

**BOEHM, KURTZ & LOWRY**

ATTORNEYS AT LAW  
36 EAST SEVENTH STREET  
SUITE 1510  
CINCINNATI, OHIO 45202  
TELEPHONE (513) 421-2255  
TELECOPIER (513) 421-2764

RECEIVED-DOCKETING DIV

2009 JAN 26 AM 9:30

PUCO

**FILE**

**Via Telefax Transmission and  
Overnight Mail**

January 23, 2009

Public Utilities Commission of Ohio  
PUCO Docketing  
180 E. Broad Street, 10th Floor  
Columbus, Ohio 43215

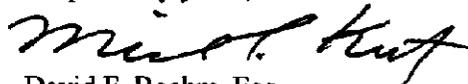
**In re: Case No. 09-21-EL-ATA, 09-22-EL-AEM and 09-23-EL-AAM**

Dear Sir/Madam:

Please find enclosed an original and twenty (20) copies of the APPLICATION FOR REHEARING OF THE OHIO ENERGY GROUP fax-filed today in the above-referenced matter.

Copies have been served on all parties on the attached certificate of service. Please place this document of file.

Respectfully yours,



David F. Boehm, Esq.  
Michael L. Kurtz, Esq.  
**BOEHM, KURTZ & LOWRY**

MLKkew

Encl.

Cc: Certificate of Service  
Chairman Alan R. Schriber  
Ronda Hartman Fergus  
Valerie A. Lemmie  
Paul A. Centolella  
Cheryl Roberto  
Gregory Price, Hearing Examiner  
Christine Pirik, Hearing Examiner  
Steve Lesser, Esq.

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician \_\_\_\_\_ Date Processed JAN 26 2009

**CERTIFICATE OF SERVICE**

I hereby certify that true copy of the foregoing was served by electronic mail (when available) or ordinary mail, unless otherwise noted, this 23<sup>rd</sup> day of January, 2009 the following:



David F. Boehm, Esq.  
Michael L. Kurtz, Esq.

KORKOSZ, ARTHUR  
FIRST ENERGY, SENIOR ATTORNEY  
76 SOUTH MAIN STREET LEGAL DEPT., 18TH FLOOR  
AKRON OH 44308-1890

GRUBER, WILLIAM  
ATTORNEY AT LAW  
2714 LEIGHTON ROAD  
SHAKER HEIGHTS OH 44120

BEELER, STEVEN L ASSISTANT DIRECTOR OF LAW  
CITY OF CLEVELAND DEPARTMENT OF LAW  
601 LAKESIDE AVENUE ROOM 106  
CLEVELAND OH 44114

MILLER, EBONY L. ATTORNEY-AT-LAW  
FIRSTENERGY CORP.  
76 SOUTH MAIN ST.  
AKRON OH 44308

DUNN, GREGORY H  
SCHOTTENSTEIN ZOX & DUNN CO LPA  
250 WEST STREET  
COLUMBUS OH 43215

ETTER, TERRY  
OHIO CONSUMERS' COUNSEL  
10 W. BROAD STREET SUITE 1800  
COLUMBUS OH 43215

HAYDEN, MARK A MR.  
FIRSTENERGY CORP.  
76 SOUTH MAIN STREET  
AKRON OHIO 44308

ROBERTS, JACQUELINE ATTORNEY AT LAW  
OHIO CONSUMERS' COUNSEL  
10 WEST BROAD STREET SUITE 1800  
COLUMBUS OH 43215

\*KOVACIK, LESLIE A MS.  
CITY OF TOLEDO  
420 MADISON AVENUE SUITE 100  
TOLEDO OH 43614-1219

LANG, JAMES  
CALFEE, HALTER & GRISWOLD LLP  
1400 MCDONALD INVESTMENT CENTER  
800 SUPERIOR AVENUE  
CLEVELAND OH 44114-2688

PORTER, ANDRE T  
SCHOTTENSTEIN ZOX & DUNN CO LPA  
250 WEST STREET  
COLUMBUS OH 43215

\*YURCHISIN, GEORGE A MR.  
FIRSTENERGY CORP.  
76 SOUTH MAIN STREET  
AKRON OH 44308

BURK, JAMES ATTORNEY-AT-LAW  
FIRSTENERGY SERVICE COMPANY  
76 SOUTH MAIN STREET  
AKRON OH 44308

TRIOZZI, ROBERT J  
CLEVELAND CITY HALL  
601-LAKESIDE AVE, ROOM 206  
CLEVELAND OH 44114-1077

CLEVELAND HOUSING NETWORK  
2999 PAYNE AVENUE  
CLEVELAND OH 44114

CITY OF CLEVELAND  
1300 LAKESIDE AVENUE  
CLEVELAND OH 44114

CONSTELLATION ENERGY GROUP, INC.  
DAVID I. FEIN, VP GOVT &  
550 W. WASHINGTON BLVD., STE 300  
CHICAGO IL 60661

FONNER, CYNTHIA A  
CONSTELLATION ENERGY GROUP, INC.  
550 W. WASHINGTON ST. SUITE 300  
CHICAGO IL 60661

EMPOWERMENT CENTER OF GREATER  
3030 EUCLID AVENUE UNIT 100  
CLEVELAND OH 44115

INDUSTRIAL ENERGY USERS-OHIO  
SAMUEL C. RANDAZZO, GENERAL COUNSEL  
CLARK, JOSEPH M ATTORNEY AT LAW  
MCNEES WALLACE & NURICK LLC  
21 EAST STATE STREET 17TH FLOOR  
COLUMBUS OH 43215

BREITSCHWERDT, E  
BRICKER & ECKLER LLP  
100 SOUTH THIRD STREET  
COLUMBUS OH 43215

HOWARD, STEPHEN ATTORNEY AT LAW  
VORYS, SATER, SEYMOUR AND PEASE  
52 EAST GAY STREET P.O. BOX 1008  
COLUMBUS OH 43216-1008

