

## COVER PAGE FOR THE DPL - VIRGINIA ELECTRIC TARIFF

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### **CURRENT UPDATE:**

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Reason for the Tariff Changes: To Update Standard Offer Service Winter Rates without pro-ration.

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AREAS SERVED BY THIS COMPANY IN VIRGINIA

ACCOMACK COUNTY

Accomac  
Assawoman  
Atlantic  
Belle Haven  
Chincoteague  
Craddockville  
Greenbackville  
Greenbush  
Harborton  
Horsey  
Hornton  
Jenkins Bridge  
Keller  
Locustville  
Melfa

ACCOMACK COUNTY

New Church  
Oak Hall  
Onancock  
Onley  
Painter  
Pungoteague  
Quinby  
Sanford  
Saxis  
Tasley  
Temperanceville  
Wachapreague  
Wattsville  
Wallops Island  
Withams

NORTHAMPTON COUNTY

Bayford  
Birdsnest  
Cape Charles  
Capeville  
Cheriton  
Eastville  
Exmore  
Franktown  
Machipongo  
Marionville  
Nassawadox  
Oyster  
Seaview  
Townsend  
Willis Wharf

DEFINITION OF TERMS

The words listed below shall have the following meanings when used in this tariff:

**Account** – An account is one metered or unmetered rate or service classification which normally has one electric delivery point of service. Each account shall have only one electricity supplier providing full electric supply requirements for that account. A premises may have more than one account.

**Applicant** – Any person, corporation or other entity that: (i) desires to receive from the Company electric or any other service provided for in this Tariff, (ii) complies completely with all Company requirements for obtaining electric or any other service provided for in this Tariff, (iii) has filed and is awaiting Company approval of its application for service, or (iv) is not yet actually receiving from the Company any service provided for in this Tariff. An Applicant shall become a Customer for purposes of this Tariff only after the Applicant actually starts receiving the applicable service(s) from the Company under this Tariff.

**Ancillary Services** – Services that are necessary for the transmission and distribution of electricity from supply sources to loads and for maintaining reliable operation of the transmission and distribution system. The Customer's ancillary services are provided by the Customer's electricity supplier.

**Broker** – A person or entity that acts as an agent or intermediary in the sale or purchase of, but that does not take title to, electricity for sale to retail electric customers.

**Commission** – The Commonwealth of Virginia State Corporation Commission.

**Company** – Delmarva Power & Light Company, doing business as Conectiv Power Delivery.

**Customer** – Any adult person, partnership, association, corporation, or other entity: (i) in whose name a service account is listed, (ii) who occupies or is the ratepayer for a premises, building, structure, etc., and (iii) who is primarily responsible for payment of bills. A Customer includes anyone taking Delivery Service or the Company's combined Electric Supply & Delivery Service from the Company under one service classification for one account, premises or site. Multiple premises or sites under the same name are considered multiple Customers.

**Customer Charge** – A charge designed to recover the costs the Company incurs in providing such services as metering, reading the meter(s), providing dedicated delivery service and billing the Customer's account.

**Customer Choice or Retail Competition** – The right of a Customer to buy electric supply services from an Electricity Supplier.

**Delivery Service** – The provision of electric distribution and other services provided by the Company to a Customer who has exercised its right and purchases all of its electric supply services (i.e., capacity, energy, transmission and ancillary) for an account from an Electricity Supplier, other than the Company. Delivery Service Charges consist of the Customer Charge, the Distribution Charge, and any applicable other charges as approved by the Commission.

DEFINITION OF TERMS - (Continued)

**Delivery Service Customer** – A Customer who takes Delivery Service.

**Demand** – The rate of use of energy during a specified time interval, expressed in kilowatts.

**Designee** – Any adult person, partnership, association, corporation or other entity who is authorized by the Customer to receive their electric metered and billing data.

**Distribution Service Charge** – A charge designed to recover the cost of those services related to the delivery of electricity to a Customer by the Company through the Company's Distribution Facilities.

**Distribution Facilities** – Electric facilities owned by the Company that operate at voltages of 34,500 volts or below and that are used to deliver electricity to Customers, up through and including the point of physical connection with electric facilities owned by the Customer.

**Electricity Supplier or "Supplier"** – A competitive service provider of electricity that has been certified or licensed by the Commission to sell electricity to Customers within the State of Virginia. For purpose of this tariff, the Company is not an Electricity Supplier. An Electricity Supplier sells electricity to Customers utilizing the Transmission and/or Distribution Facilities of the Company.

**Electric Supply & Delivery Service** – The provision of electric distribution and other services provided by the Company to a Customer who buys all of its electric supply services (i.e., capacity, energy, transmission and ancillary) for an account from the Company. Electric Supply & Delivery Service includes Delivery Service, Transmission Service and Standard Offer Service or Market Priced Supply Service and associated charges.

**Electric Supply & Delivery Service Customer** – A Customer who takes the Company's combined Electric Supply & Delivery Service.

**Interval Metering** – Metering equipment that supplies hourly or sub-hourly kW readings.

**kW, kilowatt** – 1,000 watts.

**kWh, kilowatt-hour** – 1,000 watts for one (1) hour, or 1,000 watt-hours

**Market Priced Supply Service ("MPSS")** – The provision of electricity and related services to Customers by the Company. The Market Priced Supply Service is designed to recover the current market cost of producing or procuring electricity for the Company's combined Electric Supply & Delivery Service Customers. The Market Priced Supply Service charge includes the current market price for capacity, energy, ancillary and other related costs for the Company's service territory and the Company's administrative costs.

**Marketer** – A person that purchases and takes title to electricity for sale to retail electric customers.

DEFINITION OF TERMS - (Continued)

**PJM Interconnection, LLC or (“PJM”)** – the Pennsylvania-New Jersey-Maryland Independent System Operator that is responsible for the operation and control of the bulk electric power system throughout all or portions of Delaware, Pennsylvania, New Jersey, Maryland, Virginia and District of Columbia.

**Premises** – A premises is one contiguous property or site which normally has one delivery point of service and one or more metered or unmetered rate or service classes, each of which is an account, that when totaled equal the entire electricity used at that one premises or site. A premises may have more than one account with each account having one electricity supplier providing full electric supply requirements. Multiple premises or sites under the same name are considered multiple Customers.

**Standard Offer Service** – Electricity service which the Company must offer, until at least January 1, 2004, to its customers who do not otherwise receive electricity from an Electricity Supplier. Standard Offer Service includes capacity, energy, ancillary and other related service costs.

**Transmission Service Charge** – A charge designed to recover the cost of those services related to the delivery of electricity by the Company from supply sources through Transmission Facilities.

**Transmission Facilities** – Electric facilities owned by the Company that operate at voltages above 34,500 volts and that are used to transmit and deliver electricity to Customers up through and including the point of physical connection with electric facilities owned by the Customer.

RULES AND REGULATIONS

SECTION I - GENERAL

A. Filing and Posting

This Electric Service Tariff is supplementary to the Virginia Electric Utility Restructuring Act of 1999 and to the "Regulations Governing Service supplied by Electrical Corporations" of the State Corporation Commission of Virginia, and comprises the Rules and Regulations of service and the Service Classifications under which electricity shall be supplied to its Customers by Delmarva Power & Light Company. A copy of this Tariff is on file with the State Corporation Commission of Virginia and open to inspection in each of the offices of the Company.

B. Revisions

This Tariff may be revised, amended, supplemented or otherwise changed from time to time, in accordance with rules and procedures of the State Corporation Commission.

C. Statement by Agents

No representative has authority to modify any rule or provision of this Tariff, or to bind the Company by any promise or statement contrary thereto, unless the same shall be incorporated in a contract.

D. Rules and Regulations

The Rules and Regulations are a part of every contract for service and govern all classes of service unless otherwise specifically stated by a Service Classification.

E. No Prejudice of Rights

The failure by the Company to enforce or the decision not to enforce any of the provisions of this Tariff shall not be deemed a waiver of the right to do so.

F. Gratuities to Employees

The Company's employees are strictly forbidden to demand or accept any personal compensation, or gifts, for service rendered.

RULES AND REGULATIONS

SECTION I – GENERAL – (Continued)

G. Resolution of Disputes

When an Applicant or Customer has an issue to resolve with the Company, they should first contact the Company to resolve the issue. The Company and the Applicant or Customer shall use good faith and reasonable efforts to informally resolve the issue. If the Applicant or Customer wishes to file a formal complaint to resolve a dispute involving the Company, they may do so through the use of the procedures of the Virginia State Corporation Commission.

When an Applicant or Customer has an issue to resolve with an Electricity Supplier, the Applicant or Customer should first contact that Electricity Supplier to resolve the issue. If the Applicant or Customer is referred by the Electricity Supplier to the Company, then the Company shall resolve the inquiry or complaint in a timely fashion or contact the Electricity Supplier to determine responsibility for resolving the inquiry or complaint. If the Applicant or Customer wishes to file a formal complaint to resolve a dispute involving an Electricity Supplier, they may do so through the use of the procedures of the Virginia State Corporation Commission.

Resolution of disputes between the Company and an Electricity Supplier are addressed under the Electricity Supplier Agreement.

## RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE

## A. Application for Service

An application for service may be required from each Customer. This application when executed by the Company constitutes the contract between the Company and the Customer, subject to the terms of the applicable Service Classification, and these Rules and Regulations. Charges for service shall begin at the time service is made available to the Customer.

An application for service can either be for Delivery Service or for combined Electric Supply & Delivery Service. Delivery Service is the provision of electric distribution and related services provided by the Company to a Customer who exercises its right and purchases all of its electric supply services for an account from an Electricity Supplier, other than the Company. Combined Electric Supply & Delivery Service is the provision of electric distribution and related services provided by the Company to a Customer who purchases all of its electric supply services for an account from the Company. The Customer shall obtain full electric supply requirements for each account from an Electricity Supplier or from the Company's combined Electric Supply & Delivery Service. An account is one metered or unmetered rate or service classification which normally has one electric delivery point of service.

Until such time that the Customer has the right to purchase electric supply services from an Electricity Supplier, the Company shall provide the combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer for each account.

A Customer, who has the right to purchase electric supply services from an Electricity Supplier, can switch to an Electricity Supplier, at no direct charge, on its next scheduled meter reading date only after the Company has received fifteen (15) calendar days advance notice from the Customer's new Electricity Supplier of the Customer's decision to switch. When the Customer exercises the right to purchase electric supply services from an Electricity Supplier for an account, the Customer must purchase all of its electric supply services for the entire account from one Electricity Supplier. The Customer may not have multiple electricity suppliers for one account at the same time. If the Company receives multiple switching requests from the Customer's potential Electric Supplier(s) with proper notification, the Company will accept the last-in switching request received based on the most recent contract date.

When a Customer has a demand of less than 500 kW during the last twelve (12) months and has purchased its electric supply services from an Electricity Supplier, other than the Company, and returns to the Company for electric supply services for its account, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

RULES AND REGULATIONS  
SECTION II - APPLICATION AND CONTRACT FOR SERVICE- (Continued)

A. Application for Service - (Continued)

When a Customer has a demand of 500 kW or more during the last twelve (12) months and has purchased its electric supply services from an Electricity Supplier, other than the Company, and returns to the Company for electric supply services for its account, the Customer must select, with the appropriate 15 days notice, one of the following two optional electric supply services provided by the Company:

1. Standard Offer Service, as stated under the Monthly Charges and Rates table, where the Customer must remain on that supply service for at least twelve (12) billing months after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier. Or,
2. Market Priced Supply Service, as described under Section XVII of the Rules and Regulations, where the Customer must remain on that supply service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

In the event that a Customer, who has a demand of 500kW or more during the last twelve (12) months, fails to select one of the above Company's electric supply services and returns to the Company for electric supply services, then the Standard Offer Service shall be provided by the Company for the Customer. In addition, if a Customer returns to the Standard Offer Service as a result of an Electricity Supplier's abandonment of service, then the Customer may choose another Electricity Supplier at any time, beginning on the Customer's scheduled meter reading date, without the requirement to remain on the Standard Offer Service for the minimum stay period of twelve (12) billing months.

B. Right to Reject Application

The Company may reject any application for service if the Applicant does not meet all the requirements of the Rules and Regulations of this Tariff. The Applicant shall be given the reason or reasons for rejection of the application for service, in writing if requested.

C. One Point of Delivery

The Service Classifications of this Tariff, unless otherwise stated, are based upon the service to one entire premises through a single delivery and metering point. The Company shall provide only one metering installation for each class of service. The use of service at two or more separate properties shall not be combined for billing purposes.

The Company reserves the right to deliver service to more than one point where the Customer's load or service requirements necessitate such delivery. This procedure is applicable to other public utilities and large industrial or commercial customers having extensive operations in a contiguous area. Where the Customer desires an extra delivery circuit not necessitated by load or service requirements, the Customer shall pay the costs of the additional facilities.

RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE - (Continued)

D. Service at New Locations

Service at new locations shall be rendered only when all bills for service to the Customer at any other locations have been paid, or credit arrangements satisfactory to the Company have been made.

