet No. 29	T
Capacity Charge	Sheet No. 30	T
School Tax	Sheet No. 33	
Purchase Power Adjustment	Sheet No. 35	
Decommissioning Rider	Sheet No. 38	

DELAYED PAYMENT CHARGE.

This tariff is due and payable in full on or before the due date stated on the bill. On all accounts not so paid, an additional charge of 5% of the unpaid balance will be made.

(Cont'd on Sheet No. 12-3)

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KENTUCKY POWER COMPANY P.S.C. KY. NO. 12 ORIGINAL SHEET NO. 12-3 T
CANCELLING P.S.C. KY. NO. 11 ORIGINAL SHEET NO. 12-3 T

TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power) (Cont'd.)

CONFIDENTIALITY.

All terms and conditions of any written contract under this Tariff shall be protected from disclosure as confidential, proprietary trade secrets, if either the Customer or the Company requests a Commission determination of confidentiality pursuant to 807 KAR 5:001 Section 7 and the request is granted.

SPECIAL TERMS AND CONDITIONS

Except as otherwise provided in the written agreement, this Tariff is subject to the Company's Terms and Conditions of Service.

A Customer's plant is considered as one or more buildings, which are served by a single electrical distribution system provided and operated by the Customer. When the size of the Customer's load necessitates the delivery of energy to the Customer's plant over more than one circuit, the Company may elect to connect its circuits to different points on the Customer's system irrespective of contrary provisions in Terms and Conditions of Service.

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Customers with PURPA Section 210 qualifying cogeneration and/or small power production facilities shall take service under Tariff COGEN/SPP II or by special agreement with the Company.

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Exhibit 2

RIDER D.R.S.
(Demand Response Service) T

AVAILABILITY OF SERVICE N

Available for Demand Response Service ("DRS") to customers that take firm service from the Company under a standard demand-metered rate schedule and that have the ability to curtail load under the provisions of this Schedule. Each customer electing service under this Schedule shall contract, via a Contract Addendum, for a definite amount of firm and interruptible capacity agreed to by the Company and the customer. The interruptible capacity amount shall not exceed the Customer's average on-peak demand for the past 12 months. The Company reserves the right to limit the aggregate amount of interruptible capacity contracted for under this Schedule. The Company will take Customer DRS requests in the order received. Customers taking service under this Schedule shall not participate in any PJM demand response program for Capacity.

CONDITIONS OF SERVICE

1. The Company, in its sole discretion, reserves the right to call for curtailments of the Customer's interruptible load at any time. Such interruptions shall be designated as "Discretionary Interruptions" and shall not exceed sixty (60) hours of interruption during any Interruption Year. The "Interruption Year" shall be defined as the consecutive twelve (12) month period commencing on June 1 and ending on May 31. Should this Schedule become effective on a date other than June 1, the period from the effective date of this Schedule until the next May 31 after such effective date shall be referred to as the "Initial Partial Interruption Year." In any Initial Partial Interruption Year, Discretionary Interruptions shall not exceed a number of hours equal to the product of the number of full calendar months during the Initial Partial Interruption Year and the annual interruption hours divided by 12.

2. The monthly Interruptible Demand Credit Rate shall be $5.50/kW-month, credited to participating Customers' bills for standard tariff service.

3. The Company will endeavor to provide the Customer with as much advance notice as possible of a Discretionary Interruption. The Company shall provide notice at least 90 minutes prior to the commencement of a Discretionary Interruption. Such notice shall include both the start and end time of the Discretionary Interruption. For any Discretionary Interruption, the Customer shall be permitted to choose not to interrupt and to continue to operate during the event, provided that the Customer pays the DRS Event Failure Charge. Discretionary Interruptions shall begin and end on the clock hour.

4. Discretionary Interruption events shall be three (3) consecutive hours and there shall not be more than six (6) hours of Discretionary Interruption per day.

5. The Company will inform the Customer regarding the communication process for notices to curtail. The Customer is ultimately responsible for receiving and acting upon a curtailment notification from the Company.

(Cont'd On Sheet 36-2)

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RIDER D.R.S. (Cont'd)
(Demand Response Service) N

6. The minimum interruptible capacity contracted for under this Schedule will be 500 kW. Customers with multiple electric service accounts at a single location may aggregate those individual accounts to meet the 500 kW minimum interruptible capacity requirement under this Schedule; however, the interruptible capacity committed for each individual account shall not be less than 100 kW.