ROBINSON, THEODORE S  
CITIZEN POWER  
2121 MURRAY AVENUE  
PITTSBURGH PA 15217

MILLER, CHRISTOPHER L.  
SCHOTTENSTEIN ZOX & DUNN CO., LPA  
250 WEST STREET  
COLUMBUS 43215

PETRICOFF, M.  
VORYS, SATER, SEYMOUR & PEASE  
52 EAST GAY STREET P.O. BOX 1008  
COLUMBUS OH 43216-1008

CONSUMERS FOR FAIR UTILITIES RATES  
TIM WALTERS  
4115 BRIDGE AVENUE  
CLEVELAND OH 44113

KEIFFER, LANCE  
ASSISTANT PROSECUTING ATTORNEY  
711 ADAMS STREET 2ND FLOOR  
TOLEDO, OH 43624

WHITE , MATTHEW S. ATTORNEY AT LAW  
CHESTER WILCOX & SAXBE LLP  
65 EAST STATE STREET, SUITE 1000  
COLUMBUS OH 43215

NEIGHBORHOOD ENVIRONMENTAL COALITION  
REV. MIKE FRANK, CO-CHAIR  
5920 ENGLE AVE.  
CLEVELAND OH 44127

NORTHEAST OHIO PUBLIC ENERGY COUNCIL  
31320 SOLON ROAD SUITE 20  
SOLON OH 44139

UNITED CLEVELANDERS AGAINST POVERT  
MAY DUGAN CENTER 4115 BRIDGE AVENUE  
CLEVELAND OH 44113

OHIO PARTNERS FOR AFFORDABLE ENERGY  
MOONEY COLLEEN L  
1431 MULFORD RD  
COLUMBUS OH 43212

MEISSNER, JOSEPH  
DIRECTOR OF URBAN DEVELOPMENT  
ATTORNEY AT LAW 1223 WEST SIXTH STREET  
CLEVELAND OH 44113

KRASSEN, GLENN ATTORNEY AT LAW  
BRICKER & ECKLER LLP  
1375 EAST NINTH STREET SUITE 1500  
CLEVELAND OH 44114-1718

SMALL, JEFFREY  
OHIO CONSUMERS' COUNSEL  
10 WEST BROAD STREET SUITE 1800  
COLUMBUS OH 43215-3485

RINEBOLT, DAVID  
LAW DIRECTOR  
231 WEST LIMA STREET P.O. BOX 1793  
FINDLAY OH 45839-1793

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In The Matter Of The Application Of Ohio Edison</b>	<b>:</b>		
<b>Company, The Cleveland Electric Illuminating</b>	<b>:</b>	<b>Case Nos.</b>	<b>09-21-EL-ATA</b>
<b>Company And The Toledo Edison Company For</b>	<b>:</b>		<b>09-22-EL-AEM</b>
<b>Approval of Rider FUEL and Related Accounting</b>	<b>:</b>		<b>09-23-EL-AAM</b>
<b>Authority</b>	<b>:</b>		

---

---

**APPLICATION FOR REHEARING OF  
THE OHIO ENERGY GROUP**

---

Pursuant to R.C. § 4903.10 and Rule 49014-35, Ohio Administrative Code, the Ohio Energy Group (“OEG”) hereby applies for rehearing of the Finding and Order issued in the above-captioned case on January 14, 2009 (“Order”). The Order in this case is unreasonable and unlawful on the following grounds:

**1. Because of the Implementation of Rider FUEL, The Shopping Credit Should Be Increased By The Amount Of The RSC.**

Pursuant to R.C. §4928.143(C)(2)(b), under the circumstances of this case the Commission is required to “*continue the provisions, terms and conditions of the utility’s most recent standard service offer, along with any expected increases or decreases in fuel costs ...*” The “*provisions, terms and conditions*” of the Companies’ most recent standard service offer include a complex set of arrangements from the Rate Stabilization Plan (RSP) (Case No. 03-2144-EL-ATA) and Rate Certainty Plan (RCP) (Case No. 05-1125-EL-ATA). In order to maintain the integrity of that complex arrangement in light of the Commission’s January 14, 2009 Order replacing the current generation rates with the wholesale

power supply costs actually incurred by the Companies through implementation of Rider FUEL, all generation-related charges in current rates should be bypassable for shoppers. This means that the Shopping Credit should be increased by the amount of RSC.

The Companies filed their RSP on October 21, 2003 to establish generation pricing for the period 2006-2008 following the end of the Market Development Period on December 31, 2005. The generation pricing ultimately approved included two basic parts: 1) the Generation Charge of approximately 4.6¢/kWh; and 2) a Rate Stabilization Charge (RSC). This two-part generation rate essentially maintained the then current retail generation pricing through 2008. But, importantly, except in very limited circumstances the RSC was non-bypassable for shoppers. The RSC was intentionally made largely non-bypassable in order to lessen FirstEnergy's shopping risk as part of the overall RSP settlement.

The RSC was described by the Commission as a means to compensate FirstEnergy for the risk and cost of supplying generation until the Plan's termination on December 31, 2008.

*"Effective January 1, 2006, a Rate Stabilization Charge (RSC) will be established. The RSC will end for all of the FirstEnergy companies, unless the RSP is terminated early, with usage through December 31, 2008. The RSC charge will be at the same level as the generation transition charge (GTC)." June 9, 2004 Order, Case No. 03-2144 at p. 6.*

\* \* \*

*"As discussed in this opinion and order, the Commission is establishing a RSC which will appropriately compensate the Applicants for providing stable rates for electric service for the period 2006 through 2008." Id. at . 18.*

\* \* \*

*"The RSC is the charge intended to compensate FirstEnergy for the cost of reserving and supplying that generation (Id. at 18). FirstEnergy proposes to establish a RSC at the same level as the existing GTC (Section II, Paragraph 2(a)). Applicants set the RSC at the level they believed necessary to maintain price stability for consumers and financial integrity for the companies and it was not intended to reflect cost-of-service principles (FirstEnergy Ex. 1 at 19). The RSC level was based on witness Alexander's judgment as to what would be reasonable and provide consistency and continuity for customers at a stabilized rate (Tr. I at 206)." Id. at pp. 22-23*

\* \* \*

*"The Commission recognizes that, in accordance with SB 3, the collection of transition costs through the GTC will terminate on December 31, 2005. The Commission further recognizes that by setting the RSC at the same level as the GTC, FirstEnergy has created the impression that the RSC is a further collection of stranded costs. Notwithstanding that impression, FirstEnergy stated that the RSC represents the price for FirstEnergy to accept the risk inherent in a rate stabilization plan." Id. at p. 23.*

With the approval of Rider FUEL, FirstEnergy is no longer supplying generation at the prices established in the RSP (Generation Charge plus RSC). Instead, for the period January 1, 2009 through March 31, 2009 generation for standard service load is being supplied through a combination of MISO spot-market pricing and through the RFP process. Therefore, the rationale for maintaining the RSC as a non-bypassable charge no longer exists.

A review of a sample tariff helps to understand this situation. Toledo Edison Rate PV-45 is attached. It contains transmission and distribution charges which are not relevant here. For generation, it contains two components: 1) RSC; and 2) Generation Charges. The rate also includes RTC which was eliminated by the Commission's January 7, 2009 Order. The Shopping Credit portion of the Rate states: *"This Shopping Credit applies only to customers who receive Generation services from a Certified Supplier. Such customers shall receive a Shopping Credit equal to the Generation Charge in this schedule."* This means that a shopping customer must still pay the RSC. The Shopping Credit Rider is also attached. It provides that all or part of RSC can be added to the Shopping Credit (therefore making it bypassable) under a very complex formula, but only if certain notices were provided to the utility in 2005 regarding their CRES power supply arrangements through 2008.

This aspect of the Shopping Credit Rider is obviously outdated and no longer is reasonable. Because it is not possible to give notice in 2005, it is now effectively impossible to bypass the RSC charge by having that charge included in the Shopping Credit, unless the Commission acts. Increasing the Shopping Credit by the amount of the RSC would allow consumers to shop and avoid paying the utilities any charges except for transmission and distribution.