E. Distribution of Customer's Metered and Billing Data

Upon the Customer's request, the Company will provide the Customer's twelve (12) months of historical monthly metered and billing data at no direct charge. The charge for each Customer's month of interval data, if available and usually in the form of 15 minute interval metered data, is \$40.00 per request for the first month of interval data, plus \$10.00 for each additional month of interval data, up to \$150 for twelve (12) months of interval data per request.

F. Service Contracts

Standard contracts shall be for terms as specified in the applicable Service Classification. Where large or special investment is necessary for delivery service, or where service is to be used for temporary, seasonal or unusual purposes, contracts for terms other than specified in the Service Classification, or with special guarantees of revenue, or both, may be required.

G. Temporary Service

Temporary Service is service, ordinarily not recurrent in nature, required for temporary construction power, structures or locations. Temporary Service shall be rendered only when and where the Company has the necessary facilities available to render the service applied for, without detriment to the service of other Customers.

The Customer shall pay the cost of installation and removal of required facilities installed for the sole purpose of the temporary service, based on a flat charge for standard facilities or the actual costs for non-standard facilities. A deposit may be required, in advance, sufficient to cover the installation and removal, materials not returnable, and the estimated cost of the applicable Delivery Service or the Company's combined Electric Supply & Delivery Service. Where facilities are endangered by construction or proposed usage, the Customer may be required to own and maintain the transformers.

Flat Charge for Standard Facilities

1. Single-Phase Underground or Aerial Service	\$ 97.46
2. Single-Phase Aerial Service with two spans of wire	\$194.91
3. Single-Phase Aerial Transformer, Ground, and Primary Connection	\$365.46
4. Three-Phase Aerial Transformer Bank, Ground, and Connection	\$755.29

Temporary Service is available only under Service Classification "SGS-S", "LGS-S", "GS-P", "RTP-F", or "ORL" on a short-term basis. The minimum monthly bill for this Service shall be as specified under the provisions of the applicable Service Classification.

## RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE - (Continued)

## H. Seasonal Service

Seasonal Service is service required for periods of less than one (1) year to permanent structures or at the same location annually, usually at the same season of the year. When a Customer takes Seasonal Service rendered under Service Classification "R", "R-TOU-ND", "SGS-S", "LGS-S", "GS-P", "RTP-F", or "ORL", the monthly bill, as calculated in accordance with the standard rate table, including any minimum bills, and before the application of any applicable electric supply service charge for the Company's combined Electric Supply & Delivery Service, or any tax imposed under governmental authority upon the Company's sales, shall be increased by twenty-five percent (25%).

## I. Rights-of-Way/Permits

## 1. General

The Applicant requesting electric delivery service shall furnish, without expense to the Company, suitable rights-of-way or permits on forms provided by the Company for the installation of facilities on, over, under and across the premises of the Applicant for the purpose of providing electric delivery service to the Applicant and to the premises and other users in the vicinity.

If it is necessary to acquire such rights or permits from others, such as abutting property owners, lessors, railroads, etc., in order for the Company to serve the Applicant, then the Applicant shall be responsible for obtaining such rights or permits as the Company deems necessary.

Where, due to the nature of the property to be served, the Company finds that the exact boundaries are of critical importance, the Applicant shall locate and mark such boundaries to the reasonable satisfaction of the Company.

The Applicant shall be responsible for clearing all trees, tree stumps and other obstructions from the construction area as designated by the Company, said clearing to be completed in reasonable time to meet service requirements. The Company shall be responsible for any additional tree trimming that may be required for the clearance and safety of its facilities.

The construction area as designated by the Company shall be graded to within six (6) inches of final grade before the Company will commence construction.

If subsequent to construction start-up, the Company is required to relocate or adjust any of its installed facilities due to change in grade, adjustments of property lines or change in plans, the cost of such relocation shall be borne by the Applicant, its successors or assigns.

The Company shall own, operate, and maintain underground distribution lines only along public streets, roads, and highways which the Company has the legal right to occupy, and on public lands and private property across which rights-of-way and easements satisfactory to the Company may be obtained within a reasonable time and without cost or condemnation by the Company.

RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE - (Continued)

I. Rights-of-Way/Permits (Continued)

2. Required Property Information

The Applicant shall furnish as required by the Company, at no charge to the Company, property plats, utility plans, grading plans, roadway profiles, property line stakes, grade stakes and other items showing details of proposed construction. This information is required in reasonable time to allow the Company to design and construct its facilities in a safe and efficient manner to meet service requirements and to comply with applicable laws, codes, and rules and regulations.

J. Hazardous Conditions

The Applicant shall notify the Company of any hazardous conditions which employees may encounter on the Customer's property while installing or maintaining service. Where hazardous conditions exist which may impact the welfare of Company employees, the Company reserves the right to withhold service or to require the Applicant to provide a non-hazardous route for necessary service facilities. The Applicant shall be responsible for all costs required of the Company to meet applicable environmental, or other hazardous condition laws required of our employee specifically for installation of the Applicant's service.

RULES AND REGULATIONS

SECTION III – CUSTOMER’S DEPOSIT

A. Customer’s Deposit to Guarantee Payment of Final Bills

The Company may require a cash deposit from an Applicant or an existing Customer for each account until satisfactory credit is established to guarantee payment of final bills for service rendered. Where the Company holds more than one deposit for separate accounts for the same Customer, the Company shall administer each deposit individually. Such deposit shall not be more in amount than two-twelfths (2/12) of the estimated annual applicable Delivery Service revenue or the Company’s combined Electric Supply & Delivery Service revenue, or as may be reasonably required by the Company in cases involving service for short periods. Service may be denied or terminated for failure to pay a deposit when requested. Deposits shall not be applied against current delinquent bills.

Deposits shall be collected in whole dollar amounts. A deposit shall not be required if the amount is less than fifty dollars (\$50).

Required deposits may be deferred at the Customer’s request to the first month’s bill or may be paid in installments over three (3) consecutive monthly billing periods.

Simple interest on deposits at a rate established annually by the Virginia State Corporation Commission shall be applied annually as a credit to the Customer’s account and so indicated on the January bill or, at the Customer’s request, a direct payment shall be made to the Customer of all accrued interest. No interest shall be paid unless the deposit is held longer than ninety (90) days. For deposits paid in installment payments, interest shall begin to accrue from the date of final deposit payment. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated or on the date notice is sent to the Customer’s last known address that the deposit is no longer required.

Deposits shall be refunded after one (1) year for Residential deposits and after two (2) years for Non-Residential deposits and after satisfactory credit has been established. Satisfactory credit is defined as payment of the least twelve (12) consecutive monthly bills without an unpaid previous balance and no detrimental credit information recorded against the Customer’s account within the last twelve (12) months. Detrimental credit information is defined as adverse credit reports from recognized credit reporting services available to the general business community or from accounting records of the Company.

## RULES AND REGULATIONS

SECTION IV - PAYMENT TERMS

## A. Billing Period

Rates are stated on a monthly basis and bills are rendered monthly following the delivery of service based on meter readings scheduled at approximate monthly intervals of from 27 to 33 days. When periods are greater than 33 or less than 27 days the bill shall be computed by prorating to 30 days on the basis of the actual period covered by the meter readings.

## B. When Bills are Payable

All bills are due and payable upon presentation.

## C. Estimated Bills

When the Company's meter reader is unable at any regular reading date to read the Customer's meter, the Company may estimate the Customer's electric usage and render an estimated bill.

## D. Customer's Billing Option

Before the Customer has the right to purchase electric supply services from an Electricity Supplier, the Company shall provide the Company's combined Electric Supply & Delivery Service for the Customer and the Company shall issue one consolidated bill to the Customer for that delivery, transmission and electric supply services.

When the Customer has the right to choose an Electricity Supplier, the Customer shall also have the right to select one of the following billing options, to the extent that the Customer is not constrained by the Customer's agreement with its Electricity Supplier:

1. One consolidated bill from the Company, which includes both of the Company's Delivery Service charges and the Electricity Supplier's charges; or
2. One consolidated bill from the Electricity Supplier, which includes both of the Electricity Supplier's charges and the Company's Delivery Service charges; or
3. Two separate bills; One bill from the Company for Delivery Service charges and the other bill from the Electricity Supplier for its charges.

If, at any time, the Customer has not exercised the right to select one of the two billing options above, then the Company shall issue one consolidated bill to the Customer for the Company's Delivery Service and for the Customer's Electricity Supplier Service.

If, at any time, the Customer receives the Company's combined Electric Supply & Delivery Service from the Company, then the Company shall issue one consolidated bill to the Customer for both the delivery, transmission and electric supply services.

RULES AND REGULATIONS

SECTION IV - PAYMENT TERMS - (Continued)

E. Payment Posting Sequence

When the Company provides consolidated billing for the Company's combined Electric Supply & Delivery Service, or when the Company provides consolidated billing for Delivery Service and the Customer's Electricity Supplier services, or when the Company provides separate billing for Delivery Service, and the Customer remits a partial payment to the Company, the payment shall be applied as follows, in absence of the Customer's designation:

1. Arrears for the Company's combined Electric Supply & Delivery Service or Delivery Service.
2. Arrears for the Electricity Supplier charges, where applicable.
3. Current charges for the Company's combined Electric Supply & Delivery Service or Delivery Service.
4. Current charges for Electricity Supplier charges, where applicable.
5. Value-added service charges.

F. Returned Checks

Checks given in payment for any bills, or charges rendered, which are returned to the Company unpaid by the Customer's bank, shall result in an additional charge of nine dollars and seventy-five cents (\$9.75) per check, per occurrence, which charge shall be levied against the Customer's account. Proper notice of the returned check and the charge shall be mailed to the Customer by first class mail.

The Company shall automatically waive this charge provided the returned check was the first occurrence in the most recent twelve (12) months.

G. Late Payment Charge

Bills are due and payable upon presentation. If payment for the applicable Delivery Service bills or for the Company's combined Electric Supply & Delivery Service bills rendered is not received by the Company prior to the next meter reading date, a late payment charge of one and one-half percent (1-1/2%) of the unpaid balance, less applicable taxes, shall be added to the next billing, unless prohibited by law. Payments shall be credited as proscribed under the payment posting sequence of this section.

The Company, upon request by the Customer, shall waive any one (1) late payment charge within the last twelve (12) consecutive billing months for Residential Customers.

RULES AND REGULATIONSSECTION IV - PAYMENT TERMS - (Continued)

## H. Installment Payments

Any Customer may request an installment payment as an optional means for payment of the applicable delivery service delinquent charges or the Company's combined Electric Supply & Delivery Service delinquent charges and to avoid service termination resulting from those delinquent charges. An installment payment agreement constitutes a contract between the Customer and the Company, which guarantees payment by the Customer for the amount of the agreement over the specified period. All requests for installment payment agreements are subject to Company approval and must be signed by the Customer and by a Company-authorized employee. A service charge of one and one-half percent (1-1/2%) per month shall be applied on the unpaid balance due under this agreement. The balance amount of the agreement is not subject to the provisions of the late payment charge.

Failure of the Customer to meet the conditions of this installment payment agreement including prompt payment of the current bill shall constitute a breach of this agreement and entitle the Company to pursue collection and termination procedures pursuant to the applicable Rules and Regulations of the Virginia State Corporation Commission.

## I. Budget Billing

Budget billing provides a Delivery Service payment plan or a Company combined Electric Supply & Delivery Service payment plan which allows Customers to levelize their monthly bills. The Budget Billing Plan is available to all Residential Customers and to any Non-Residential Customer whose monthly maximum measured demand is less than 300 kW. Non-Residential Customers may be initially placed on the plan only in the billing months of April, May, October or November. Any such qualifying Customer who does not have a delinquent Delivery Service balance outstanding or a delinquent Company combined Electric Supply & Delivery Service balance outstanding may elect to be placed on budget billing. Under this plan, the Customer shall be billed for eleven months on an estimated budget amount basis with the twelfth month as the settlement month. The billing for the settlement month shall consist of the difference between the actual amount due to date and the budget amount paid to date.

## RULES AND REGULATIONS

SECTION V - ADMINISTRATION OF SERVICE CLASSIFICATIONS

## A. Load Inspections

When the delivery of service is under Service Classifications which base the billing demand or minimum charge upon the Customer's connected load, the Company's representative shall have access to the premises at reasonable times to inspect and count the connected load.

## B. Billing Changes

Where demands are reassessed or redetermined, or power factor recomputed or remeasured, as the result of an investigation made at the Customer's request or by routine inspection, the change of billing to the new demand or power factor shall first apply to the bill for the month during which the investigation is made.

## C. Choice of Service Classification

When two (2) or more Service Classifications are available for the same class of service, the Customer shall select the Service Classification to be applied.

## D. Changing Service Classifications

When a Customer has selected the Service Classification, its application shall remain in effect for the contract term which the Service Classification specifies.

## E. Company Assistance

It shall be the duty of the Company, upon written request by the Customer, to determine the lowest rate applicable provided that the Company shall not be required to make such a determination for any single Customer more frequently than annually. If the rate charged thereafter is not such lowest rate applicable, the Company shall be liable to the Customer for the amount of the difference between the amount paid by the Customer and the amount that would have been paid if the Customer had been charged the lowest rate applicable from and after the Customer's request; provided that the Company may require and rely on written information from the Customer relating to the Customer's expected demand for and use of the utility service where such information is relevant to the determination required hereunder. Where a contract for a specified period of time is lawfully required by the Company, the rates prescribed by such contract shall be lawful during the term of such contract so long as they are the lowest applicable to the conditions of service specified in the contract, unless the actual conditions of service require the application of a higher rate.

