

**RULES FOR ELECTRIC SERVICE
RULE 6 - AUXILIARY SERVICE
FOR NON-QUALIFYING FACILITIES**

(C)

A. APPLICATION

(1) Service to customers who have another source of power which can be substituted for Company's service for any of customer's operations. Service is supplied under the terms of this rule unless such other source of power is maintained solely for use in case of interruption of the Company's service. Service to Qualifying Facilities (QFs) is provided for under Rule 6A.

(2) Service is supplied only where Company has available the capacity and facilities adequate for the service and only under a contract for an initial term of one or more years under a general service rate schedule with measured demands. Bills for service are based on charges specified in the rate schedule, subject to a minimum charge as described in this rule.

(3) The customer's equipment may not be operated concurrently by means of service supplied by Company and by such other source of electric or mechanical power except upon written agreement setting forth the conditions of such operation.

(4) Customers selecting Rule 6 do not qualify for the Net Service provision of Rule 11.

B. MINIMUM CHARGE

The minimum monthly charge is the KW demand and KWH energy charges in the rate schedule for 100 hours use of the kilowatts of Reserved Capacity, plus the succeeding KW charge in the rate schedule for any kilowatts of the Billing KW in excess of the kilowatts of Reserved Capacity.

C. RESERVED CAPACITY

(1) When customer's entire power requirements exceed the capacity of such other source of power and no load limiter is installed, the Reserved Capacity is the rated capacity in kilowatts (at unity power factor) of customer's other source of power. In all other cases the Reserved Capacity is the average kilowatts, supplied during the single 15 minute period of maximum use during the current billing month or any of the preceding 11 months, but not less than the kilowatt setting of a load limiter, or, when no limiter is installed, not less than Company's estimate of the number of kilowatts of customer's entire power requirements as stated in the contract.

(2) The customer has the option of furnishing, installing, and maintaining a load limiter for service supplied by Company, which shall be approved, set, and sealed by Company. The limiter will be set at approximately the number of kilowatts of Reserved Capacity contracted for by the customer.

D. ADJUSTMENTS TO COMPETITIVE TRANSITION CHARGE

(C)

(1) Except as provided for in subsection (2), if a customer installs on-site generation, which, after January 1, 1999, operates in parallel with other generation on the Company's system and which reduces by 10% or more the customer's purchases of electricity through the Company's transmission and distribution network, the customer's fully allocated share of transition or stranded costs shall be recovered from the customer through the CTC.

(Continued)

**RULE 6 - AUXILIARY SERVICE
FOR NON-QUALIFYING FACILITIES (CONTINUED)**

D. ADJUSTMENTS TO COMPETITIVE TRANSITION (Continued)

(C)

- (2) If an existing industrial or commercial customer installs on-site generation with an installed capacity of 4 MW or more or expands existing on-site generation by 4 MW or more after January 1, 1999 and prior to December 31, 2009, and the customer can document that it had concluded a written economic feasibility study of self-generation as of December 31, 1996 or earlier, then, in addition to any other applicable charges, the Company will calculate a separate bill annually in the first quarter of each calendar year in the Transition Period for one-third of the difference between: a) the amount of annual CTC revenue that the customer would have been billed by the Company based on the customer's average billing demand and energy usage for the calendar year 1996 and the prevailing CTC charge in the Rate Schedule applicable to that customer and b) the amount of annual CTC actually billed in the just completed calendar year with the self-generation in operation, using the prevailing CTC charge in the Rate Schedule applicable to that customer. For purposes of this provision, self-generation means self-generation which had not commenced operation as of December 31, 1998 or additions and/or expansions of self-generation which existed prior to December 31, 1998. This charge is in addition to all other applicable Tariff charges and will be paid monthly.

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