

RATE 725
RATE FOR ELECTRIC SERVICE
METAL MELTING SERVICE

Sheet No. 1 of 5

TO WHOM AVAILABLE

Available to Industrial Customers who have substantial requirement for electric metal melting and/or holding equipment and are located adjacent to existing electric facilities adequate to meet the Customer's requirements. Total capacity to be made available under this Rate Schedule is limited to 100 MWs. This Rate Schedule is available to Industrial Customers with electric metal melting and/or holding equipment and a maximum thirty (30) minute On-Peak Demand for a Billing Period that is less than fifty percent (50%) of their maximum thirty (30) minute Off-Peak Demand for that same Billing Period.

A Customer requesting service hereunder is required to contract for a specific amount of electrical capacity which shall be not less than 500 kW. The Company shall not supply Demand in excess of 12,000 kW under this Rate Schedule. The Company shall not be obligated to supply capacity in excess of that specified in the contract.

CHARACTER OF SERVICE

The Company will supply service to the extent of the capacity available from its electric supply lines, at such frequency, phase, regulation and one (1) standard Secondary voltage of 480 volts or above or the available Primary or Transmission Line voltage at the location where service is requested. (See Company Rule 3 for the Company's standard voltages.)

The Customer will supply in accordance with plans and specifications furnished by the Company and at a mutually agreed upon location on the Customer's property, suitable buildings, structures, and foundations to house and support the metering and any protecting, switching and relaying metering equipment that may be supplied by the Company.

Any Applicant requiring service differing from that to be supplied by the Company as herein provided shall provide proper converting, transforming, regulating or other equipment upon Applicant's Premise and at Applicant's expense. (See Company Rule 3 for the Company's standard voltages.)

HOURS OF SERVICE

Off-Peak Hours of service are those commencing at 7:00 p.m. C.S.T. and ending at 11:00 a.m. C.S.T. the following day and twenty-four (24) hours on Saturday, Sunday, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. On-Peak Hours are all other hours, provided, however that the customer may, at its discretion, provide on an annual basis, the five (5) consecutive hours it designates as On-Peak Hours and the remaining three (3) hours will also be considered as Off-Peak Hours.

Issued Date
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Effective Date
9/29/2016

RATE 725
RATE FOR ELECTRIC SERVICE
METAL MELTING SERVICE

Sheet No. 2 of 5

HOURS OF SERVICE (Continued)

The Company reserves the right to call a Curtailment or Interruption during Off-Peak Hours that portion of the Customer's load which is in excess of the highest maximum On-Peak Demand established in the immediately preceding eleven (11) months as hereinafter provided.

DETERMINATION OF AMOUNT OF ELECTRIC SERVICE SUPPLIED

The electric service to be supplied under this Rate Schedule shall be measured as to Maximum Demand, Energy consumption and Power Factor, by suitable meters to be installed by the Company.

RATE

The electric service and Energy supplied hereunder shall be billed under a two-part rate consisting of a Demand Charge plus an Energy Charge and applicable Riders as identified in Appendix A. Subject to the adjustments herein provided, said rate is as follows:

Demand Charge

\$11,105.00 per month for the first 500 kW's or less of Billing Demand per month.
\$21.21 per kW per month for all over 500 kW's of Billing Demand per month.

Energy Charge

\$0.041756 per kWh for all kWh's used per month.

During Interruptions, all kWh's used in excess of the highest maximum On-Peak Demand established in the immediately preceding eleven (11) months shall be subject to an Energy Charge equal to the greater of:

1. Day-Ahead LMP; or
2. Real-Time LMP

If a Customer fails to comply with a Curtailment, the Customer shall be subject to the above Energy Charge during a Curtailment and, the Customer shall also be liable for any charges and/or penalties assessed to Company from any governmental agency(ies) having jurisdiction or duly applicable organization including FERC, MISO, NERC and ReliabilityFirst for failure to comply with a Curtailment. Penalties and charges may be, but are not limited to, penalties associated with disqualification as a Load Modifying Resource.