RULES AND REGULATIONS

SECTION VI - CUSTOMER'S INSTALLATION

A. Customer's Wiring

All of the Customer's wiring and appurtenances shall be furnished and installed by the Customer.

B. Description of Installation

The Customer, before connecting or purchasing any substantial electrical equipment, shall present in writing to the Company a list of devices which are to be installed, giving the location of the proposed installation, so that the Company may advise the Customer of the character of the service the Company shall furnish and the point at which service shall be connected and metered.

In those cases where the Company deems it necessary, the Customer shall present in writing complete specifications of equipment, loads, location plans, vaults, cable runs, substations, and other data required, so that the Company may advise the Customer of the character of the service the Company shall furnish, the point at which it shall be connected and metered and any other requirements associated with the special conditions of the service.

C. Electrical Inspection

All new wiring and equipment and changes in wiring and equipment, shall conform to the standards of the National Electrical Code and those of local public authorities in force at the time.

The Company shall render service only after receipt by the Company of a notice of approval issued by the duly recognized inspection agency.

D. Reverse Phase Relay

The Customer shall install at its expense a reverse phase relay of approved type on all motors and any other equipment where a definite direction of rotation must be maintained.

E. Phase Protection

The Customer shall install at its expense suitable voltage or current type of device which will protect its equipment from damage in the event of phase outages.

F. Motors

The Customer shall advise the Company of the proposed requirements of the type of motor and starting current of the Customer's equipment, as well as the voltage and phase of service which are desired.

The Company reserves the right to refuse service to single phase motors rated five (5) horsepower or more and to polyphase motors rated less than five (5) horsepower and to polyphase motor installations having a total rating less than six (6) horsepower.

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**RULES AND REGULATIONS****SECTION VII - SERVICE AND TRANSFORMER INSTALLATIONS****A. General**

Services as used in this section refers to overhead or underground conductors and associated materials that are installed on private property between the Company's electric system and the point of connection with the Applicant's wiring. The Company's system facility from which the service is installed may be on public or private right-of-way. Services shall be installed either overhead or underground, in accordance with the policies of the Virginia State Corporation Commission, and shall be designed and constructed consistent with good engineering practice.

The Company, where system facilities are of adequate capacity and adjacent to the Applicant's premise will provide, install and maintain all services to the point of connection with the Applicant's wiring. Such point shall generally be near the corner of the building nearest the point at which the electric service enters the property to be served and must be such that the service will be clear of obstructions and adequately supported. Any modifications requested by the Applicant must be approved by the Company and any additional costs resulting therefrom shall be borne by the Applicant. Services shall not be connected until satisfactory payments or credit arrangements are made to satisfy the charges detailed in this section.

**B. Service Installations****1. Residential Services**

The Company shall provide, own and maintain residential services. If the service exceeds 300 feet, the Applicant shall pay the Company the additional installed cost for the length greater than 300 feet, based on the average installed cost per foot for residential services installed during the preceding calendar year, which average out shall be submitted for commission review. Any such payments shall not be waived or refunded.

**2. Non-Residential Services**

Overhead and underground services to serve non-residential Customers shall be installed, owned and maintained by the Customer. Upon the Customer's request, the Company may install the service at the Customer's expense. Upon the Owner's request, the Company may assume ownership and maintenance responsibilities of these facilities provided they are installed in accordance with the Company's specifications.

## RULES AND REGULATIONS

SECTION VII - SERVICE AND TRANSFORMER INSTALLATIONS - (Continued)

## C. Special Service Conditions

Where the Applicant requests the Company, and the Company agrees, to install facilities which are more costly than those normally furnished, the Applicant will be charged the difference in cost.

The Applicant shall be responsible to provide a service path, clear of all obstacles for the installation and maintenance of facilities. Where the Applicant, by virtue of site conditions, causes a more costly than normal installation or maintenance, the Applicant will be charged the difference in cost.

Where environmental or other hazardous conditions require special work practices to comply with applicable rules or laws, the Company reserves the right to withhold service until a clear non-hazardous access can be provided or to charge the Applicant the additional costs.

Service lines should not be installed inside or under Applicant's residence or building. Where residential or building extensions have inadvertently covered existing services, Applicant will be charged for relocation as maintenance is required.

When replacement or repair of privately owned Services is necessary, the Company will, if agreeable to the Customer, make the necessary repairs or replacements. The Customer of a non-residential service shall be charged for all repair costs. The Customer of a residential service shall be charged for all repair costs in excess of 300 feet. Upon the Owner's request, the Company may assume ownership and maintenance responsibilities of these facilities provided they meet the Company's specifications.

## D. Modification or Relocation of Existing Services

Any modifications, changes or relocations of existing Company-owned services shall be made by mutual agreement of the Company and the Customer. Any charges to the Customer for such modifications, changes or relocations shall not exceed the Company's costs.

In the event the Company shall be required by any public authority to place underground or relocate any portion of the Company's electric system, the Customer at its expense shall make the necessary changes in the location of its facilities to accommodate such changes.

## E. Transformer and Meter Installations

The Company shall make transformer or meter installations on public rights-of-way only as permitted by the regulations of the public authorities. The type of metering or load requirements may require the Customer to provide for the installation of transformer facilities on private property.

RULES AND REGULATIONS  
SECTION VIII - METER INSTALLATIONS

A. Meters Provided by the Company

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement of the service provided under each contract, except as noted below. The Customer shall have a Company approved meter socket installed at their expense after which the Company shall maintain and own such equipment.

1. Requests for Special Metering

When a Customer, Electricity Supplier or other party wants the Company to install alternative metering and associated equipment that is different than that which is normally provided under the Customer's Service Classification, the Customer shall make the request to the Company. The Customer shall be informed in writing, before the alternative metering equipment is installed, of the prerequisites, the amount that they will be charged for the meter exchange and any actual cost differential between the normally furnished meter and the alternative metering equipment. The Company shall make reasonable efforts to furnish, install and maintain such metering equipment for the Customer, provided that such alternative metering equipment meets the Company's electrical and data processing standards. The Company shall own such alternative metering equipment. When the Customer wants an electronic communication link for remote access of the alternative metering equipment, the Customer shall make all arrangements and shall maintain that communication link at its expense. Unless authorized by the Company, only the Company shall have access, directly or remotely, to the alternative metering equipment. Upon the Customer's authorization, the metered data from such alternative metering equipment shall be provided to its designee at the Customer's expense. The Company shall offer the Customer or its designee, the following options for receiving unedited meter data: read-only electronic access to the alternative metering equipment, receipt of a stream of data pulses proportional to energy usage, or both read-only electronic access to the alternative metering equipment and receipt of a stream of data pulses proportional to energy usage.

2. Requests for Customer-Owned Metering

A Customer who is served under Service Classification LGS-S or GS-P may request and own a meter, as long as the metering equipment meets the Company's electrical and data processing standards, and the metering equipment is compatible with the Company's billing and metering system, and communication protocol. The Customer shall be informed in writing, of the prerequisites for commencing and completing the work. The Company shall install the meter, have full access to the meter and shall continue to perform its normal obligations including, but not limited to testing, replacement, customer accounting, and data management. When the Customer wants an electronic communication link for remote access of the alternative metering equipment, the Company shall make all arrangements and shall maintain that communication link at the Customer's expense.

B. Meter Locations

The Company shall designate the location of meters.

For secondary or primary metered installations, the Customer shall provide a support or other facility as required for mounting of metering equipment.

Where multiple meters are required, each meter position shall be clearly and visibly marked so that each meter position is identified as to the location to which service is being supplied. Meters shall not be installed by the Company until this has been accomplished.

## RULES AND REGULATIONS

SECTION VIII - METER INSTALLATIONS - (Continued)

## C. Right to Remove Company's Equipment

All meters, instrument transformers or other service equipment supplied by the Company shall remain its exclusive property. The Company shall have the right to remove all its property from the premises of the Customer at any time after the termination of service, whatever may have been the reason for such termination.

## D. Reverse Registration

The Company may, by ratchet or other device, control its meters so as to prevent reverse registration.

## E. Meter Tests

The Company shall test single phase, self contained watt-hour meters in accordance with a Statistical Sampling Plan for existing meters and with a New Meter Sample Testing Plan for new meters acceptable to the Virginia State Corporation Commission. All other meters shall be tested by the Company in accordance with its periodic test schedule and in a manner prescribed by the Virginia State Corporation Commission. Meter tests performed at the request of a Customer shall be made in accordance with Section IX-D.

## F. Remote Reading Devices

The Company, at its discretion or upon request from a Customer, may install remote reading devices, subject to available technology. Remote reading devices shall be owned, installed and maintained by the Company. When requested by the Customer and approved by the Company, such installation shall be made at cost payable by the Customer. The location of the remote reading device shall be subject to Company approval.

A periodic verification reading must be taken on the meter and the remote reading device. The Company shall notify the Customer when the periodic verification is required. The Company shall determine the frequency of verification required based on the technical characteristics of the installed equipment and its in-service performance. Service shall be subject to disconnection if the Customer fails to make arrangements with the Company for a verification reading within 60 days after written notice is provided.

In cases of dispute, the Company's meter shall be used as the final determinant in measuring consumption and in all cases shall take precedence over any readings on remote reading devices.

## RULES AND REGULATIONS

SECTION IX - ADJUSTMENT OF CHARGES

## A. Fast Watt-Hour Meter

Whenever a watt-hour meter in service is found to have a positive average error, upon test made by the Company or the Virginia State Corporation Commission, that is when it overregisters or is fast, in excess of two percent (2%), the Company shall credit or refund to the Customer an amount equal to the excess paid for Delivery Service and for the Company's combined Electric Supply & Delivery Service for the kilowatt-hours incorrectly metered. The refund shall be for the period that the Customer received service through the meter, but for not more than the periods established below:

1. Known Date of Error - If the date on which the error first developed or occurred can be established, the bills for service shall be recalculated from that time.
2. Unknown Date of Error - If the time at which the error first developed or occurred cannot be established, it shall be assumed that the over-registration existed for a period of three (3) years or a period equal to one-half of the time since the meter was last tested, whichever is less.

## B. Slow or Stopped Meters

When a meter is found, upon test made by the Company or the Virginia State Corporation Commission, to have a negative average error, that is when it under-registers or is slow, in excess of two percent (2%), or to be stopped, or in case of a polyphase meter, to be operating with an inactive element, and the error in registration or failure to operate is not attributable to the negligence of the Company, but is due to some unpredictable cause, such as lightening, tampering or unauthorized overload, the Company shall estimate the proper charge for Delivery Service and for the Company's combined Electric Supply & Delivery Service for the unregistered service by reference to the Customer's consumption during similar normal periods or by such methods as the Virginia State Corporation Commission may authorize or direct. Except in cases of tampering, theft, inaccessibility of the meter, or unauthorized overload, such an estimate for a slow or stopped meter shall not cover a period of more than three (3) months.

## C. Demand Meter

Whenever a demand meter, the readings, or indications of which are utilized in computing the charges for Delivery Service and for the Company's combined Electric Supply & Delivery Service, is found, upon test by the Company or the Virginia State Corporation Commission, to be in error, in excess of the limits indicated below, the charges to the Customer shall be adjusted in the same manner as prescribed under watt-hour meters above.

RULES AND REGULATIONS

SECTION IX - ADJUSTMENT OF CHARGES - (Continued)

C. Demand Meter - (Continued)

<u>METER TYPE</u>	<u>LIMITS OF ACCURACY</u>
Integrated Demand Meters	± 2% of full scale reading
Lagged-Demand Meters	± 4% of final indication

D. Requests for Meter Tests

Upon request by a Customer, the Company shall test the Customer's meter provided that such tests need not be made more frequently than once in twenty-four (24) months. If tests of meters at the Customer's request are performed more frequently than once in twenty-four (24) months, the Company shall charge the Customer nineteen dollars and forty-nine cents (\$19.49) for testing a self contained meter. For testing a transformer-rated meter, the charge shall be twenty-four dollars and thirty-six cents (\$24.36). No charge shall be made for testing meters which upon test are found to exceed the allowable accuracy limits as defined in this section. The Customer or his representative may be present when the Customer's meter is tested. A written report of the results of the test shall be mailed to the Customer within ten (10) days after the completion of the test.

E. Adjustments for Incorrect Billings

Incorrect billings for Delivery Service and for the Company's combined Electric Supply & Delivery Service resulting from clerical error, incorrect meter installation, meter inaccuracy or reading, incorrect application of the rate schedule, or other similar reasons shall be corrected immediately upon discovery, and corrected bills rendered to the Customer. However, in no case may additional charges due from the Customer under the application of this paragraph be collected for more than three (3) years prior to the month of discovery. If the Customer has been overcharged, the Company shall refund the amount due or credit the Customer's account, at the Customer's election, to the date the error was made, not to exceed three (3) years prior to discovery. In the absence of an election by the Customer for a refund by check, the Company shall credit the Customer's account. In the event additional charges are due the Company, installment payments shall be offered for not less than the number of months the account was billed in error. An installment payment charge shall not be applied to such installment payments.