7. All Customer meter data required under this Schedule shall be determined from 15- or 30-minute integrated metering, as applicable based on the Customer's rate schedule, with remote interrogation capability and demand recording equipment. Such metering equipment shall be owned, installed, operated, and maintained by the Company.

8. **NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE COMPANY FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF THIS SCHEDULE.**

INTERRUPTIBLE CAPACITY RESERVATION

The Customer shall have established a total Capacity Reservation under its Contract for Service under the applicable demand-metered rate schedule. In a Contract Addendum, the Customer shall designate a set amount of kW of that total Capacity Reservation as the Firm Service Capacity Reservation, which is not subject to interruption under this Schedule. The Interruptible Capacity Reservation shall be the Customer's average on-peak demand over the past 12 months in excess of the Firm Service Capacity Reservation.

The Interruptible Capacity Reservation is subject to annual review and adjustment by the Company and the Customer.

MONTHLY INTERRUPTIBLE DEMAND CREDIT

The monthly Interruptible Demand Credit shall be equal to the product of Demand Credit per kW-month and the Customer's Interruptible Capacity Reservation kW.

INTERRUPTION EVENT COMPLIANCE

A Customer will be determined to have failed a DRS interruption event if the Customer has not achieved at least ninety (90) percent of their agreed upon interruptible capacity reservation during the duration of a DRS event.

(Cont'd On Sheet 36-3)

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KENTUCKY POWER COMPANY P.S.C. KY. NO. 12 ORIGINAL SHEET NO. 36-3 T
CANCELLING P.S.C. KY. NO. XX________ SHEET NO. 36-3 T

RIDER D.R.S. (Cont'd)
(Demand Response Service) N

DRS EVENT FAILURE CHARGE

A Customer that fails one or more DRS interruption events shall repay a portion of the Customer's total annual DRS Interruptible Demand Credit per the following table:

Number of Failures	Penalty Payment %
Failure 1	5%
Failure 2	10%
Failure 3	10%
Failure 4	15%
Failure 5	15%
Failure 6	20%
Failure 7	25%
Totals	100%

The DRS Event Failure Charge equals the Customer's Interruptible Capacity Reservation kW, times the DRS Interruptible Demand Credit Rate, times 12, times the corresponding DRS Event Failure Charge Penalty Payment % set forth in the table above. Under no circumstance will a Customer be charged for DRS interruption event failures in an amount greater than the annual amount of DRS Interruptible Demand Credits the Customer would have or has received in an Interruption Year.

SETTLEMENT

The net amount of the monthly Interruptible Demand Credit and any DRS Event Failure Charge will be included in the Customer's monthly bill for electric service under its demand-metered rate schedule.

TERM

A Contract Addendum term under this Schedule shall be at least one (1) Interruption Year and shall continue for each subsequent Interruption Year until either party provides written notice no later than April 2 of its intention to discontinue service effective June 1 under the terms of this Schedule. Any participating Customer must participate for at least one full Interruption Year, therefore a Customer that begins service under this rider during the Initial Partial Interruption Year must then also participate in the subsequent full Interruption Year.

D

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Exhibit 3

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 12 1st REVISED SHEET NO. 39-1
CANCELLING P.S.C. KY. NO. 12 ORIGINAL SHEET NO. 39-1

TARIFF V.C.S.
(Voluntary Curtailment Service)

N

This Rider provides the Customer with the opportunity to reduce their cost of electric service by curtailing usage during Voluntary Curtailment Events requested by the Company. Upon each event, the Customer shall have the option, but not the obligation, to curtail usage at their premises and be compensated by the Company as provided below.

AVAILABILITY OF SERVICE

The initial term of this tariff is two (2) years beginning January 28, 2022. Eligible customers must have a curtailable usage of not less than 1,000 kW at the metering point for a single account for electric service, have accounts that are current, and maintain satisfactory credit criteria as defined under the Company's Terms and Conditions under Deposits, Section D. All provisions of the applicable standard tariff for electric service will apply except as modified herein. Customers participating in a third-party demand response program and customers receiving service under special contracts, including COGEN/SPP contracts, are not eligible to participate under this Rider. Customers in this program are also subject to curtailments due to system emergencies in the same manner as all other firm service customers.