Elimination of the RSC for shoppers will have no adverse financial impact on CEI, TE or OE, or non-shopping ratepayers. If more customers shop by eliminating the artificial barrier of the RSC as a non-bypassable charge, then the four winning bidders will simply supply less power and the ultimate cost to non-shoppers will remain the MISO spot market/RFP price blend (subject to prudence review). The financial impact of increased shopping will be entirely absorbed by the four winning bidders in the RFP. These four winning bidders agreed to provide generation to all standard service offer load regardless of volume changes caused by weather, the economy, shopping, or any other reason. As stated in FirstEnergy's RFP Frequently Asked Questions – General GEN017, 26-Dec.-08, the RFP bidders were told:

*“Table 1 shows the nominal MW quantity associated with the energy to be delivered for each tranche based solely on historical data for the maximum hourly energy but is not necessarily indicative of the actual energy quantity to be delivered for each tranche because the amount of actual SSO Load will depend upon many factors, including but not limited to, customer migration to CRES Suppliers and weather conditions. Bidders are responsible for evaluating the uncertainties associated with providing the wholesale energy needed to serve the FirstEnergy Ohio Utilities SSO Load.”*

Therefore, there is no policy reason to maintain the RSC as a non-bypassable charge, and many good policy reasons to terminate it. Termination of the RSC for shoppers will promote “*reasonably priced retail electric service*” (R.C. §4928.02(A)), help give “*consumers effective choices over the selection of those supplies and suppliers*” (R.C. §4928.02(c)), “[e]nsure effective competition in the provision of retail electric service” (R.C. §4928.02(H)), and “[e]nsure retail electric service consumers protection against unreasonable sales practices, market deficiencies, and market power.” (R.C. §4928.02(I)).

One could easily argue that the RSC should be eliminated for non-shoppers as well. But given the algebra of the calculation of Rider FUEL there would be no net effect. Elimination of the RSC on non-shoppers would merely result in an equivalent increase in Rider FUEL to make up for the additional under-recovery.

In sum, making the RSC bypassable by adding it to the Shopping Credit would: 1) facilitate the state policies set forth in R.C. §4928.02; 2) not adversely affect CEI, TE or OE; 3) not adversely affect standard service offer customers; 4) increase the risk of customer migration to the four winning RFP bidders, which is a risk they agreed to accept; and 5) consistent with R.C. §4928.143(C)(2)(b), faithfully continue the integrity of the provisions, terms and conditions of the most recent standard service offer in light of the approval of Rider FUEL.

Right now shopping is artificially constrained. That can only be changed if the Shopping Credit is increased by the amount of the RSC.

**2. Rider FUEL Should Include The Low Cost MISO Spot Market Purchases Actually Made By The Utilities.**

Attachment C to the Companies' Application calculates the Rider FUEL factor for each Company. The FUEL cost of \$66.3/mwh is based on the results of the January 5 through March 31 RFP price of \$66.68/mwh blended with the 3% bilateral contract costs for the period January 12 through March 31. (Attachment C footnote).

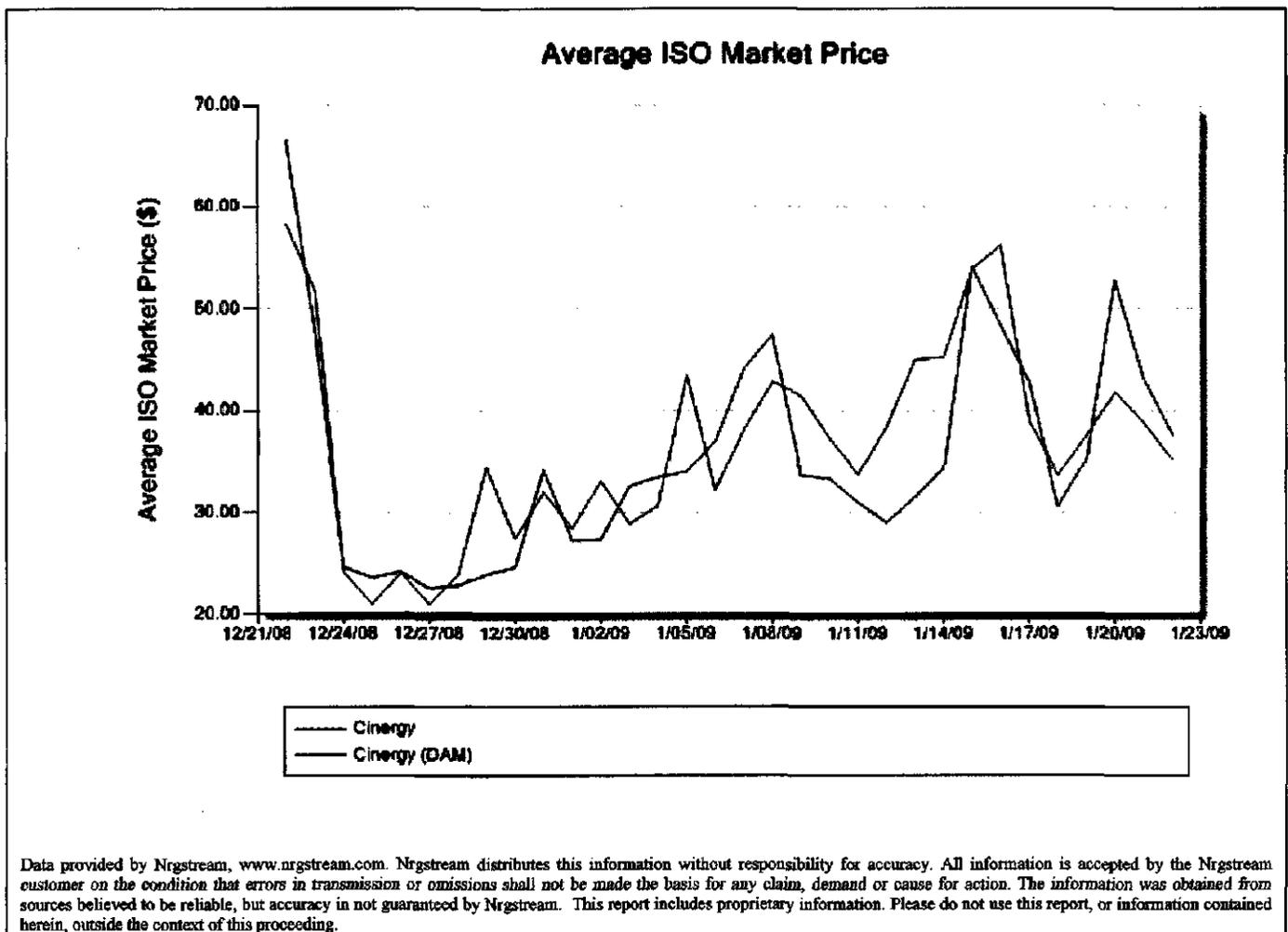
However, there are MISO spot market purchases (LMP) that were not included in the calculation. For the period January 1-4, CEI, OE and TE supplied their entire native load requirements through purchases from MISO (Application paragraph 14). The utilities also relied on the MISO market for 3% of native load during January 5-11 (Application paragraph 15).

The attached graph shows MISO spot market pricing (LMP) at the Cinergy hub for the period in question. The pricing for the FirstEnergy hub is the same as for Cinergy except for congestion and line loss differences. The graph shows MISO pricing in all hours during January were well below \$66.3/mwh. Therefore, inclusion of actual MISO purchases will lower the Rider FUEL for all

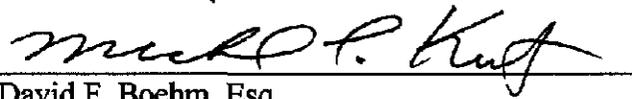
customers, while at the same time giving the utilities full recovery of their actual wholesale purchase costs (subject to later prudence review).