RULES AND REGULATIONS

SECTION X - CONTINUITY OF SERVICE BY COMPANY

A. Company Liability

The Company does not guarantee continuous and uninterrupted electric service and shall not be liable for any loss, cost, damage or expense to any person occasioned by any change in, interruption or phase reversal of the Company's electric service due to any cause beyond the reasonable control of the Company.

B. Notice of Trouble

The Customer shall notify the Company promptly of any defect in service or of any trouble or irregularity in the electric supply and delivery service.

C. Prearranged Interruption of Service

Whenever it is necessary to interrupt service for work on lines of equipment, such work shall be done, to the extent practical, at a time that will cause the least inconvenience to the Customer. The Customer(s) to be affected shall, if practical, be notified in advance of such interruptions.

## RULES AND REGULATIONS

SECTION XI - CUSTOMER'S USE OF SERVICE

## A. Resale Forbidden

The Customer shall not directly or indirectly sell, sublet, assign or otherwise dispose of the electric energy provided by the Company under the Company's combined Electric Supply & Delivery Service or provided by an Electricity Supplier, or any part thereof, except as authorized by Sections 56-245.2 and 56-245.3 of the Code of Virginia.

## B. Multiple Occupancy Buildings

Multiple occupancy buildings for which building permits are issued after June 2, 1980 shall not be master metered, but shall be individually metered for each occupancy unit that is individually leased or owned and whose occupants have control over a portion of the electric energy used, unless the owners can provide evidence that the cost of installing separate meters exceeds the long-term benefits to the electric consumers derived from individual meters. For the purposes of this paragraph, individual meters include only meters installed and owned by the Company.

## C. Fluctuations

Electric delivery service must not be used by the Customer or its Electricity Supplier in such a manner as to cause unusual fluctuations or disturbances in the Company's delivery system. Should such fluctuation or disturbance be caused by the Customer or by its Electricity Supplier, the Company may discontinue service or require the Customer to modify its installation and/or install approved controlling devices.

Where service is rendered under Service Classifications "SGS-S", "LGS-S", "GS-P", "RTP-F" or "ORL", and the use of current is intermittent or subject to violent fluctuation, the Company reserves the right to base the measured demand upon a five (5) minute period, or to add to the measured demand, as determined under the measured demand provision of the applicable Service Classification, an amount equal to sixty-five percent (65%) of the rated capacity in kilowatts of apparatus having fluctuating or intermittent current requirements.

## D. Unbalanced Loads

Where service is rendered under Service Classifications "SGS-S", "LGS-S", "GS-P", "RTP-F" or "ORL", the Customer shall at all times take and use energy in such a manner that the load will be taken equally between phases. Should this not be possible and the unbalancing exceed ten percent (10%) of the lesser phase, the Company reserves the right to compute the demand for billing purposes on the assumption that the load on each phase is equal to that on the greatest phase.

## E. Transient Voltages

Customers are cautioned that certain types of data processing equipment are sensitive to transient voltages which typically occur in commercial power systems in routine operation. The Company shall not be liable for transient voltage-related damage or loss. The Company will provide available information to the Customer or prospecting Customers on protective devices upon request.

## RULES AND REGULATIONS

SECTION XI - CUSTOMER'S USE OF SERVICE - (Continued)

## F. Superposition of Electric Signals on the Company's Electric System

When the Customer couples or superimposes any signal to its electric system for equipment control, load management control, carrier current transmission, signal systems, communication, broadcasting or any other purpose, the Customer shall be responsible for preventing any such signals from being imposed upon or entering the Company's metering and electric system.

## G. Power Factor

The average power factor under the operating conditions of the Customer's load at the point where the electric delivery service is metered shall not be less than ninety percent (90%) lagging.

Where lighting, welding, motors or other electrical equipment or devices having low power factor characteristics are installed, the Customer shall furnish, install and maintain, at its own expense, corrective apparatus which shall increase the average power factor of the individual units or the entire installation to not less than ninety percent (90%) lagging.

## H. Use other than Stated in Contract

The Company's service shall not be used for any purpose or in any place other than that stipulated in the Customer's contract for service except by written consent of the Company.

## I. Characteristics of Service

The delivery service specified and furnished by the Company, and the electricity furnished either by the Company's combined Electric Supply & Delivery Service, or by the Customer's Electricity Supplier, shall consist of sixty hertz, single phase or three phase alternating current at one standard primary or secondary voltage. The type of service (number of phases and voltages) available varies with location and load.

The Company shall endeavor to deliver voltages within the following limits:

1. For electricity supplied and delivered for residential service in urban areas, the variation from nominal voltage to minimum voltage will not be more than 5 percent of the nominal voltage, and the variation from nominal voltage to maximum voltage will not be more than 5 percent of the nominal voltage.
2. For electricity supplied and delivered for residential service in all other areas, the variation from nominal voltage to minimum voltage will not be more than 7.5 percent of nominal voltage, and the variation from nominal voltage to maximum voltage will not be more than 7.5 percent of the nominal voltage.
3. For electricity supplied and delivered for other services the variation from nominal voltage to minimum voltage will not exceed 7.5 percent of nominal voltage, and the variation from nominal voltage to maximum voltage will not exceed 7.5 percent of the nominal voltage.

RULES AND REGULATIONS

SECTION XI - CUSTOMER'S USE OF SERVICE - (Continued)

I. Characteristics of Service - (Continued)

The Company shall not be responsible for variations in voltage in excess of those specified above arising from causes beyond the control of the Company.

A Customer or prospective Customer must contact the Company to ascertain the type of service the Company shall provide before making plans for receiving electric delivery service or making alterations to existing service.

- Secondary Service - Single phase or three phase circuits carrying a nominal voltage of 480 volts or less between any two conductors.
- Primary Service - Single phase or three phase circuits carrying a nominal voltage of 2,400 volts to 34,500 volts between any two conductors.
- Transmission Service - Single phase or three phase circuits carrying a nominal voltage in excess of 34,500 volts between any two conductors.

J. Change of Installation

The Customer shall give immediate written notice to the Company of any proposed substantial increase or decrease in, or change of purpose or location of the Customer's installation. The service connection, transformers, meters and equipment supplied by the Company for each Customer have a definite capacity and no additions to the equipment or load connected thereto shall be permitted except by written consent of the Company. Failure to give notice of additions or changes in load or location shall render the Customer liable for any damage to the meters or their auxiliary apparatus or the transformers or wires of the Company caused by the additional or changed installation.

K. Limitation of Use

No other source of electric supply, other than the Customer's Electricity Supplier, shall be introduced or permitted, directly or indirectly, for the Customer's use without written notice to the Company and written consent of the Company. An installation for which permission has been granted must be made so that the supply of current from the Customer's generator cannot feed into the Company's delivery system, unless agreed to by contract between the Company and the Customer. In addition, such source of supply must meet all the requirements of PJM Interconnection, LLC.

RULES AND REGULATIONS

SECTION XII - DEFECTS IN CUSTOMER'S INSTALLATION

A Company's Right to Inspect

The Company shall have the right, but shall not be obliged, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with the Company's standard requirements; but such inspection, or failure to inspect, or to reject, shall not render the Company liable or responsible for any loss or damage, resulting from defects in the installation, wiring, or appliances, or from violation of Company rules, or from accident which may occur upon the premises of the Customer.

B. Defective Installations

If at any time the wiring, fixtures or appliances of the Customer are found to be defective or dangerous by the Company's representative or by the local public authorities, service may be refused or discontinued until the Customer has the condition corrected.

C. Customer's Responsibility

The Company assumes no responsibility for any damages done by or resulting from any defect in the wiring, fixtures, or appliances of the Customer. In the event that any loss or damage to the property of the Company, or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the Customer, its agents, or employees, the cost of the necessary repairs or replacement shall be paid by the Customer to the Company and any liability otherwise resulting shall be assumed by the Customer.

D. Company Liability

The Company shall be liable for damages resulting from the presence of electric current or the Company's equipment on the Customer's premises, or from the use of the service of the Company by the Customer.

RULES AND REGULATIONS

SECTION XIII - ACCESS TO PREMISES

A. Access to Premises

The authorized agents or representatives of the Company having the proper Company identification shall have access at all reasonable times to the premises of the Customer for the purpose of reading the Company's meters, connecting and disconnecting service, operating, testing, inspecting, repairing, removing and replacing any or all of the Company's apparatus used in connection with the delivery of electricity. If the Company's meters or other equipment are located on the premises of someone other than the Customer, the Customer shall be responsible to arrange for access thereto by Company agents or representatives.

RULES AND REGULATIONS

SECTION XIV - TAMPERING WITH COMPANY'S PROPERTY

A. Tampering Expressly Forbidden

No person except a duly authorized representative of the Company shall make any connection or disconnection, either temporary or permanent between the service load of the Customer and the service wires of the Company, or set, change, remove or interfere with or make any connections to the Company's meter or other property or any wiring between the Company's meter and the service wires of the Company.

B. Liability for Tampering

In the event of the Company's meters or other property being tampered or interfered with, the Customer being supplied through such equipment shall pay the amount which the Company may estimate is due for service used but not registered on the Company's meter, and for the costs of any repairs, replacements required, and any other changes in the Customer's installation as may be required by the Company.

## RULES AND REGULATIONS

SECTION XV - COMPANY'S RIGHT TO DISCONTINUE SERVICE

## A. Right to Discontinue Service

The Company reserves the right to discontinue the service for any of the following reasons.

## 1. Without Prior Notice

- a. Unavoidable shortages or interruptions in Company's source of supply or other cases of emergency.
- b. Whenever a hazardous electrical or electrical related condition is found to exist on the Customer's premises.
- c. Interference or tampering with meters or Company equipment or diversion of service.
- d. Whenever environmental or other hazardous conditions would expose or have exposed Company employees to undue risk in the maintenance of customer service.
- e. For providing a false name or social security number or for failing to disclose, upon request, that past services have been received and not paid for under a different name or social security number, if the Company has reported a theft of services to responsible authorities.

## 2. With Prior Notice

- a. Failure to remedy conditions having a detrimental effect on the service of others.
- b. Non-payment of any bill for electric Delivery Service or the Company's combined Electric & Delivery Service.
- c. Violation of or non-compliance with these Rules and Regulations or the effective Service Classification or Contract. The Company may refuse to provide any service until the Customer has corrected the conditions constituting such violation or non-compliance.
- d. Failure to pay a deposit as requested.
- e. Misrepresentation of or failure to disclose a material fact in an apparent attempt to defraud the Company or to avoid payment of any outstanding bill for service rendered.
- f. Repeated refusal to grant access, during reasonable working hours, for maintenance, meter reading or removal of equipment, inspection or replacement of equipment.
- g. Failure to pay Service Installation Costs.

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**RULES AND REGULATIONS****SECTION XV - COMPANY'S RIGHT TO DISCONTINUE SERVICE - (Continued)****A. Right to Discontinue Service - (Continued)**

3. The notice provided for in the Section XV-A-2 shall consist of not less than ten (10) days' notice sent by first class prepaid mail deposited in a United States mailbox and addressed to the Customer at the Customer's last known mailing address appearing on the records of the Company. The notice shall state the date on which service will be discontinued and shall inform the Customer of the steps which may be taken to avoid such disconnection of service. A notice of disconnection for non-payment of a bill for electric service shall also state the date by which payment for the previous balance due must be received by the Company in order to avoid disconnection.

**B. Restoration Charge**

Service disconnected by the Company for any reason set forth in Section XV-A or limited pursuant to Section XV-E shall be restored only on payment of twenty-nine dollars and twenty-four cents (\$29.24) in addition to the previous balance due under the Customer's contract, except when it has been necessary to disconnect or remove overhead or underground service wires to effect discontinuance of service. In such cases, the actual costs of discontinuance and restoration shall be applicable in addition to the previous balance due.

Any Customer whose service has been disconnected or limited may be required to post a deposit in order to have service restored.

**C. After Hour Restoration Charge**

If the Customer requests service to be reconnected after Company office hours, which are 8 a.m. to 5 p.m. Monday through Friday excluding Company holidays, then an additional charge of twenty-nine dollars and twenty-four cents (\$29.24) over the restoration charges set forth in paragraph (B) above shall be charged. However except in an emergency, such after hour restorations will not be performed between the hours of midnight and 8:00 a.m.

**D. Collection of Payments at the Premises**

The Customer may avoid service termination or limitation for non-payment of bills by making payment of the previous balance due to a Company representative at the premises.

In addition to payment of the previous balance, there shall be a fee of twelve dollars and eighteen cents (\$12.18) per trip to the premises for collection of payments.

Installment payments or any other agreements shall be made through one of the Company's District offices.

**E. Load Limiting Devices**

At the Company's option, in lieu of disconnection of Residential Customers for non-payment pursuant to above Sections XV-A-2(b) and (d), the Company may install a load limiting device that restricts the amount of power flow to the Customer.