MONTHLY CHARGES AND CREDITS

Customer's net monthly bill for service provided under this Rider will be calculated in accordance with the Company's applicable rate schedule, with the exception that the Voluntary Curtailment Credit will be applied as a line item on the Customer's bill.

The Voluntary Curtailment Event Hours and the Voluntary Curtailment Price will be quoted to the Customer by no later than 5:00 p.m. ET of the day prior to the Event Day.

The Voluntary Curtailment Price will be based upon the Day-Ahead Market price of energy at the time of the Voluntary Curtailment Event, as determined in the Company's sole judgment, but not less than $100 per MWh. The AEPKY_RESID_AGG LMP shall be used to develop the Voluntary Curtailment Price.

CONDITIONS OF SERVICE

1. The Company reserves the right to request a Voluntary Curtailment Event at any time at the Company's sole discretion. The Company will call no more than two (2) Voluntary Curtailment Events per day. The Events must be separated by at least one (1) non-event hour.
2. Customers must request enrollment in the program thirty (30) days before participating in a Voluntary Curtailment Event. A fully executed contract is required before a customer may participate in a Voluntary Curtailment Event.
3. The Company shall notify the Customer of a Voluntary Curtailment Event by e-mail, text or automated phone message. The Customer shall designate their representative(s) to receive said notifications.
4. No responsibility or liability of any kind shall attach to or be incurred by the Company or the AEP System for, or on account of, any loss, cost, expense or damage caused by or resulting from, either directly or indirectly, any curtailment of service under the provisions of this Rider.
5. The Customer shall not receive credit for any curtailment periods in which the Customer's usage is already reduced due to a planned or unplanned outage as a result of vacation, renovation, repair, refurbishment, force majeure, strike, economic conditions or any event other than the Customer's normal operating conditions.
6. The Customer's participation in any Company capacity-based demand response program takes priority over this program. No credit shall be given under this program for hours that a customer is responsible for curtailing under another program. An interval meter is required for service under this Rider. The incremental cost of any special metering, communications or control equipment required for service under this Rider beyond that normally provided shall be borne by the Customer.

(Cont'd on Sheet 39-2)

DATE OF ISSUE: December 28, 2021
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TITLE: Vice President, Regulatory & Finance
By Authority Of an Order of the Public Service Commission
In Case No. XXXX-XXXXX dated XXXX XX, XXXX

KENTUCKY
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KENTUCKY POWER COMPANY

P.S.C. KY. NO. 12 1st REVISED SHEET NO. 39-2
CANCELLING P.S.C. KY. NO. 12 ORIGINAL SHEET NO. 39-2

N

TARIFF V.C.S. (Cont'd)
(Voluntary Curtailment Service)

CURTAILED DEMAND

For each Voluntary Curtailment Event, Curtailed Demand shall be defined as the difference between the Customer's Average On-Peak Demand and the maximum sixty (60)-minute integrated demand in kW during the Voluntary Curtailment Event. The Curtailed Demand so computed will not be less than zero (0).

The Company shall determine the Customer's Average On-Peak Demand in kW specified in a contract or contract addendum for service under this Rider. The Customer's Average On-Peak Demand will be reviewed annually. Annual, seasonal or monthly Average On-Peak Demands may be established based upon Customer's historic usage patterns. For the purpose of determining the Average On-Peak Demand, the on-peak period is defined as 7:00 a.m.to 11:00 p.m. ET for all weekdays, Monday through Friday.

VOLUNTARY CURTAILMENT CREDIT

For each Voluntary Curtailment Event, the Event Credit shall be the product of the Curtailed Demand, the number of Voluntary Curtailment Event Hours and the Voluntary Curtailment Price.

The Voluntary Curtailment Credit will be the sum of the Event Credits for the calendar month.

The Voluntary Curtailment Credit will be applied to the Customer's bill within forty-five (45) days after the end of the month in which the Voluntary Curtailment Event occurred.

The Voluntary Curtailment Credit applied to the Customer's bill for service will be recorded in the Federal Energy Regulatory Commission's Uniform System of Accounts under Account 555, Purchased Power, and will be recorded in a subaccount so that the separate identity of this amount is preserved.

NON-COMPLIANCE PROVISION

There are no charges for non-compliance with a Voluntary Curtailment Event.

TERM

Contracts under this Rider shall be made for an initial period of one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days written notice of its intention to discontinue service under this Rider.

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