The attached graph also vividly calls into question the prudence of the utilities in accepting the results of the RFP (\$66.68/mWh) on January 2 when an alternative FERC-regulated rate (i.e., MISO) was significantly less expensive. See Pike County Light and Power v. Pennsylvania PUC, 465 A.2d 735 (1983).

If the Commission desires to not incorporate the actual MISO prices at this time for administrative efficiency, then the matter can be addressed in the FUEL reconciliation.



Respectfully submitted,



David F. Boehm, Esq.

Michael L. Kurtz, Esq.

**BOEHM, KURTZ & LOWRY**

36 East Seventh Street, Suite 1510

Cincinnati, Ohio 45202

Ph: (513) 421-2255 Fax: (513) 421-2764

E-Mail: [dboehm@BKLawfirm.com](mailto:dboehm@BKLawfirm.com)

[mkurtz@BKLawfirm.com](mailto:mkurtz@BKLawfirm.com)

January 23, 2009

**COUNSEL FOR OHIO ENERGY GROUP**

**LARGE GENERAL SERVICE RATE "PV-45"**

**APPLICABILITY:**

Available to any customer on the lines of the Company applying for permanent service who shall contract for not less than six hundred fifty (650) KW of capacity at a nominal voltage level of four thousand one hundred sixty (4160) volts or more.

**RATE:**

Monthly charges per customer for all customers served under this schedule shall include Distribution Charges, Reactive Demand Charges, Rate Stabilization Charges, Regulatory Transition Charges, and Generation Charges, as shown below. Customers served under this schedule who receive Generation Services from an approved Certified Supplier will qualify for a Shopping Credit as shown below to reduce the sum of other applicable charges.

**Distribution Charges:**

**Demand Charge:**

For the first 500 kW, per KW	\$4.904
For the next 500 kW, per KW	\$4.739
For all excess KW, per KW	\$4.570

**Customer Charge:**

The Monthly Customer Charge at the Primary Level shall be:	\$235.00
The subtransmission-level customer charge shall be:	\$1,450.00
The bulk transmission-level customer charge shall be:	\$3,350.00

**Transformer Charge:**

Per kW	\$.55
--------	-------

**Reactive Demand Charge:**

Per rkVA	\$.48
----------	-------

**Transmission and Ancillary Services Charges:**

The Transmission and Ancillary Services Charges will be applied pursuant to the Industrial Transmission and Ancillary Service Rider, Tariff Sheet No. 97.

**Rate Stabilization Charges:**

**Energy Charge:**

First 150 kWh per kW	
of Monthly Billing Demand, per kWh	3.692¢
Next 150 kWh per kW	
of Monthly Billing Demand, per kWh	2.579¢
Next 150 kWh per kW	
of Monthly Billing Demand, per kWh	0.352¢
All Additional kWh, per kWh	0.210¢

The Rate Stabilization Charges above may be replaced by charges pursuant to the Returning Customer Generation Service Rider, Tariff Sheet No. 101, if applicable.

**LARGE GENERAL SERVICE RATE "PV-45"**

**Regulatory Transition Charges:**

Energy Charge:

First 150 kWh per kW, per kWh	5.503¢
Next 150 kWh per kW, per kWh	3.844¢
Next 150 kWh per kW, per kWh	0.524¢
All Additional kWh, per kWh	0.312¢

**Generation Charges:**

Demand Charge

For the first 500 kW, per kW	\$7.964
For the next 500 kW, per kW	\$7.680
For all excess kW, per kW	\$7.391

Energy Charge:

First 150 kWh per kW, per kWh	(0.288)¢
Next 150 kWh per kW, per kWh	0.634¢
Next 150 kWh per kW, per kWh	2.102¢
All Additional kWh, per kWh	1.847¢

The Generation Charges above may be replaced by charges pursuant to the Returning Customer Generation Service Rider, Tariff Sheet No. 101, if applicable.

**Shopping Credits:**

The Shopping Credit values are subject to the provisions of the Opinion and Order and the Entry on Rehearing in Case No. 03-2144-EL-ATA (Rate Stabilization Plan).

This Shopping Credit applies only to customers who receive Generation services from a Certified Supplier. Such customers shall receive a Shopping Credit equal to the Generation Charge in this schedule. In 2006, the applicable shopping credit will be increased by the amount of the Fuel Recovery Mechanism, Tariff Sheet No. 99. In 2007 and 2008, the applicable shopping credits will be increased by the Shopping Credit Adder, Tariff Sheet No. 102, based on the provisions of the Rate Certainty Plan (RCP) approved by the PUCO in Case No. 05-1125-EL-ATA et al.

For those customers who qualify under the Shopping Credit Rider, Sheet No. 100, the Shopping Credit may be modified as shown in Option 1 or Option 2 on Tariff Sheet No. 100.

In no event will the Shopping Credit be less than zero or exceed the amount set forth on Sheet No. 100.

**MINIMUM:**

The net minimum charge per month shall be the customer charge plus the applicable demand charge applied to the monthly billing demand, including applicable adjustment charges or credits and Rider Nos. 18, 21 and 23.

**TERMS OF PAYMENT:**

All bills for service shall be payable on or before the due date shown on the bill. The due date for non-residential bills shall not be less than twenty-one days after the mailing of the bill. Interest, at the rate of 1.5 percent (1.5%) per month, shall be charged on any unpaid balance existing at the next billing date for all Customers.

**LARGE GENERAL SERVICE RATE "PV-45"**

**PRIMARY SERVICE DISCOUNT:**

A discount on the net bill, excluding all applicable riders except for Rider Nos. 18, 21 and 23, of three and one-half percent (3 1/2%) will be made to any customer receiving primary service and owning the substation, in compliance with the Terms and Conditions section of this rate.

**SUBTRANSMISSION DISCOUNT:**

A discount on the net bill, excluding all applicable riders except for Rider Nos. 18, 21 and 23, of 12.2% will be made to any customer receiving service at the subtransmission level (23, 34.5 or 69 kV).

**BULK TRANSMISSION DISCOUNT:**

A discount on the net bill, excluding all applicable riders except for Rider Nos. 18, 21 and 23, of 16.4% will be made to any customer receiving service at the bulk transmission level (138 kV).

**REACTIVE BILLING DEMAND:**

- (1) The Company shall each month determine the net leading or lagging reactive kilovoltampere demand registered during the same 30-minute period as the maximum Kilowatt Demand.
- (2) If the rkVA demand so determined is lagging, the reactive billing demand shall be the rkVA which are in excess of 10 percent of the Kilowatt Demand billed.
- (3) If the rkVA demand so determined is leading, the reactive billing demand shall be the rkVA which are in excess of 40 percent of the Kilowatt Demand billed.

**ORDER OF BILLING:**

All charges and discounts shall be billed in the order in which they are presented in this tariff.

**POWER FACTOR ADJUSTMENT:**

The above Rate is based on the maintenance by the customer at all times during the month of a power factor not less than the power factor at the time of maximum monthly demand. For any month when the average lagging power factor is less than eighty-five percent (85%), the Company shall make an additional charge of one percent (1.0%) of the total bill for each five percent (5%) difference between the average lagging power factor and eighty-five percent (85%). The average lagging power factor shall be determined from the kilowatt-hours and the lagging reactive kilovoltampere-hours supplied to the customer during the month.