RULES AND REGULATIONS

SECTION XVI - DISCONTINUANCE OF SERVICE BY CUSTOMER

A. Notice to Discontinue

The Customer must give the Company at least three (3) days' written notice to discontinue service unless otherwise agreed upon and shall be liable for service taken until the meter shall have been disconnected or read. Such notice prior to the expiration of a contract term shall not relieve the Customer from any minimum or guaranteed payment under any contract of Service Classification.

B. Completion of Term

If, by reason of any act, neglect or default of a Customer, or its agent, the Company's service is suspended, or the Company is prevented from providing service in accordance with the terms of any contract it may have entered into, the minimum charge for the unexpired portion of the contract term shall become due and payable immediately as liquidated damages in lieu of the anticipated returns from the said contract.

C. Final Bill

The final bill for service shall be based upon an actual meter reading and is due and payable when rendered.

## RULES AND REGULATIONS

SECTION XVII - EXTENSIONS

## A. General

Extensions to the Company's electric system shall be provided, owned and maintained under the terms and conditions herein enumerated.

Extensions, as used in this section, refer to overhead or underground conductors and associated materials that must be constructed along public streets, roads and highways, or on private property from the Company's existing electric system to the Applicant's lot line.

Extensions shall be designed according to accepted industry practices to provide adequate service and shall be installed in accordance with the policies of the Virginia State Corporation Commission. Modifications to the Company's design, requested by the Applicant, shall be made when such modifications are acceptable to the Company in its sole judgment.

Where the Applicant requests the Company to install facilities which are more costly than those proposed to be furnished by the Company, the Applicant shall pay the Company the difference in cost between the requested installation and that deemed necessary by the Company.

## B. Extensions

1. The Company shall provide, own and maintain extensions. The Company's investment in line extensions shall be limited to three (3) times the related estimated annual Delivery and Transmission Service revenue, excluding all electric supply service revenue, ("Estimated Revenue"), from Customers to be initially served from the extension. Where such Estimated Revenue does not justify the estimated investment in the extension, the Applicant shall provide a financial guarantee in accordance with Section XVII-C.
2. For the purpose of definition, those Customers to be initially served shall be considered as houses or multiple occupancy buildings under construction at the time the contract for the extension is signed. As additional facilities are needed to serve additional Customers, the Applicant may be required to make additional financial guarantees or may receive a refund accordingly.
3. When the Company provides, owns and maintains both a line extension and service to provide service to a non-residential Customer, the Estimated Revenue shall be compared to the total estimated investment in the line extension and the service.
4. Where Customers are served from private facilities, the Company may, upon request, provide maintenance to such facilities with all costs borne by the Customer. Upon the Owner's request, the Company may assume ownership and maintenance responsibilities of private facilities provided they are installed in accordance with or upgraded to Company's specifications.

## RULES AND REGULATIONS

SECTION XVII - EXTENSIONS - (Continued)

## C. Financial Guarantees

Financial Guarantees required for extensions shall be the amount equal to the estimated installed cost of the extension less three (3) times the estimated annual Delivery and Transmission Service revenue, excluding all electric supply service revenue, Estimated Revenue, from the customer to be initially served from the extension. Financial Guarantees may be made by deposit, Letter of Credit or other financial instruments at the Company's discretion.

Should the Applicant provide a deposit it will be returned to the Applicant (without interest) in an amount equal to three (3) times the estimated annual Delivery and Transmission Service revenue, excluding all electric supply service revenue, Estimated Revenue, from new customers as each new customer completes its permanent service connection directly from the extension for which the deposit was required. In no case shall the total refund be greater than the Applicant's deposit. Any portion of the deposit remaining unrefunded after five (5) years from the date the Company is first ready to render service from the extension shall be retained by the Company.

Should the Applicant provide a Letter of Credit or other Financial Instrument, the estimated revenue attributable to the extension shall be examined prior to the Letters' or other Instruments' expiration. The Company shall draw on the Letter of Credit or Instrument where a continued financial guarantee is still required. Such draw shall then be considered a deposit under the above section.

## RULES AND REGULATIONS

SECTION XVIII – MARKET PRICED SUPPLY SERVICE (“MPSS”)

Market Priced Supply Service (“MPSS”) is the provision of electricity and related services provided to Customers by the Company and is designed to recover the current market cost of producing or procuring electricity for the Company’s combined Electric Supply & Delivery Service Customers. The Market Priced Supply Service charge includes the current market price for capacity, energy, ancillary and other related costs for the Company’s service territory and the Company’s administrative costs.

The Market Priced Supply Service is an optional service available to any Customer who has a demand of 500 kW or more during the last twelve months and who has purchased its electric supply services from an Electricity Supplier, other than the Company, and who selects MPSS before the Customer returns to the Company for electric supply services for its account, with the appropriate 15 days notice and with the MPSS service beginning on the Customer’s scheduled meter reading date. The Customer’s account must remain on MPSS for up to one (1) billing month, after which, and beginning on the Customer’s scheduled meter reading date, the account will be eligible to be served by an Electricity Supplier. The Customer may not switch directly from the Company’s Market Priced Supply Service to the Company’s Standard Offer Service.

The Market Priced Supply Service charge shall be the sum of the following billing components:

1. Monthly Administrative Charge of \$750.00 per month per Customer account.
2. The market hourly energy charge which is determined by multiplying the Customer’s hourly load, adjusted for the applicable loss adjustment factor for the Customer’s service voltage level, by the hourly integrated DPL Zone Real-Time Locational Marginal Price (“LMP”), as determined and reported by the PJM Interconnection, LLC (“PJM”).
3. The ancillary energy charge which is determined by multiplying the Customer’s energy usage for the billing month, adjusted for the applicable loss adjustment factor for the Customer’s service voltage level, by the average annual DPL Zone ancillary service rate for the previous calendar year, as determined and reported by the PJM Interconnection, LLC (“PJM”). The average annual DPL Zone ancillary service rate will be determined by dividing DPL’s annual total ancillary service charge from PJM by the annual kilowatt-hour sales.
4. The market daily capacity charge which is determined by multiplying the Customer’s annual peak load contribution for capacity obligation, adjusted for the applicable PJM determined capacity reserve margin, by the Daily Capacity Market Clearing Price, as determined and reported by PJM for the region. If the Company identifies a Customer’s specific Daily Capacity Market Clearing Price, then the MPSS will be based on that price.

The market hourly energy prices and market daily capacity prices used for the Market Priced Supply Service are available on the PJM internet web site: [www.pjm.com](http://www.pjm.com). It is the Customer’s responsibility to construct, operate and maintain, at its sole expense, all communications structures, equipment, and any other apparatus necessary to ensure its timely receipt of the market hourly energy prices and market daily capacity prices for the Customer’s use in operating its facility. In the event that the market prices are not available through the PJM internet site, the Customer should contact PJM and the Company for assistance.

RULES AND REGULATIONS

SECTION XIX - GENERAL COST ADJUSTMENT

A. Applicability

This General Cost Adjustment is applicable to all Service Classifications of this Tariff under the conditions enumerated below:

1. Bills rendered under all Service Classifications of this Tariff shall be increased to offset any new or increased taxes, licenses, franchise fees, rentals or assessments imposed by any governmental authority against the Company's property used in the supply, transmission, distribution or sale of electrical energy or its electrical operations or supply or sale of electrical energy or the receipts or earnings therefrom.
2. Such special taxes, licenses, franchise fees, rentals or assessments, as outlined above, shall, on the basis of Customer's consumption or billing, be apportioned pro rata among Customers within the limits of any political entity which imposes any such taxes, licenses, franchise fees, rentals or assessments, to offset such special levies and to relieve Customers outside of such political entity of the burden of payment for any such special levies.
3. Any such cost adjustment shall continue in effect only for the duration of the specified levies, and shall not be instituted prior to approval by the Virginia State Corporation Commission.
4. When Customers are required under the Rules and Regulations, Service Classifications, and Riders of this Tariff to provide a contribution in aid of construction, the amount of the contribution shall include an allowance for any taxes to which said contribution may be subjected.
5. State and Local Taxes:

In addition to the charges provided for under each Service Classification, any state and local tax shall apply to all services rendered hereunder, unless the Customer is exempt from such tax. Such taxes will be calculated by the Company when the Company renders a consolidated bill or a separate bill for the Company's Delivery Service charges. If the customer receives billing from the Electricity Supplier, the Electricity Supplier will bill applicable taxes.

Each consumer of electricity in the Commonwealth of Virginia shall pay an electric utility consumption tax on all electricity consumed per month in the following manner:

<u>Consumption</u>	<u>State Consumption Tax</u>	<u>Special Regulatory Tax</u>	<u>Local Consumption Tax</u>
First 2,500 kWh	\$0.001020/kWh	\$0.000080/kWh	\$0.000380/kWh
Next 47,500 kWh	\$0.000650/kWh	\$0.000050/kWh	\$0.000240/kWh
Excess of 50,000 kWh	\$0.000500/kWh	\$0.000030/kWh	\$0.000180/kWh

In addition, each consumer of electricity who is served in Accomack County shall pay a Local Consumer Utility Tax of:

<u>Residential Customer</u>	<u>Commercial Customer</u>	<u>Industrial Customer</u>
All kWh \$0.00321/kWh	\$0.00342/kWh	\$0.00132/kWh

RULES AND REGULATIONS

SECTION XIX - GENERAL COST ADJUSTMENT – (Continued)

A. Applicability – (Continued)

5. State and Local Taxes – (Continued):

In addition, each consumer of electricity who is served in the Town of Cape Charles shall pay a Local Consumer Utility Tax of:

	<u>Residential Customer</u>	<u>Commercial Customer</u>	<u>Industrial Customer</u>
0 to 5 kWh	\$1.45	\$3.50	\$3.50
> 5 kWh	\$0.0015/kWh	\$0.0015/kWh	\$0.0015/kWh
Maximum	\$3.00 per month	\$20.00 per month	\$20.00 per month

In addition, each consumer of electricity who is served in Chincoteague shall pay a Local Consumer Utility Tax of:

	<u>Residential Customer</u>	<u>Commercial Customer</u>	<u>Industrial Customer</u>
0 to 5 kWh	\$1.50	\$3.50	\$3.50
> 5 kWh	\$0.0015/kWh	\$0.0015/kWh	\$0.0015/kWh

In addition, each consumer of electricity who is served in the Town of Exmore shall pay a Local Consumer Utility Tax of:

	<u>Residential Customer</u>	<u>Commercial Customer</u>	<u>Industrial Customer</u>
All kWh	\$0.00192/kWh	\$0.00187/kWh	\$0.00187/kWh
Maximum	\$3.00 per month	\$20.00 per month	\$20.00 per month

In addition, each consumer of electricity who is served in Northampton County shall pay a Local Consumer Utility Tax of:

	<u>Residential Customer</u>	<u>Commercial Customer</u>	<u>Industrial Customer</u>
All kWh	\$0.015/kWh	\$0.015/kWh	\$0.015/kWh
Minimum	\$1.40 per month	\$1.00 per month	\$1.00 per month
Maximum	\$3.00 per month	\$20.00 per month	\$20.00 per month

In addition, each consumer of electricity who is served in the Town of Onancock shall pay a Local Consumer Utility Tax of:

	<u>Residential Customer</u>	<u>Commercial Customer</u>	<u>Industrial Customer</u>
All kWh	\$0.0033/kWh	\$0.0035/kWh	\$0.0014/kWh
Minimum	\$0.70 per month	\$0.50 per month	\$0.50 per month

RULES AND REGULATIONS

SECTION XIX - GENERAL COST ADJUSTMENT – (Continued)

A. Applicability – (Continued)

5. State and Local Taxes – (Continued):

In addition, each consumer of electricity who is served in the State of Virginia shall pay a \$0.000000 per kWh Sales and Use Tax Surcharge which will be added to the Company's delivery service distribution rates for all kilowatt-hours consumed.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months Effective June 1, 2007	<u>WINTER</u> Billing Months Effective September 28, 2007
<b><u>RESIDENTIAL "R"</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$3.84/Month	\$3.84/Month
Distribution Charge		
First 500 kWh Rate	\$0.037569/kWh	\$0.037569/kWh
Excess kWh Rate	\$0.034964/kWh	\$0.029524/kWh
<b><u>Transmission Service Charges:</u></b>		
First 500 kWh Rate	\$0.006046/kWh	\$0.006046/kWh
Excess kWh Rate	\$0.005627/kWh	\$0.004751/kWh
<b><u>Standard Offer Service Charges:</u></b>		
Supply Capacity, Energy and Ancillary		
First 500 kWh Rate	\$0.083474/kWh	\$0.083474/kWh
Excess kWh Rate	\$0.081311/kWh	\$0.076795/kWh

**RESIDENTIAL TIME OF USE NON-DEMAND "R-TOU-ND"**

<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$6.09/Month	\$6.09/Month
Distribution Charge		
On-Peak Rate	\$0.086489/kWh	\$0.071239/kWh
Off-Peak Rate	\$0.015500/kWh	\$0.015500/kWh
<b><u>Transmission Service Charges:</u></b>		
On-Peak Rate	\$0.014736/kWh	\$0.012138/kWh
Off-Peak Rate	\$0.002641/kWh	\$0.002641/kWh
<b><u>Standard Offer Service Charges:</u></b>		
Supply Capacity, Energy and Ancillary		
On-Peak Rate	\$0.122208/kWh	\$0.109879/kWh
Off-Peak Rate	\$0.064816/kWh	\$0.064816/kWh