RATE 725
RATE FOR ELECTRIC SERVICE
METAL MELTING SERVICE

Sheet No. 3 of 5

DEDUCTIONS AND ADJUSTMENTS

1. Metering:

If, at the Company's option and in its sole discretion, the metering is installed at a voltage level at or above a nominal 12,500 volts, the kWhs metered in each Billing Period will be reduced by one percent (1%) before computing the Energy Charge, and the Maximum Demand in each Billing Period will be reduced by one percent (1%) before the Billing Demand is determined. The Company shall provide the Customer an accurate method of Demand clock synchronization or an "On-Peak" start/stop pulse.

2. Subtransmission and Transmission Service:

If service is taken by the Customer at 34,500 volts or 69,000 volts, and if the Customer supplies and maintains all transformation equipment (34,500 volts or 69,000 volts to utilization voltage), the monthly Demand Charge will be reduced by \$0.90 per kW of monthly Billing Demand.

MONTHLY MINIMUM CHARGE

The Customer's monthly Minimum Charge under this Rate Schedule shall be the sum of the Demand Charge plus the Energy Charge, subject to the adjustments herein provided; however, in no case shall the monthly Demand Payment be less than \$11,105.00. In addition, applicable Riders as identified in Appendix A shall be added to the monthly Minimum Charge.

NOTIFICATION OF INTERRUPTION OR CURTAILMENT

The Company shall provide four (4) hours of advance notice before calling a Curtailment or Interruption during Off-Peak Hours.

DETERMINATION OF MAXIMUM DEMAND

The Customer's Maximum Demand in any month shall be determined by suitable metering equipment acceptable to the Company. The Customer's Demand of electric Energy supplied shall be determined for each half-hour interval of the month. The phrase "half-hour interval" shall mean a thirty (30) minute period beginning or ending on a numbered clock hour as indicated by the clock controlling the metering equipment.

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RATE 725
RATE FOR ELECTRIC SERVICE
METAL MELTING SERVICE

Sheet No. 4 of 5

DETERMINATION OF BILLING DEMAND

The Billing Demand for the month shall be the greatest of the following:

- (1) The maximum metered On-Peak half-hour Demand, adjusted for Power Factor.
- (2) Thirty percent (30%) of the maximum metered Off-Peak half-hour demand, adjusted for Power Factor.
- (3) Seventy-five percent (75%) of the highest Billing Demand established in the immediately preceding eleven (11) months.
- (4) 500 kW.

DETERMINATION OF PEAK POWER FACTOR

The Power Factors shall be calculated, using the maximum On-Peak Demand and the maximum Off-Peak Demand, each expressed in kW, and the Lagging kVAR supplied during the same half-hour interval in which said Demands occur.

POWER FACTOR ADJUSTMENT

For Power Factors of less than ninety-five percent (95%) Lagging, the applicable Demand shall be corrected by multiplying said Demand by .95 and dividing by the Power Factor for the same half-hour interval in which said Demand occurs.

If a Power Factor is equal to or in excess of ninety-five (95%) Lagging, then no Power Factor Adjustment is made.

GENERAL TERMS AND CONDITIONS OF SERVICE

1. Contract

Any Customer requesting service under this Rate Schedule shall enter into a written contract for an initial period of not less than one (1) Contract Year, and such contract shall continue from month to month for a period of not more than five (5) Contract Years thereafter unless cancelled by either party giving to the other sixty (60) days' prior written notice of the termination of such contract at the end of the initial period or the end of any calendar month thereafter.

Notwithstanding the foregoing, contracts under this Rate Schedule shall terminate in accordance with Rule 5.8 of the Company Rules.

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**RATE 725
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METAL MELTING SERVICE**

Sheet No. 5 of 5

GENERAL TERMS AND CONDITIONS OF SERVICE (Continued)

2. Default Schedule

Notwithstanding the foregoing conditions of service under this Rate Schedule, service shall be subject to the provisions of Rule 5.9 of the Company Rules.

3. On-Peak Demand

To the extent Customer has a maximum thirty (30) minute On-Peak Demand for a Billing Period that is greater than fifty percent (50%) of their maximum thirty (30) minute Off-Peak Demand for that same Billing Period for three (3) consecutive Billing Periods, then Customer shall not be eligible for this Rate Schedule and Company shall provide service under another applicable Rate Schedule.

4. Exigent Circumstances

To the extent exigent circumstances exist, the Company may by written notice, at its option, make available additional Off-Peak Hours of service.

RULES AND REGULATIONS

Service hereunder shall be subject to the Company Rules and IURC Rules.