**MONTHLY BILLING DEMAND:**

The customer's monthly demand shall be the highest thirty (30) minute integrated kW demand attained during the month. Any leading power factor shall be considered as unity.

**(1) Off-Peak Use:**

If the Full Service customer's monthly demand occurs during off-peak hours, the customer's Monthly Billing Demand will be the monthly demand less three-fourths (3/4) of the difference between the monthly demand and the highest demand attained during the on-peak hours of the same month. A Full Service customer is one that receives all retail electric services from the Company.

For purposes of this calculation, off-peak hours are all hours in each day, except the hours between 0800 hours (8:00 a.m.) and 2000 hours (8:00 p.m.), Monday thru Friday, excluding legal holidays specified as exempt by the Company. These holidays are New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, and Mondays which are legally designated as a day of observance in lieu of the above holidays when they occur on weekend days. For limited periods, additional days and hours may be considered off-peak at the option of the Company.

### LARGE GENERAL SERVICE RATE "PV-45"

#### **(2) Minimum Billing Demands:**

The Monthly Billing Demand shall be the monthly demand but not less than:

- (a) Fifty percent (50%) of the highest monthly demand experienced within the twelve months period ending with the month under consideration; or
- (b) Six hundred fifty (650) kW.

#### **MONTHLY DERIVED DEMAND:**

The customer's Monthly Derived Demand shall be the customer's monthly demand after adjustment for off-peak use but prior to adjustment for minimum billing demand as defined in (2)(a) under Monthly Billing Demand. In no case shall the Monthly Derived Demand be less than six hundred fifty (650) kilowatts (kW).

#### **TRANSFORMER CHARGE:**

In the past, the Company has agreed to provide standard primary transformers and protective equipment to the customer on an optional basis for an additional charge of 53 cents per month per kW of billing demand. This provision continues to be available for all customers receiving such service on the effective date of this rate but such provision will not be available to any additional customers.

#### **SUBSTATION CHARGE:**

The Company is willing to furnish the substation electrical equipment sufficient to supply the customer's contract capacity. The said substation equipment shall be of the Company's standard rating and specifications to make one voltage transformation. The Company will own and maintain the substation equipment for the customer for a monthly charge computed at 1.60% of the Company's total investment in the equipment.

If the customer elects to have the Company furnish such facilities, the customer shall provide the necessary site and furnish, install and maintain the foundations, structures and fences. The customer shall reimburse the Company for costs of installation of electrical equipment furnished by the Company.

The monthly charges as provided for herein shall commence with the completion of equipment installation by the Company.

In the event that the amount of the Company's investment in such substation electrical facilities is increased or decreased due to change in amount of capacity provided or to other causes, the monthly charges shall be adjusted to reflect such change in the amount of the Company's investment.

If the customer shall subsequently desire to purchase such substation electrical equipment, the Company will sell the equipment at the depreciated market value at such time.

#### **DELIVERY VOLTAGE:**

Delivery voltage will be specified by the Company predicated upon the availability of lines in the vicinity of the customer's premises and commensurate with the size of the customer's load. Customers with demands in excess of twenty-five hundred (2,500) kW will generally be served at twenty-three thousand (23,000) volts or higher, while customers with demands in excess of thirty thousand (30,000) kW will generally be served at sixty-nine thousand (69,000) volts or higher.

Nominal service voltage-kilowatts for bulk is 138 and above, subtransmission is 23, 34.5 and 69, and primary is 4.16 and 12.47.

If changing conditions on the Company's electrical system make continuation of established voltage to the customer impractical, the Company will offer the customer the alternatives of constructing his own facilities so as to continue receiving service at the previous voltage, so long as it does not adversely affect the integrity of the Company's system, or, accept service at the new voltage.

**LARGE GENERAL SERVICE RATE "PV-45"**

**TERMS AND CONDITIONS:**

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) This rate covers the supply of three phase, 60 Hertz alternating current at not less than four thousand (4,000) volts.

All energy at this rate will be measured at the service voltage of four thousand (4,000) volts or higher except in such cases where the Company elects to measure at secondary voltage. If energy is measured at a secondary voltage, the Company may, at its option, adjust the reading to a primary metering basis by the use of compensating meters or by an estimate based on the rated transformer losses.

- (3) The Company will construct the transmission or distribution line to the customer's property line and will furnish and install the first span of conductors on the customer's property to the customer's structure.

In the event that more than one span of line is required on the customer's property, the customer will furnish, install, own and maintain the necessary structures, conductors and related line equipment.

The design and construction of all such facilities shall be subject to the Company's approval.

- (4) Substation facilities necessary for utilization of power as delivered to the customer's premises shall be the responsibility of the customer. Such facilities shall include (but shall not be limited to) protective fences, supporting structures, line voltage bus, transformers, switchgear, protective devices, voltage regulators, etc. required to receive, transform and deliver service to the customer's utilization equipment.

The design and construction of the substation and the rating and specifications of the electrical equipment shall be subject to approval by the Company.

When, in the judgment of the Company, circuit breakers are required in the customer's substation for assuring the continuity of service to the customer or for the protection of service to other customers, the customer shall furnish, install, own and maintain such circuit breakers with rating as specified by the Company.

In order to provide for the orderly upgrading and improving of the Company's transmission system as additional loads dictate, the Company may require the customer to design and construct the substation so as to facilitate conversion to higher delivery voltages designated by the Company.

- (5) The customer is responsible for cleaning and maintaining substation equipment according to reasonable standards commensurate with safe operation, and the Company may refuse to deliver service to the customer's facilities if this is not done.
- (6) The customer shall provide, without charge to the Company, the necessary space, structure and foundations for the Company's metering equipment and instruments and shall permit the Company to have access to the premises at all times.
- (7) The Company shall have access to the premises at all times. All equipment furnished by the Company shall be and remain the property of the Company.
- (8) The customer shall provide all equipment necessary to regulate his operations so that the Company's primary voltage shall not be subject to excessive variation.
- (9) For the protection of the Company's facilities, the customer may be required to furnish, install, and maintain a load limiting device approved by and under the sole control of the Company.

**LARGE GENERAL SERVICE RATE "PV-45"**

- (10) Where the customer desires lighting service incidental to his power requirements such service may be purchased under this rate, provided the customer furnishes the additional transformers and all other equipment necessary. All such incidental lighting shall be metered through the power meter.
- (11) The customer shall use extraordinary care in so designing his circuits that the loads on the individual phases shall be practically balanced at all times.

**TERMS OF SERVICE AND CONTRACT:**

Service and contract under this schedule shall be for a continuous period of five years with a self-renewal provision for successive periods of two years each unless written notice of termination is given two years before expiration of the five year period, or any two year renewal period.

The customer shall contract for capacity equal to the estimated maximum demand of his load. The Company will supply capacity in excess of that contracted for when such capacity is available, but reserves the right to refuse to supply such additional capacity when in the judgment of the Company to do so would jeopardize the quality or continuity of service to other customers.

**APPLICABLE RIDERS:**

Rates and charges specified above shall be modified in accordance with provisions of the following applicable Riders in the order shown.