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

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MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER Billing Months Effective June 1, 2007	WINTER Billing Months Effective September 28, 2007
<b><u>SMALL GENERAL SERVICE – SECONDARY SERVICE “SGS-S”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$6.46/Month	\$6.46/Month
Distribution Charge		
Demand Rate First 20 kW	No Charge	No Charge
Demand Rate Greater Than 20 kW	\$2.845703/kW	\$2.281016/kW
Energy Rate First 3,500 kWh	\$0.026682/kWh	\$0.026682/kWh
Energy Rate Excess 3,500 kWh	\$0.010988/kWh	\$0.009529/kWh
<b><u>Transmission Service Charges:</u></b>		
Demand Rate First 20 kW	No Charge	No Charge
Demand Rate Greater Than 20 kW	\$0.596910/kW	\$0.478462/kW
Energy Rate First 3,500 kWh	\$0.005597/kWh	\$0.005597/kWh
Energy Rate Excess 3,500 kWh	\$0.002305/kWh	\$0.001999/kWh
<b><u>Standard Offer Service Charges:</u></b>		
Supply Capacity, Energy and Ancillary Rate		
Demand Rate First 20 kW	No Charge	No Charge
Demand Rate Greater Than 20 kW	\$4.695914/kW	\$3.764081/kW
Energy Rate First 3,500 kWh	\$0.096314/kWh	\$0.096314/kWh
Energy Rate Excess 3,500 kWh	\$0.070417/kWh	\$0.068008/kWh
 <b><u>OFF PEAK SERVICE – SECONDARY “SGS-S”</u></b>		
Same Charges and Rates as SGS-S		
Plus an Additional Charge	\$4.62/Month	\$4.62/Month
 <b><u>OUTDOOR RECREATIONAL LIGHTING SERVICE - SECONDARY “ORL”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$6.48/Month	\$6.48/Month
Distribution Charge	\$0.012475/kWh	\$0.012475/kWh
<b><u>Transmission Service Charges:</u></b>		
Transmission Rate	\$0.007617/kWh	\$0.007617/kWh
<b><u>Standard Offer Service Charges:</u></b>		
Supply Capacity, Energy and Ancillary Rate		
Energy Rate	\$0.108696/kWh	\$0.108696/kWh

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months Effective June 1, 2007	<u>WINTER</u> Billing Months Effective September 28, 2007
<b><u>LARGE GENERAL SERVICE - SECONDARY "LGS-S"</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$18.39/Month	\$18.39/Month
Distribution Charge		
Demand Rate	\$1.410489/kW	\$1.166036/kW
On-Peak Energy Rate	\$0.006162/kWh	\$0.006162/kWh
Off-Peak Energy Rate	\$0.004469/kWh	\$0.004469/kWh
Power Factor Charge or Credit	\$0.029521/kW	\$0.029521/kW
<b><u>Transmission Service Charges:</u></b>		
Demand Rate	\$0.538673/kW	\$0.445316/kW
On-Peak Energy Rate	\$0.002353/kWh	\$0.002353/kWh
Off-Peak Energy Rate	\$0.001706/kWh	\$0.001706/kWh
<b><u>Supply Service Charges</u></b>		
<b><u>Standard Offer Service Charges:</u></b>		
Supply Capacity, Energy and Ancillary		
Demand Rate	\$5.700895/kW	\$4.712872/kW
On-Peak Energy Rate	\$0.077190/kWh	\$0.077190/kWh
Off-Peak Energy Rate	\$0.070343/kWh	\$0.070343/kWh
<b>Or:</b>		
<b><u>Market Priced Supply Service:</u></b>		
Supply Capacity, Energy and Ancillary Service for LGS-S "returning" Customers with demands of 500 kW or more	Refer to the "MPSS" tariff	Refer to the "MPSS" tariff

**OFF PEAK SERVICE – SECONDARY "LGS-S"**

Same Charges and Rates as LGS-S Above Except:

Distribution On-Peak Energy Rate	\$0.014018/kWh	\$0.014018/kWh
Transmission On-Peak Energy Rate	\$0.005353/kWh	\$0.005353/kWh
Standard Offer Service Energy Rate		
On-Peak Energy Rate	\$0.108940/kWh	\$0.108940/kWh

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months Effective June 1, 2007	<u>WINTER</u> Billing Months Effective September 28, 2007
<b><u>GENERAL SERVICE – PRIMARY “GS-P”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$27.45/Month	\$27.45/Month
Distribution Charge		
Demand Rate	\$1.250154/kW	\$0.944225/kW
On-Peak Energy Rate	\$0.004950/kWh	\$0.004950/kWh
Off-Peak Energy Rate	\$0.003391/kWh	\$0.003391/kWh
Power Factor Charge or Credit	\$0.029521/kW	\$0.029521/kW
<b><u>Transmission Service Charges:</u></b>		
Demand Rate	\$0.480198/kW	\$0.362687/kW
On-Peak Energy Rate	\$0.001901/kWh	\$0.001901/kWh
Off-Peak Energy Rate	\$0.001303/kWh	\$0.001303/kWh
<b><u>Supply Service Charges</u></b>		
<b><u>Standard Offer Service Charges:</u></b>		
Supply Capacity, Energy and Ancillary		
Demand Rate	\$5.610748/kW	\$4.237721/kW
On-Peak Energy Rate	\$0.074500/kWh	\$0.074500/kWh
Off-Peak Energy Rate	\$0.067505/kWh	\$0.067505/kWh

**Or:****Market Priced Supply Service:**

Supply Capacity, Energy and Ancillary Service for GS-P “returning” Customers with demands of 500 kW or more	Refer to the “MPSS” tariff	Refer to the “MPSS” tariff
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**OFF PEAK SERVICE – PRIMARY “GS-P”**

Same Charges and Rates as GS-P Above Except:

Distribution On-Peak Energy Rate	\$0.012242/kWh	\$0.012242/kWh
Transmission On-Peak Energy Rate	\$0.004702/kWh	\$0.004702/kWh
Standard Offer Service Energy Rate		
On-Peak Energy Rate	\$0.107227/kWh	\$0.107227/kWh

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

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MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER Billing Months <u>June Through September</u>	WINTER Billing Months <u>October Through May</u>
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REAL TIME PRICING –FIRM POWER “RTP-F”

Refer to the “RTP-F” tariff

Refer to the “RTP-F” tariff

COGENERATION AND SAMLL PRODUCTION “X”

Refer to the “X” tariff

Refer to the “X” tariff

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

MONTHLY CHARGES AND RATES

**PRIVATE AREA LIGHTING RATE - "PL" - SERVICE CLASSIFICATION**

The specific Delivery Service Charge identified below with \*, shall be applied to the listed "Monthly kWh Usage" for the particular light type, as stated at the bottom of this leaf, to determine part of the Delivery Service Monthly Rate, before the application of any applicable taxes and are stated at the bottom of this leaf. All other rates below shall be applied to the total kWh usage for the billing month to determine those monthly charges.

SERVICE CLASSIFICATION

Effective September 28, 2007

**PRIVATE AREA LIGHTING SERVICE - SECONDARY "PL"**

**Delivery Service Charge:**

Distribution Charge excluding Lighting Equipment \$0.037799/kWh \*

**Transmission Service Charge:**

Transmission Rate \$0.000595/kWh

**Standard Offer Service Charge:**

Capacity, Energy and Ancillary Rate \$0.057137/kWh

**PRIVATE AREA LIGHTING "PL" - DELIVERY SERVICE MONTHLY RATE**

<u>Group A: Open Bottom, Symmetric Luminaire</u>	<u>Delivery Service</u>	<u>Estimated</u>
<u>With 2-1/2 ft. bracket only</u>	<u>Monthly</u>	<u>Average</u>
<u>Mercury Vapor</u>	<u>Rate</u>	<u>Monthly kWh</u>
8,600 Lumen (175 Watt)	\$ 6.51	70 kWh
<u>High Pressure Sodium</u>		
5,800 Lumen (70 Watt)	\$ 5.75	36 kWh
9,500 Lumen (100 Watt)	\$ 6.27	50 kWh
<u>Group B: Enclosed Symmetric Luminaire</u>		
<u>With 2-1/2 ft., 4 ft. or 8 ft. bracket only</u>		
<u>Mercury Vapor</u>		
8,600 Lumen (175 Watt)	\$ 7.11	70 kWh
22,500 Lumen (400 Watt)	\$ 12.28	155 kWh
63,000 Lumen (1,000 Watt)	\$ 19.39	374 kWh
<u>High Pressure Sodium</u>		
5,800 Lumen (70 Watt)	\$ 6.90	36 kWh
9,500 Lumen (100 Watt)	\$ 7.43	50 kWh
16,000 Lumen (150 Watt)	\$ 9.11	71 kWh
25,000 Lumen (250 Watt)	\$ 14.75	109 kWh
50,000 Lumen (400 Watt)	\$ 17.24	164 kWh

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

MONTHLY CHARGES AND RATESPUBLIC LIGHTING RATE - "SL" - SERVICE CLASSIFICATION

The specific Delivery Service Charge identified below with \*, shall be applied to the listed "Monthly kWh Usage" for the particular light type, as stated on the following leaf, to determine part of the Delivery Service Monthly Rate, before the application of any applicable taxes and are stated on the following leaf. All other rates below shall be applied to the total kWh usage for the billing month to determine those monthly charges.

Effective September 28, 2007

Outdoor Lighting:Delivery Service Charge:

Distribution Charge excluding Lighting Equipment \$0.039226/kWh \*

Transmission Service Charge:

Transmission Rate \$0.000595/kWh

Standard Offer Service Charge:

Capacity, Energy and Ancillary Rate \$0.057137/kWh

Incandescent Traffic and Pedestrian Signals:Delivery Service Charge:

Distribution Charge excluding Lighting Equipment \$0.041816/kWh \*

Transmission Service Charge:

Transmission Rate \$0.000595/kWh

Standard Offer Service Charge:

Capacity, Energy and Ancillary Rate \$.064926/kWh

Note: The above Delivery Service charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery, Transmission and Standard Offer Service charges apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

MONTHLY CHARGES AND RATES - (Continued)

**PUBLIC LIGHTING “SL” – DELIVERY SERVICE MONTHLY RATE**

The Monthly Rates below include the Distribution and Lighting Equipment Charge

Service Category (As defined under OL Service)	<u>A</u> Existing Pole	<u>B</u> Metal Hi-Pole (Closed)	<u>C</u> Metal Low-Pole (Closed)	<u>D</u> Cust. Owned (With Maintenance)	<u>E</u> Cust. Owned (Without Maintenance)	Est. Mo. Avg. kWh
<u>Mercury Vapor</u>						
4,200 Lumen (100W)	\$ 5.24	-	-	-	-	46
8,600 Lumen (175W)	\$ 7.11	\$10.67	\$ 8.44	-	\$ 2.92	70
12,100 Lumen (250W)	\$ 9.73	-	-	\$ 7.00	\$ 4.15	99
22,500 Lumen (400W)	\$12.27	\$15.85	-	\$ 8.83	\$ 6.49	155
<u>High Pressure Sodium</u>						
5,800 Lumen (70W)	\$ 6.90	-	-	\$ 4.97	\$ 1.51	36
9,500 Lumen (100W)	\$ 7.43	-	-	\$ 5.37	\$ 2.09	50
16,000 Lumen (150W)	\$ 9.11	-	-	\$ 6.56	\$ 2.97	71
25,000 Lumen (250W)	\$14.75	-	-	-	\$ 4.57	109
50,000 Lumen (400W)	\$17.24	-	-	\$12.41	-	164
<u>Incandescent Traffic and Pedestrian Signals</u>						
0 - 40 Watt	-	-	-	-	\$ 0.26	6
41 - 80 Watt	-	-	-	-	\$ 0.75	18
81 - 120 Watt	-	-	-	-	\$ 1.24	30
121 - 160 Watt	-	-	-	-	\$ 1.57	38
161 - 200 Watt	-	-	-	-	\$ 1.74	42

Monthly Optional Equipment Charges

For service provided under Service Category A, the Additional Monthly Charge listed below shall be applicable, in addition to the above applicable Delivery Service Monthly Rate, for the respective non-standard optional equipment requested by and used to serve the Customer:

	<u>Additional Monthly Charge</u>
1. Ornamental or Decorative Luminaires	\$ 2.12
2. Poles	
A. Wood 25 ft. to 40 ft.	\$ 4.23
B. Fiberglass or Aluminum, Embedded, less than 25 ft.	\$ 4.23
C. Fiberglass or Aluminum, Embedded, 25 ft. to 35 ft.	\$ 8.47
D. Fiberglass or Aluminum, Bolt Base, without foundation, 25 ft. to 35 ft.	\$ 9.42

Note: The above Delivery Service monthly charges apply to those Customers who have an Electricity Supplier, other than the Company, as their energy provider. The above Delivery Service monthly charges, and the Transmission and Standard Offer Service charges from the previous page apply to those Customers who have the Company as their energy provider.

