Availability

This rate shall be available for the firm power requirements (where the higher of a customer’s onpeak or offpeak contract demand is 5,000 kW or less) for electric service to commercial, industrial, and governmental customers, and to institutional customers including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer’s existing contract demand.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor.

Base Charges

1. If (a) the higher of (i) the customer’s currently effective onpeak or offpeak contract demand or (ii) its highest onpeak or offpeak billing demand during the latest 12-month period is not more than 50 kW and (b) the customer’s monthly energy takings for any month during such period do not exceed 15,000 kWh:

   Customer Charge: $30.00 per delivery point per month

   Energy Charge:
   - Summer Period 18.663¢ per kWh per month for all onpeak kWh, plus 6.913¢ per kWh per month for all offpeak kWh
   - Non-Summer Period 16.731¢ per kWh per month for all onpeak kWh, plus 7.204¢ per kWh per month for all offpeak kWh

2. If (a) the higher of (i) the customer’s currently effective onpeak or offpeak contract demand or (ii) its highest onpeak or offpeak billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer’s onpeak or offpeak billing demand is not more than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

   Customer Charge: $46.46 per delivery point per month

   Demand Charge:
   - Summer Period $15.59 per kW of the customer’s onpeak billing demand, plus $3.73 per month for each kW, if any, of the amount by which the customer’s offpeak billing demand exceeds its onpeak billing demand
Non-Summer Period $14.58 per kW of the customer's onpeak billing demand, plus
$3.73 per month for each kW, if any, of the amount by which the customer's offpeak billing demand exceeds its onpeak billing demand

Energy Charge:
Summer Period 9.243¢ per kWh per month for all onpeak kWh, plus
6.660¢ per kWh per month for all offpeak kWh
Non-Summer Period 8.126¢ per kWh per month for all onpeak kWh, plus
6.950¢ per kWh per month for all offpeak kWh

3. If the higher of (a) the customer's currently effective onpeak or offpeak contract demand or (b) its highest onpeak or offpeak billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: $290.37 per delivery point per month

Demand Charge:
Summer Period $14.48 per kW per month of the customer's onpeak billing demand, plus
$2.68 per month for each kW, if any, of the amount by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus an additional
$14.48 per kW per month for each kW, if any, of the amount by which (1) the customer's onpeak billing demand exceeds the higher of 2,500 kW or its onpeak contract demand or (2) the customer's offpeak billing demand exceeds the higher of 2,500 kW or its offpeak contract demand, whichever is higher

Non-Summer Period $13.50 per kW per month of the customer's onpeak billing demand, plus
$2.68 per month for each kW, if any, of the amount by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus an additional
$13.50 per kW per month for each kW, if any, of the amount by which (1) the customer's onpeak billing demand exceeds the higher of 2,500 kW or its onpeak contract demand or (2) the customer's offpeak billing demand exceeds the higher of 2,500 kW or its offpeak contract demand, whichever is higher

Energy Charge:
Summer Period 8.299¢ per kWh per month for all onpeak kWh, plus
5.714¢ per kWh per month for all offpeak kWh
Non-Summer Period 7.188¢ per kWh per month for all onpeak kWh, plus
6.014¢ per kWh per month for all offpeak kWh

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or
decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

**Determination of Seasonal Periods**

Summer Period shall mean the months of April, May, June, July, August, September, and October. Non-Summer Period shall mean the months of November, December, January, February, and March.

**Determination of Onpeak and Offpeak Hours**

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change. In the event of such change, Distributor shall promptly notify customer.

**Determination of Onpeak and Offpeak Energy Amounts**

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours.

**Determination of Onpeak and Offpeak Demands**

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak demand and the offpeak demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the higher of the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The onpeak billing demand shall in no case be less than 30 percent of the customer's onpeak demand amount. The offpeak billing demand shall in no case be less than 30 percent of the customer's offpeak demand amount.

For purposes of this section, the onpeak demand amount referred to above shall be the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established in the preceding 12 months, and the offpeak demand amount referred to above shall be the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established in the preceding 12 months.

**Minimum Bill**

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the portion of the base demand charge, as adjusted, applicable to onpeak billing demand applied to the customer's onpeak billing demand, (c) the portion of the base demand charge, as adjusted, applicable to the excess of offpeak over onpeak billing demand applied to the amount, if any, by which
the customer's offpeak billing demand exceeds its onpeak billing demand, (d) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (e) the base offpeak energy charge, as adjusted, applied to the customer's offpeak energy takings; provided, however, under 2 of the Base Charges, the monthly bill shall in no event be less than the sum of (a) the base customer charge, (b) 20 percent of the base onpeak demand charge, as adjusted, multiplied by the customer's onpeak billing demand, and (c) 20 percent of the portion of the base demand charge, as adjusted, applicable to the excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand.

Distributor may require minimum bills higher than those stated above.

**Seasonal Service**

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to:

(a) If the customer's billing demand and its contract demand, if any, are each 50 kW or less:

\[ 1.00\text{¢ per kWh for the first 15,000 kWh of the customer's energy takings for the month.} \]

(b) If the customer's billing demand or its contract demand exceeds 50 kW:

\[ 1.00\text{¢ per kWh per month of the lesser of (1) the amount computed by multiplying 300 hours by the higher of the customer's onpeak and offpeak billing demand or (2) the customer's energy takings for the month.} \]

Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the exception language under the Determination of Demand section and the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

**Contract Requirement**

Distributor shall require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the General Power Rate--Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate--Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.
Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.