Industrial Transmission and Ancillary Service	Rider No. 18	Sheet No. 97
Regulatory Transition Charge Offset	Rider No. 19	Sheet No. 98
Returning Customer Generation Service Charge	Rider No. 22	Sheet No. 101
Shopping Credit Rider	Rider No. 21	Sheet No. 100
Shopping Credit Adder	Rider No. 23	Sheet No. 102
Fuel Recovery Mechanism	Rider No. 20	Sheet No. 99
Electric Fuel Component	Rider No. 1	Sheet No. 79
Universal Service Rider	Rider No. 11	Sheet No. 90
Temporary Rider for EEF	Rider No. 12	Sheet No. 91
Net Energy Metering	Rider No. 14	Sheet No. 93
State kWh Tax Self-Assessor Credit	Rider No. 15	Sheet No. 94
Green Resource Rider	Rider No. 24	Sheet No. 104
Fuel Cost Recovery Rider	Rider No. 27	Sheet No. 107

**Rider 21 - SHOPPING CREDIT RIDER**

This Rider is in accordance with the provisions of the Opinion and Order and the Entry on Rehearing in Case No. 03-2144-EL-ATA (Rate Stabilization Plan).

Aggregators or commercial/industrial customers that enter into a firm generation service electric contract(s), i.e., satisfying the full capacity, energy and transmission requirements associated with such customer loads and with a credit worthy supplier, for a binding term (i) commencing January 1, 2006 through either December 31, 2006 (for Option 2 only) or December 31, 2008, and sufficient evidence of such contract(s) is provided to the Company by February 2, 2005, or for Small General or Medium General Service customers that are not part of an aggregated group sufficient evidence is given by October 3, 2005, or (ii) commencing January 1, 2007 through either December 31, 2007 (for Option 2 only) or December 31, 2008 and such notice is provided to the Company prior to December 31, 2005 or as otherwise ordered by the Commission, or (iii) commencing January 1, 2008 through December 31, 2008 and such notice is provided to the Company prior to December 31, 2006 or as otherwise ordered by the Commission, then such aggregators and/or commercial/industrial customers shall be entitled to increase the Shopping Credit by selecting at the time of the applicable contract notice set forth above either the additional credit set forth in Paragraph 1 (Option 1) or Paragraph 2 (Option 2) below for the entire period of the contract and for aggregators all customers within the aggregated group shall be under the same credit election. Nothing in this paragraph shall limit an aggregator or customer from substituting another supplier for the initial qualified contract supplier, provided sufficient evidence of such new contract is provided to the Company and such new contract otherwise satisfies the terms for such firm generation service contracts set forth above.

1. The Shopping Credit shall be increased to include the following percentages of the Rate Stabilization Charge (RSC) in effect as of January 1, 2006 as to those customers: 65% during the period January 1, 2006 through December 31, 2006; 75% during the period January 1, 2007 through December 31, 2007; and 85% during the period January 1, 2008 through December 31, 2008. If for any reason customers within an aggregation group or such commercial/industrial customers return to the Company for generation service during the term of their contract(s), except customers that elect to opt out of an aggregation program pursuant to Section 4928.20(D) O.R.C., those customers shall return to the Company based on the provisions outlined in the Returning Customer Generation Service Rider (Sheet No. 101). As provided for in the Returning Customer Generation Service Rider, customers selecting this Shopping Credit option (Option 1) and who return to the Company for generation service under the Returning Customer Generation Service Rider, will be required to remain on the Returning Customer Generation Service Rider for a maximum of six billing periods or until they receive Generation services from a Certified Supplier, whichever comes first.

**SHOPPING CREDIT RIDER (Continued)**

2. The Shopping Credits shall be increased to include 100% of the RSC in effect as of January 1, 2006, provided that if for any reason customers within the aggregation group or such commercial/industrial customers return to the Company for generation service during the term of such contract(s), except customers that elect to opt out of an aggregation program pursuant to Section 4928.20(D) O.R.C., those customers shall return to the Company based on the provisions outlined in the Returning Customer Generation Service Rider (Sheet No. 101). As provided for in the Returning Customer Generation Service Rider, customers selecting this Shopping Credit option (Option 2) and who return to the Company for generation service under the Returning Customer Generation Service Rider, will be required to remain on the Returning Customer Generation Service Rider until they receive Generation Service from a Certified Supplier.

The values for the Shopping Credit by rate block under Option 1 and Option 2 are shown on the Shopping Credit tables below. In 2006, the applicable shopping credit will be increased by the amount of the Fuel Recovery Mechanism, Tariff Sheet No. 99. In 2007 and 2008, the applicable shopping credits will be increased by the Shopping Credit Adder, Tariff Sheet No. 102, based on the provisions of the Rate Certainty Plan (RCP) approved by the PUCO in Case No. 05-1125-EL-ATA et al.

In no event shall the total Shopping Credit, including the increased amounts, as determined in Option 1 or Option 2, exceed the Shopping Credit cap that has been approved by the Public Utilities Commission of Ohio (PUCO) in Case No. 03-2144-EL-ATA and as such Shopping Credit cap is adjusted per provisions of Case No. 03-2144-EL-ATA or 05-1125-EL-ATA et al.

In no event will the total Shopping Credit be less than zero.

Shopping Credits - Option 1					
Generation Charge & % of Rate Stabilization Charge					
2006 - 65%		2007 - 75%		2008 - 85%	
Winter	Summer	Winter	Summer	Winter	Summer

**General Residential Schedule**

First 1,000 kWh, per kWh	4.020 ¢	4.330 ¢	4.247 ¢	4.582 ¢	4.474 ¢	4.834 ¢
Over 1,000 kWh, per kWh	3.396 ¢	3.976 ¢	3.572 ¢	4.200 ¢	3.749 ¢	4.423 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**General Residential Schedule (PIPP)**

First 1,000 kWh, per kWh	3.590 ¢	3.852 ¢	3.817 ¢	4.104 ¢	4.044 ¢	4.356 ¢
Over 1,000 kWh, per kWh	3.066 ¢	3.553 ¢	3.243 ¢	3.777 ¢	3.419 ¢	4.001 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Residential Add-On Heat Pump**

All kWh, per kWh	1.674 ¢	2.494 ¢	1.795 ¢	2.805 ¢	1.916 ¢	3.116 ¢
------------------	---------	---------	---------	---------	---------	---------

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Residential Optional Heating**

First 1,000 kWh, per kWh	2.174 ¢	2.282 ¢	2.476 ¢	2.618 ¢	2.778 ¢	2.954 ¢
Over 1,000 kWh, per kWh	1.973 ¢	2.177 ¢	2.212 ¢	2.480 ¢	2.451 ¢	2.783 ¢
All use in excess of 125 kWh per kW (Load Mgmt)	1.376 ¢	1.376 ¢	1.429 ¢	1.429 ¢	1.482 ¢	1.482 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Residential Optional Heating (PIPP)**

First 1,000 kWh, per kWh	1.318 ¢	1.329 ¢	1.631 ¢	1.677 ¢	1.943 ¢	2.025 ¢
Over 1,000 kWh, per kWh	1.296 ¢	1.316 ¢	1.544 ¢	1.631 ¢	1.792 ¢	1.945 ¢
All use in excess of 125 kWh per kW (Load Mgmt)	1.234 ¢	1.234 ¢	1.292 ¢	1.292 ¢	1.349 ¢	1.349 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Small School Rate**