In addition to the charges and rates stated above, the taxes as stated in Section XIX of the Rules and Regulations shall apply to all applicable services, rendered hereunder, unless the customer is exempt from such tax.

## SERVICE CLASSIFICATION "R"

RESIDENTIAL SERVICE

## A. Availability

This rate applies throughout the territory served by the Company in the Commonwealth of Virginia and is available to any Customer desiring permanent electric service for household and other related uses in a single private dwelling or dwelling unit, farmstead, estate and pertinent detached buildings, or synagogue or church buildings in which the sanctuary or principal place of worship is located.

## B. Contract Term

Residential contracts are on a month to month basis until terminated except where the provisions of Section XVII state otherwise.

## C. Monthly Rate

The monthly charges & rates under this Service Classification are shown on Tariff Leaf No. 41.

## D. Standard Offer Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electricity Supplier and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## E. Primary Discount

Where service is supplied and metered at primary voltage and the Customer owns and maintains all transforming, switching, and protective equipment, the monthly Delivery Service bill as calculated in accordance with the standard rate table will be decreased by twenty percent (20%) before the application of any tax imposed by governmental authority upon the Company's sales.

This provision is not available to new or existing Customers effective May 1, 1987.

## F. Minimum Monthly Charge

The Minimum Monthly Charge shall equal the Customer Charge.

SERVICE CLASSIFICATION "R"

RESIDENTIAL SERVICE - (Continued)

G. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

H. Rules and Regulations

The general Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "R-TOU-ND"

OPTIONAL RESIDENTIAL TIME OF USE NON DEMAND METERED RATE

## A. Availability

This rate is available, subject to meter availability and installation, for household and other related uses in a single private dwelling or dwelling unit to the first 2000 Customers requesting service under this schedule:

1. Whose present facilities will accommodate a multi-register socket-type meter and where sufficient space exists for the installation of the meter, or
2. Who will make the necessary modifications, at their own expense, to permit the installation of the multi-register socket-type meter.
3. Who agree in writing to remain on this schedule for a minimum of one (1) year.

## B. Contract Term

Written contracts will be required for all Customers receiving service under this Service Classification. The contract will be for an initial term of one (1) year with automatic month-to-month extensions until terminated.

## C. Monthly Rate

The monthly charges & rates under this Service Classification are shown on Tariff Leaf No. 41.

## D. Standard Offer Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electricity Supplier and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## E. Peak Hours

On-peak hours are 9:00 a.m. to 8:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 10:00 a.m. to 9:00 p.m. when Eastern Daylight Savings time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

SERVICE CLASSIFICATION "R-TOU-ND"

OPTIONAL RESIDENTIAL TIME OF USE NON DEMAND METERED RATE - (Continued)

F. Minimum Bills

The minimum monthly bill shall be the Customer Charge.

G. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

H. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "SGS-S"

SMALL GENERAL SERVICE-SECONDARY RATE

## A. Availability

This rate is available to any Customer having a monthly maximum measured demand of less than 300 kW in ten (10) of the most recent twelve (12) months and who desires service at secondary voltage as defined in Section XI-I of the Rules and Regulations. Any Customer taking service under this Service Classification whose measured demand is equal to or exceeds 300 kW in three (3) or more months during the most recent twelve (12) months shall be automatically transferred to Service Classification "LGS-S", effective with the next succeeding billing month.

## B. Contract Term

Standard contracts are for an initial period of one year with month to month extensions until terminated. A contract for an initial period of more than one year may be required if special investment by the Company is necessary or for demands greater than 1,000 Kilowatts.

## C. Monthly Rate

The monthly charges & rates under this Service Classification are shown on Tariff Leaf No. 42.

## D. Measured Demand

1. The measured demand shall be the greatest demand established by the Customer during any fifteen (15) minute period of the month as measured by demand meter, taken to the nearest whole kilowatt, except as modified by paragraph 2.
2. When a customer has contracted for off-peak service, the measured demand shall be the greatest demand during a fifteen (15) minute interval of the month which occurs during on-peak hours taken to the nearest whole kilowatt.
3. The Company will install a demand meter for all Customers whose monthly usage exceeds 3,500 kilowatt-hours. At the Company's option, a demand meter may be installed for Customers whose monthly usage is less than 3,500 kilowatt-hours.

## SERVICE CLASSIFICATION "SGS-S"

SMALL GENERAL SERVICE-SECONDARY RATE - (Continued)

## E. Off Peak Service

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

The availability of Off-Peak Service is subject to agreement in writing between the Company and the Customer. There shall be an additional charge per month for such service as shown on Tariff Leaf No. 34d. The Company reserves the right to restrict the amount of off-peak power available to any individual Customer and to restrict the total amount of off-peak power available on its system.

## F. Billing Demand

The billing demand for each billing month shall be the maximum measured demand as created during that month.

## G. Standard Offer Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electricity Supplier and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## H. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

## I. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

## J. Rules and Regulations

The General Rules and Regulations set forth in this Tariff, shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE-SECONDARY RATE

## A. Availability

This rate is available to any Customer having a summer maximum measured demand of 300 kW or greater in three (3) or more months during the most recent 12 months and who desires service at secondary voltage as defined in Section XI-I of the Rules and Regulations. Any Customer served under this service classification shall remain on this classification for at least twelve (12) billing months, even though such Customer's maximum measured demand in succeeding months may be less than 300 kW. After such twelve (12) billing months, at the Customer's option, the Customer may be transferred to Service Classification "SGS-S" provided that the Customer has not had a maximum measured demand of 300 kW or greater in three (3) or more months within the most recent twelve (12) billing months.

## B. Contract Term

Standard contracts are for an initial period of one year with month to month extensions until terminated. A contract for an initial period of more than one year may be required if special investment by the Company is necessary or for demands greater than 1,000 Kilowatts.

## C. Monthly Rate

The monthly charges & rates under this Service Classification are shown on Tariff Leaf No. 43.

## D. Measured Demand

The measured demand shall be the greater of the maximum demand established by the Customer during any sixty (60) minute period of the month during on-peak hours as measured by demand meter, taken to the nearest whole kilowatt or one-third (1/3) of the maximum demand established during any sixty (60) minute period of the month during the off-peak hours, taken to the nearest whole kilowatt.

## E. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification. For Customers having a maximum demand of 300kW or greater, a meter recording device will normally be provided by the Company. Such a meter recording device does not normally include an electronic communication link to remotely access the metered data. At the Company's sole discretion, an electronic communication link may be used to remotely access the metered data.

## F. Peak Hours

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE-SECONDARY RATE - (Continued)

## G. Power Factor

When the measured demand is 300 kW or more for the current month the average power factor of the Customer's installation, expressed in the nearest whole percent, shall be determined by metering installed by the Company ratcheted to prevent reverse registration. Ninety percent (90%) lagging shall be considered to be the base power factor.

If the average power factor is determined to be below ninety percent (90%) for any given month, an additional charge of \$0.029521 per kilowatt of measured demand for every whole percent less than ninety percent (90%) will be added to the monthly bill. If the average power factor is determined to be between ninety percent (90%) and one hundred percent (100%) for any month, a credit of \$0.029521 per kilowatt of measured demand for every whole percent above ninety percent (90%) will be added to the monthly bill.

## H. Billing Demand

The billing demand for each billing month shall be the maximum measured demand as defined in Section D above.

## I. Standard Offer Service and Market Priced Supply Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer.

When a Customer has a measured demand of less than 500W during the last twelve (12) months and has purchased its electric supply services from an Electricity Supplier, other than the Company and returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE-SECONDARY RATE - (Continued)

## I. Standard Offer Service and Market Priced Supply Service - (Continued)

When a Customer has a demand of 500 kW or more during the last twelve (12) months and has purchased its electric supply services from an Electricity Supplier, other than the Company, the Customer must select one of the following two optional electric supply services provided by the Company before the Customer returns to the Company for electric supply services for its account, with the appropriate 15 days notice and with the selected service beginning with the Customer's scheduled meter reading date:

1. Standard Offer Service, as stated under the Monthly Charges and Rates table, where the Customer must remain on that supply service for at least twelve (12) billing months after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier. The Customer may not switch directly from the Company's Standard Offer Service to the Company's Market Priced Supply Service. Or,
2. Market Priced Supply Service, as described under Section XVII of the Rules and Regulations, where the Customer must remain on that supply service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier. The Customer may not switch directly from the Company's Market Priced Supply Service to the Company's Standard Offer Service.

In the event that a Customer, who has a demand of 500kW or more during the last twelve (12) months, fails to select one of the above Company's electric supply services and returns to the Company for electric supply services, then the Standard Offer Service shall be provided by the Company for the Customer. In addition, if a Customer returns to the Standard Offer Service as a result of an Electricity Supplier's abandonment of service, then the Customer may choose another Electricity Supplier at any time, beginning on the Customer's scheduled meter reading date, without the requirement to remain on the Standard Offer Service for the minimum stay period of twelve (12) billing months.

## SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE-SECONDARY RATE - (Continued)

## J. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

## K. Off-Peak Service

Off-Peak Service is an optional experimental service and is available to any "LGS-S" Customer who has at least 75% of their total annual kWh usage during the off-peak hours and who has demonstrated demand reduction capability of one hundred kilowatts (100 kW) or more. The availability of this voluntary service is limited to five (5) Customers. The Company reserves the right to restrict the amount of service.

The Customer must enter into a Service Agreement with the Company for an initial period of two (2) years with automatic year-to-year extensions until terminated by ninety (90) days written notice by either the Customer or the Company. The Service Agreement shall specify a Contract Firm Demand Level (CFDL). The CFDL shall be no greater than 10% of the measured demand as defined in Section D.1. The Customer, upon ninety (90) days written notice and subject to the Company's approval, may increase or decrease the amount of demand reduction. This Service shall be subject to interruption at any time on any day, upon thirty (30) minutes notice by the Company. A request for interruption may be made in order to prevent or minimize an emergency operating condition on the Company's or PJM's electric system or for economic reasons as determined by the Company. The duration of each interruption shall not exceed 72 hours. The total interruptions within a calendar year shall not exceed 864 hours or 144 occurrences. The Customer shall reduce demand within thirty (30) minutes to the level requested by the Company, but no lower than the CFDL.

The monthly rates shall be the same as indicated for "LGS-S" except that the on-peak energy rate per kilowatt-hour during all billing months shall be as shown on Tariff Leaf No. 43 for Off-Peak Service. The Minimum Charge shall be the Customer Charge plus the CFDL multiplied by the demand rate.

The billing demand for all billing months, except for non-compliance, shall be the CFDL as specified in the Service Agreement. If the Customer fails to comply with the Company's request(s) to reduce demand, the billing demand for that month shall be sum of the maximum sixty (60) minute demand during each request divided by the number of requests in that billing month. The billing demand charge for that month shall be the billing demand as defined in the preceding sentence multiplied by two (2) times the demand rate.

## L. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

## M. Rules and Regulations

The General Rules and Regulations set forth in this Tariff, shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE-PRIMARY RATE

A. Availability

This rate applies throughout the territory served by the Company in the Commonwealth of Virginia and is available to any Customer desiring service at primary voltage as defined in Section XI of the Rules and Regulations, and owns and maintains the required transforming, switching and protection equipment. This rate is not available to provide standby capacity for Customer-owned baseload generation. This rate is not available to Residential Customers.

B. Contract Term

Standard contracts are for an initial period of one year with month to month extensions until terminated. A contract for an initial period of more than one year may be required if special investment by the Company is necessary or for demands greater than 1,000 kilowatts.

C. Monthly Rate

The monthly charges & rates under this Service Classification are shown on Tariff Leaf No. 44.

D. Measured Demand

The measured demand shall be the greater of the maximum demand established by the Customer during any sixty (60) minute period of the month during on-peak hours as measured by demand meter, taken to the nearest whole kilowatt or one-third (1/3) of the maximum demand established during any sixty (60) minute period of the month during the off-peak hours, taken to the nearest whole kilowatt.

E. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification. For Customers having a maximum demand of 300kW or greater, a meter recording device will normally be provided by the Company. Such a meter recording device does not normally include an electronic communication link to remotely access the metered data. At the Company's sole discretion, an electronic communication link may be used to remotely access the metered data.

F. Peak Hours

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE-PRIMARY RATE - (Continued)

## G. Power Factor

When the measured demand is 300 kW or more for the current month the average power factor of the Customer's installation, expressed in the nearest whole percent, shall be determined by metering installed by the Company ratcheted to prevent reverse registration. Ninety percent (90%) lagging shall be considered to be the base power factor.

If the average power factor is determined to be below ninety percent (90%) for any given month, an additional charge of \$0.029521 per kilowatt of measured demand for every whole percent less than ninety percent (90%) will be added to the monthly bill. If the average power factor is determined to be between ninety percent (90%) and one hundred percent (100%) for any month, a credit of \$0.029521 per kilowatt of measured demand for every whole percent above ninety percent (90%) will be added to the monthly bill.

## H. Billing Demand

The billing demand for each billing month shall be the maximum measured demand as defined in Section D above.

