

RIDER 588
ADJUSTMENT OF CHARGES FOR TRANSMISSION, DISTRIBUTION AND STORAGE
SYSTEM IMPROVEMENT CHARGE

Sheet No. 1 of 1

TO WHOM AVAILABLE

This Rider shall be applicable to the Rate Schedules as identified in Appendix A.

ADJUSTMENT OF CHARGES FOR TRANSMISSION, DISTRIBUTION AND STORAGE
SYSTEM IMPROVEMENT CHARGE

Energy Charges in the Rate Schedules are subject to adjustment to reflect the recovery of costs incurred in connection with approved Transmission, Distribution and Storage System Improvements. Such charges shall be increased or decreased to the nearest 0.001 mill (\$.000001) per kWh in accordance with the following:

$$\text{TDSIC} = ((\text{Rd} \times \text{Ad}) + (\text{Rt} \times \text{At})) / \text{S}$$

Where:

“TDSIC” is the rate adjustment for each Rate Schedule.

“Rd” equals the semi-annual revenue requirement based upon the distribution project costs approved by the Commission in a TDSIC adjustment proceeding.

“Rt” equals the semi-annual revenue requirement based upon the transmission project costs approved by the Commission in a TDSIC adjustment proceeding.

“Ad” represents the applicable distribution allocation percentage(s) for each Rate Schedule.

“At” represents the applicable transmission allocation percentage(s) for each Rate Schedule.

“S” is the semi-annual kWh sales forecast for each Rate Schedule.

TDSIC

The Rate Schedules identified in Appendix A are subject to a TDSIC. The TDSIC in Appendix J is applicable hereto and is issued and effective at the dates shown on Appendix J.

The TDSIC as computed above shall be further modified to allow for the recovery of the TDSIC revenue requirement reconciled with actual sales and revenues. The TDSIC per kWh charge for each Rate Schedule are shown on Appendix J.