First 50 kW, per kW	\$ 1.079	\$ 1.205	\$ 1.079	\$ 1.205	\$ 1.079	\$ 1.205
Over 50 kW, per kW	\$ 0.970	\$ 1.098	\$ 0.970	\$ 1.098	\$ 0.970	\$ 1.098

First 150 kWh, per kW	5.747 ¢	6.211 ¢	5.999 ¢	6.489 ¢	6.250 ¢	6.767 ¢
Next 150 kWh, per kW	3.555 ¢	4.284 ¢	3.683 ¢	4.454 ¢	3.811 ¢	4.623 ¢
Over 300 kWh, per kW	3.386 ¢	3.977 ¢	3.505 ¢	4.130 ¢	3.624 ¢	4.282 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

Shopping Credits - Option 1 (Continued)					
Generation Charge & % of Rate Stabilization Charge					
2006 - 65%		2007 - 75%		2008 - 85%	
Winter	Summer	Winter	Summer	Winter	Summer

**Large School Schedule**

First 200 kVa, per kVa	\$ 7.809	\$ 8.524	\$ 7.809	\$ 8.524	\$ 7.809	\$ 8.524
Over 200 kVa, per kVa	\$ 7.312	\$ 8.073	\$ 7.312	\$ 8.073	\$ 7.312	\$ 8.073
First 300 kWh, per kW	1.716 ¢	1.769 ¢	1.937 ¢	2.021 ¢	2.157 ¢	2.272 ¢
Over 300 kWh, per kW	1.472 ¢	1.472 ¢	1.552 ¢	1.552 ¢	1.632 ¢	1.632 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**General Service Schedule**

First 500 kWh, per kWh	6.293 ¢	6.939 ¢	6.527 ¢	7.203 ¢	6.761 ¢	7.466 ¢
Next 4,500 kWh, per kWh	6.018 ¢	6.623 ¢	6.239 ¢	6.872 ¢	6.460 ¢	7.121 ¢
Next 5,000 kWh, per kWh	4.934 ¢	5.404 ¢	5.105 ¢	5.597 ¢	5.276 ¢	5.790 ¢
Over 10,000 kWh, per kWh	3.751 ¢	4.074 ¢	3.868 ¢	4.205 ¢	3.984 ¢	4.337 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Small General Service Schedule**

First 50 kW, per kW	\$ 6.345	\$ 6.996	\$ 6.345	\$ 6.996	\$ 6.345	\$ 6.996
Over 50 kW, per kW	\$ 6.067	\$ 6.700	\$ 6.067	\$ 6.700	\$ 6.067	\$ 6.700
First 200 kWh, per kW	3.249 ¢	3.445 ¢	3.474 ¢	3.692 ¢	3.699 ¢	3.939 ¢
Next 200 kWh, per kW	3.053 ¢	3.233 ¢	3.256 ¢	3.456 ¢	3.458 ¢	3.679 ¢
Over 400 kWh, per kW	2.874 ¢	3.037 ¢	3.056 ¢	3.238 ¢	3.238 ¢	3.439 ¢

*Shopping Credit value shall not exceed 4.916 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Medium General Service Schedule**

First 200 kW, per kW	\$ 9.328	\$ 10.196	\$ 9.328	\$ 10.196	\$ 9.328	\$ 10.196
Over 200 kW, per kW	\$ 8.737	\$ 9.648	\$ 8.737	\$ 9.648	\$ 8.737	\$ 9.648
First 200 kWh, per kW	2.049 ¢	2.149 ¢	2.326 ¢	2.465 ¢	2.603 ¢	2.780 ¢
Next 200 kWh, per kW	1.817 ¢	1.868 ¢	2.005 ¢	2.074 ¢	2.192 ¢	2.281 ¢
Over 400 kWh, per kW	1.586 ¢	1.586 ¢	1.684 ¢	1.684 ¢	1.781 ¢	1.781 ¢

*Shopping Credit value shall not exceed 5.013 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Electric Process Heating/Boiler Load Mgmt.**

First 140 kWh, per kW	0.000 ¢	0.000 ¢	0.000 ¢	0.000 ¢	0.000 ¢	0.000 ¢
Over 140 kWh, per kW	0.000 ¢	0.000 ¢	0.000 ¢	0.000 ¢	0.000 ¢	0.000 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

Shopping Credits - Option 1 (Continued)					
Generation Charge & % of Rate Stabilization Charge					
2006 - 65%		2007 - 75%		2008 - 85%	
Winter	Summer	Winter	Summer	Winter	Summer

**General Service Heating**

*With Demand Meter*

First 50 kW, per kW	\$ 2.100	\$ 2.364	\$ 2.100	\$ 2.364	\$ 2.100	\$ 2.364
Over 50 kW, per kW	\$ 1.883	\$ 2.146	\$ 1.883	\$ 2.146	\$ 1.883	\$ 2.146
First 150 kWh, per kWh	4.787 ¢	7.109 ¢	5.006 ¢	7.475 ¢	5.225 ¢	7.841 ¢
Next 150 kWh, per kWh	3.338 ¢	4.856 ¢	3.465 ¢	5.079 ¢	3.592 ¢	5.302 ¢
Over 300 kWh, per kWh	3.338 ¢	4.506 ¢	3.465 ¢	4.707 ¢	3.592 ¢	4.908 ¢

*Without Demand Meter*

All kWh, per kWh	1.177 ¢	1.574 ¢	1.260 ¢	1.682 ¢	1.342 ¢	1.789 ¢
First 1,000 kWh, per kWh	(0.079) ¢	(0.708) ¢	0.148 ¢	(0.380) ¢	0.375 ¢	(0.052) ¢
Over 1,000 kWh, per kWh	0.126 ¢	(0.454) ¢	0.320 ¢	(0.167) ¢	0.514 ¢	0.120 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Large General Service**

First 500 kW, per kW	\$ 7.964	\$ 7.964	\$ 7.964
Next 500 kW, per kW	\$ 7.680	\$ 7.680	\$ 7.680
Over 1,000 kW, per kW	\$ 7.391	\$ 7.391	\$ 7.391
First 150 kWh, per kWh	2.112 ¢	2.481 ¢	2.850 ¢
Next 150 kWh, per kWh	2.310 ¢	2.568 ¢	2.826 ¢
Next 150 kWh, per kWh	2.331 ¢	2.366 ¢	2.401 ¢
Over 450 kWh per kW	1.984 ¢	2.005 ¢	2.026 ¢

*Shopping Credit value shall not exceed 3.666 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Outdoor Night Lighting**

All kWh, per kWh	1.157 ¢	1.157 ¢	1.157 ¢
------------------	---------	---------	---------

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Security Lighting Schedule**

All kWh, per kWh	1.078 ¢	1.078 ¢	1.078 ¢
------------------	---------	---------	---------

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Street Lighting Schedule**

All kWh, per kWh	1.094 ¢	1.094 ¢	1.094 ¢
------------------	---------	---------	---------

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

<b>Shopping Credits - Option 1 (Continued)</b>		
Generation Charge & % of Rate Stabilization Charge		
2006 - 65%	2007 - 75%	2008 - 85%

**Small Water/Waste Water Rate**

First 130 kWh, per kW	0.992 ¢	1.433 ¢	1.873 ¢
Next 170 kWh, per kW	1.140 ¢	1.210 ¢	1.279 ¢
Next 150 kWh, per kW	1.154 ¢	1.189 ¢	1.224 ¢
Over 450 kWh per kW	1.156 ¢	1.183 ¢	1.210 ¢

*Shopping Credit value shall not exceed 3.666 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Medium Water/Waste Water Rate**

First 130 kWh, per kW	(5.344) ¢	(4.707) ¢	(4.069) ¢
Next 170 kWh, per kW	0.138 ¢	0.238 ¢	0.339 ¢
Next 150 kWh, per kW	0.653 ¢	0.704 ¢	0.754 ¢
Over 450 kWh per kW	0.766 ¢	0.906 ¢	0.845 ¢

*Shopping Credit value shall not exceed 3.666 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

<b>Shopping Credits - Option 2</b>	
Generation Charge & 100% of Rate Stabilization Charge 2006-8	
Winter	Summer

**General Residential Schedule**

First 1,000 kWh, per kWh	4.814 ¢	5.212 ¢
Over 1,000 kWh, per kWh	4.013 ¢	4.758 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**General Residential Schedule (PIPP)**

First 1,000 kWh, per kWh	4.385 ¢	4.735 ¢
Over 1,000 kWh, per kWh	3.684 ¢	4.336 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Residential Add-On Heat Pump**

All kWh, per kWh	2.098 ¢	3.582 ¢
------------------	---------	---------

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Residential Optional Heating**

First 1,000 kWh, per kWh	3.231 ¢	3.458 ¢
Over 1,000 kWh, per kWh	2.810 ¢	3.237 ¢
All use in excess of 125 kWh per kW (Load Mgmt)	1.562 ¢	1.562 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Shopping Credits - Option 2**

(Continued)

Generation Charge & 100% of Rate  
 Stabilization Charge 2006-8

<b>Residential Optional Heating (PIPP)</b>	<u>Winter</u>	<u>Summer</u>
First 1,000 kWh, per kWh	2.412 ¢	2.548 ¢
Over 1,000 kWh, per kWh	2.164 ¢	2.416 ¢
All use in excess of 125 kWh per kW (Load Mgmt)	1.436 ¢	1.436 ¢

*Shopping Credit value shall not exceed 5.261 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Small School Rate**

First 50 kW, per kW	\$ 1.079	\$ 1.205
Over 50 kW, per kW	\$ 0.970	\$ 1.098
First 150 kWh, per kW	6.627 ¢	7.183 ¢
Next 150 kWh, per kW	4.004 ¢	4.877 ¢
Over 300 kWh, per kW	3.803 ¢	4.510 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Large School Rate**

First 200 kVa, per kVa	\$ 7.809	\$ 8.524
Over 200 kVa, per kVa	\$ 7.312	\$ 8.073
First 300 kWh, per kW	2.488 ¢	2.649 ¢
Over 300 kWh, per kW	1.752 ¢	1.752 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No.20 in 2006 or Rider 23 in 2007 and 2008.*

**General Service Schedule**

First 500 kWh, per kWh	7.112 ¢	7.862 ¢
Next 4,500 kWh, per kWh	6.792 ¢	7.495 ¢
Next 5,000 kWh, per kWh	5.533 ¢	6.079 ¢
Over 10,000 kWh, per kWh	4.159 ¢	4.534 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No.20 in 2006 or Rider 23 in 2007 and 2008.*

<b>Shopping Credits - Option 2</b>
(Continued)
Generation Charge & 100% of Rate Stabilization Charge 2006-8

**Small General Service Rate**

	Winter	Summer
First 50 kW, per kW	\$ 6.345	\$ 6.996
Over 50 kW, per kW	\$ 6.067	\$ 6.700
First 200 kWh, per kW	4.036 ¢	4.310 ¢
Next 200 kWh, per kW	3.762 ¢	4.014 ¢
Over 400 kWh, per kW	3.512 ¢	3.740 ¢

*Shopping Credit value shall not exceed 4.916¢ plus the amount of Rider No.20 in 2006 or Rider 23 in 2007 and 2008.*

**Medium General Service Rate**

First 200 kW, per kW	\$ 9.328	\$ 10.196
Over 200 kW, per kW	\$ 8.737	\$ 9.648
First 200 kWh, per kW	3.018 ¢	3.254 ¢
Next 200 kWh, per kW	2.473 ¢	2.591 ¢
Over 400 kWh, per kW	1.928 ¢	1.928 ¢

*Shopping Credit value shall not exceed 3.013 ¢ plus the amount of Rider No.20 in 2006 or Rider 23 in 2007 and 2008.*

**Electric Process Heating/Boiler Load Mgmt.**

First 140 kWh, per kW	(1.094) ¢	(1.369) ¢
Over 140 kWh, per kW	0.341 ¢	0.341 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No.20 in 2006 or Rider 23 in 2007 and 2008.*

**General Service Heating Rate**

*With Demand Meter*

First 50 kW, per kW	\$ 2.100	\$ 2.364
Over 50 kW, per kW	\$ 1.883	\$ 2.146
First 150 kWh, per kW	5.553 ¢	8.390 ¢
Next 150 kWh, per kW	3.782 ¢	5.637 ¢
Over 300 kWh, per kW	3.782 ¢	5.209 ¢

*Without Demand Meter*

All kWh, per kWh	1.465 ¢	1.950 ¢
First 1,000 kWh, per kWh	0.715 ¢	0.440 ¢
Over 1,000 kWh, per kWh	0.805 ¢	0.551 ¢

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No.20 in 2006 or Rider 23 in 2007 and 2008.*

**Shopping Credits - Option 2**

(Continued)

Generation Charge & 100% of Rate

Stabilization Charge 2006-8

**Large General Service**

First 500 kW, per kW	\$ 7.964
Next 500 kW, per kW	\$ 7.680
Over 1,000 kW, per kW	\$ 7.391

First 150 kWh, per kW	3.404 ¢
Next 150 kWh, per kW	3.213 ¢
Next 150 kWh, per kW	2.454 ¢
Over 450 kWh per kW	2.057 ¢

*Shopping Credit value shall not exceed 3.666 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Outdoor Night Lighting**

All kWh, per kWh	1.157 ¢
------------------	---------

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Security Lighting Schedule**

All kWh, per kWh	1.078 ¢
------------------	---------

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Street Lighting Schedule**

All kWh, per kWh	1.094 ¢
------------------	---------

*Shopping Credit value shall not exceed 4.835 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Small Water/Waste Water Rate**

First 130 kWh, per kW	2.534 ¢
Next 170 kWh, per kW	1.383 ¢
Next 150 kWh, per kW	1.276 ¢
Over 450 kWh per kW	1.251 ¢

*Shopping Credit value shall not exceed 3.666 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*

**Medium Water/Waste Water Rate**

First 130 kWh, per kW	(3.113) ¢
Next 170 kWh, per kW	0.490 ¢
Next 150 kWh, per kW	0.829 ¢
Over 450 kWh per kW	0.904 ¢

*Shopping Credit value shall not exceed 3.666 ¢ plus the amount of Rider No. 20 in 2006 or Rider 23 in 2007 and 2008.*