## I. Standard Offer Service and Market Priced Supply Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer.

When a Customer has a measured demand of less than 500W during the last twelve (12) months and has purchased its electric supply services from an Electricity Supplier, other than the Company, and returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE-PRIMARY RATE - (Continued)

## I. Standard Offer Service and Market Priced Supply Service - (Continued)

When a Customer has a demand of 500 kW or more during the last twelve (12) months and has purchased its electric supply services from an Electricity Supplier, other than the Company, the Customer must select one of the following two optional electric supply services provided by the Company before the Customer returns to the Company for electric supply services for its account, with the appropriate 15 days notice and with the selected service beginning with the Customer's scheduled meter reading date:

1. Standard Offer Service, as stated under the Monthly Charges and Rates table, where the Customer must remain on that supply service for at least twelve (12) billing months after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier. The Customer may not switch directly from the Company's Standard Offer Service to the Company's Market Priced Supply Service. Or,
2. Market Priced Supply Service, as described under Section XVII of the Rules and Regulations, where the Customer must remain on that supply service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier. The Customer may not switch directly from the Company's Market Priced Supply Service to the Company's Standard Offer Service.

In the event that a Customer, who has a demand of 500kW or more during the last twelve (12) months, fails to select one of the above Company's electric supply services and returns to the Company for electric supply services, then the Standard Offer Service shall be provided by the Company for the Customer. In addition, if a Customer returns to the Standard Offer Service as a result of an Electricity Supplier's abandonment of service, then the Customer may choose another Electricity Supplier at any time, beginning on the Customer's scheduled meter reading date, without the requirement to remain on the Standard Offer Service for the minimum stay period of twelve (12) billing months.

## SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE - PRIMARY RATE (Continued)

## J. Transmission Discount

When service is supplied and metered at transmission voltage, defined as sixty-nine thousand volts (69,000 V) or greater, and the Customer owns and maintains all transforming, switching and protective equipment, the monthly bill as calculated in accordance with the standard rate table, and without the application of the fuel component of \$0.052284/kWh of the Standard Offer Supply Service rate and before any tax imposed under governmental authority upon the Company's sales, will be decreased by fourteen percent (14%).

## K. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

## L. Off-Peak Service

Off-peak service is an optional experimental service and is available to any "GS-P" Customer who has at least 75% of their total annual kWh usage during the off-peak hours and who has demonstrated demand reduction capability of one hundred kilowatts (100 kW) or more. The availability of this voluntary service is limited to five (5) Customers. The Company reserves the right to restrict the amount of service.

The Customer must enter into a Service Agreement with the Company for an initial period of two (2) years with automatic year-to-year extensions until terminated by ninety (90) days written notice by either the Customer or the Company. The Service Agreement shall specify a Contract Firm Demand Level (CFDL). The CFDL shall be no greater than 10% of the measured demand as defined in Section D.1. The Customer, upon ninety (90) days written notice and subject to the Company's approval, may increase or decrease the amount of demand reduction. This Service shall be subject to interruption at any time on any day, upon thirty (30) minutes notice by the Company. A request for interruption may be made in order to prevent or minimize an emergency operating condition on the Company's or PJM's electric system or for economic reasons as determined by the Company. The duration of each interruption shall not exceed 72 hours. The total interruptions within a calendar year shall not exceed 864 hours or 144 occurrences. The Customer shall reduce demand within thirty (30) minutes to the level requested by the Company, but no lower than the CDFL.

The monthly rates shall be the same as indicated for "GS-P" except that the on-peak energy rate per kilowatt-hour during all billing months shall be as shown on Tariff Leaf No. 44 for Off-Peak Service. The Minimum Charge shall be the Customer Charge plus the CFDL multiplied by the demand rate.

The billing demand for all billing months, except for non-compliance, shall be the CDFL as specified in the Service Agreement. If the Customer fails to comply with the Company's request(s) to reduce demand, the billing demand for that month shall be sum of the maximum sixty (60) minute demand during each request divided by the number of requests in that billing month. The billing demand charge for that month shall be the billing demand as defined in the preceding sentence multiplied by two (2) times the demand rate.

SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE - PRIMARY RATE (Continued)

M. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

N. Rules and Regulations

The General Rules and Regulations set forth in this Tariff, shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "RTP-F"

REAL TIME PRICING - FIRM POWER  
(EXPERIMENTAL)

A. Availability

This experimental rate is available to Customers taking the Company's combined Electric Supply & Delivery Service from the Company and having an expected maximum measured demand of 1,000 kW or greater within the first twelve months of taking this service, who desire supply and delivery service at the primary voltage and who own and maintain the required transforming, switching and protection equipment. This experimental rate is limited to a maximum of 5 Customers who agree to participate in a Real Time Pricing experiment and enter into an agreement with the Company by January 15, 2001. Service under such an agreement may be for a term ending after that date.

B. Contract Term

The Customer shall enter into a contract for an initial term of at least five (5) years. Thereafter, the subsequent term may be for a period of one (1) year or greater, upon agreement of the Customer and the Company. Such a contract may contain provisions specifying under which circumstances a change in the rate design approved by the Commission for this Service Classification during the initial term of the contract would permit the Customer or the Company to terminate its contractual arrangement for this service within 60 days of the effective date of the change.

C. Rate Table

		Summer Billing Months <u>June through September</u>	Winter Billing Months <u>October through May</u>
<u>Customer Charge</u>	- Monthly	\$984.02 Minimum	\$984.02 Minimum
<u>Demand Charges</u>			
Baseline Contract Demand	- Monthly	Same as "GS-P" Rate	Same as "GS-P" Rate
Incremental Production Demand	- Monthly	\$1.838144/kW	\$1.838144/kW
Incremental Transmission and Distribution Demand	- Monthly	\$3.847507/kW	\$3.847507/kW
<u>Energy Charges</u>			
Baseline On-Peak Energy		Same as "GS-P" Rate	Same as "GS-P" Rate
Baseline Off-Peak Energy		Same as "GS-P" Rate	Same as "GS-P" Rate
Baseline Standard Offer Service Demand and Energy Rates		Same as "GS-P" Rate	Same as "GS-P" Rate
Incremental Energy	- Hourly	Market Clearing Price \$/kWh	Market Clearing Price \$/kWh
Incremental Energy Adder	- Hourly	\$0.007380/kWh	\$0.007380/kWh

## SERVICE CLASSIFICATION "RTP-F"

REAL TIME PRICING - FIRM POWER (Continued)  
(EXPERIMENTAL)

## C. Rate Table (Continued)

The Baseline Contract Demand Rates shall be the same as those applicable under the "GS-P" Service Classification and its successors.

The Incremental Production Demand Rate shall be updated periodically, as needed and with the Commission's approval, based on the then market clearing price for annual capacity applicable to the Company. The market clearing price for annual capacity is currently represented by the Company's contracted cost for annual capacity multiplied by the Company's capacity reserve margin and the loss adjustment factor for primary service. The regional or PJM then current cost for annual capacity may be used as the market clearing price for annual capacity.

The Incremental Transmission and Distribution Demand Rate shall be updated periodically, as needed and with the Commission's approval, based on the Company's latest cost study.

The Baseline Energy Rates shall be the same as those applicable under the "GS-P" Service Classification and its successors. The Baseline Energy Rates shall be applied to the amount of energy used up to the designated amount for each hour of the Customer Baseline Load profile.

The Incremental Energy Rate shall be the market clearing price for each hour for energy applicable to the Company and shall be multiplied by the loss adjustment factor for primary service. The Incremental Energy Rate shall be applied to the Customer's new incremental energy in excess of the Customer Baseline Load profile. The hourly market clearing price for energy applicable to the Company is currently represented by the Company's actual hourly Pennsylvania-New Jersey-Maryland (PJM) Locational Marginal Price for energy. The hourly market clearing price shall not be less than \$0.009/kWh for any hour.

The Incremental Energy Adder of \$0.007380/kWh shall be applied to the amount of energy used for each hour in excess of the Customer Baseline Load profile.

## D. Power Factor

The Customer shall attempt to maintain an average monthly power factor of ninety percent (90%) or more. If the average power factor is determined to be less than ninety percent (90%) for any given month, an additional charge of \$0.029521 per kilowatt of the maximum sixty (60) minute demand during the billing month for every whole percentage less than ninety percent (90%) will be added to the monthly bill. If the average power factor is determined to be between ninety percent (90%) and one hundred (100%) for any month, a credit of \$0.029521 per kilowatt of the maximum sixty (60) minute demand during the billing month for every whole percent above ninety (90%) will be added to the monthly bill.

## E. Minimum Charge

The monthly Minimum Charge shall be the Customer Charge plus the Baseline Contract Demand Charge.

## SERVICE CLASSIFICATION "RTP-F"

REAL TIME PRICING - FIRM POWER (Continued)  
(EXPERIMENTAL)

## F. Customer Baseline Load

The Customer Baseline Load (CBL) profile is a representation of the Customer's existing typical annual hourly usage as agreed to by the Customer and the Company. The CBL for a new customer shall be at least eighty percent (80%) of the customer's total actual hourly usage. The CBL shall be used as the basis for determining revenue neutrality and for determining the Baseline Contract Demand.

The CBL shall be reviewed periodically and may be adjusted annually by the Company in order to preserve the intent of this Service Classification.

Furthermore, when a Customer meets the Company's criteria and agrees to enter into at least a seven (7) year contract, the eligible Customer may negotiate with the Company for a CBL that is less than one hundred percent (100%), but no less than eighty percent (80%), of the Customer's existing typical annual hourly usage pattern. The Company shall determine the Customer's eligibility based upon information supplied by the Customer. The Company's evaluation of eligibility shall consider the economics of the competitive alternative, as well as the practical aspects of securing that alternative (e.g., ability to secure environmental permitting, feasibility studies, switching ability, ability to secure required capital).

## G. Revenue Neutrality

Revenue neutrality shall be a key objective before serving the Customer under this Service Classification. The intent is to initially design the "RTP-F" annual revenue to achieve the same revenue as if the Customer would be billed under the "GS-P" Service Classification using the Customer Baseline Load profile with the then current applicable "GS-P" rates. Revenue neutrality may be achieved by appropriately setting the "RTP-F" Customer Charge and the Customer's Baseline Contract Demand.

## H. Baseline Contract Demand

The Baseline Contract Demand shall be a separately specified amount for each month of a calendar year, as agreed to by the Customer and the Company. The Baseline Contract Demand shall be reviewed periodically and may be changed annually by the Company in order to preserve the intent of this Service Classification. The Baseline Contract Demand Charge shall be the Baseline Contract Demand Rate times the Baseline Contract Demand for that particular month.

## I. Incremental Production Demand

The Incremental Production Demand shall be the maximum sixty (60) minute on-peak demand in excess of the Baseline Contract Demand during the on-peak hours of the billing month. The Incremental Production Demand Charge shall be the Incremental Production Demand Rate times the Incremental Production Demand.

SERVICE CLASSIFICATION "RTP-F"

REAL TIME PRICING - FIRM POWER (Continued)  
(EXPERIMENTAL)

J. Incremental Transmission and Distribution Demand

The Incremental Transmission and Distribution Demand shall be the maximum sixty (60) minute demand during any hour of the billing month in excess of the maximum sixty (60) minute Customer Baseline Load (CBL) of the billing month. The Incremental Transmission and Distribution Demand Charge shall be the Incremental Transmission and Distribution Demand Rate times the Incremental Transmission and Distribution Demand.

K. Peak Hours

The on-peak hours are 6:00 a.m. to 10:00 p.m. during the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

L. Communicating Market Clearing Price for Hourly Energy Rate

Within thirty (30) minutes after each hour, the Company will post the market clearing price for the Incremental Energy Rate for the preceding hour to a computer network bulletin board for the Customer to query. In the event that the market clearing prices for energy are not available through the network system, the Customer will contact the Company to obtain such prices.

M. Fuel Accounting

For accounting purposes, the then current Virginia fuel component of \$0.021702/kWh of the Standard Offer Supply Service rate during 2002 and \$0.020452/kWh effective January 1, 2003 will be applied to the total monthly billing sales under this Service Classification in order to determine an amount to credit the Virginia deferred fuel balance on a monthly basis.

N. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

O. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "PL"

PRIVATE AREA LIGHTING

## A. Availability

This rate applies throughout the territory served by the Company in the Commonwealth of Virginia for lighting of Customer's private property and is available to Customers presently taking Delivery Service or the Company's combined Electric & Delivery Service under Service Classification "R", "R-TOU-ND", "SGS-S", "LGS-S", and "GS-P" contained in this tariff.

## B. Character of Service

Service shall be rendered by use of a mercury vapor or high pressure sodium lamp based on the manufacturer's nominal lamp rating.

## C. Contract Term and Billing

Standard contracts shall be for term of one (1) year and thereafter from year to year and terminated by at least sixty (60) days notice from either party. Bill will be rendered monthly in accordance with the charges shown in the rate table.

## D. Monthly Rate Table

Monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 46.

## E. Description of Equipment to be Supplied

Company will install, own and maintain a standard mercury type luminaire and bracket mounted on an existing Company pole or an approved pole or other approved structure owned by the Customer. Company will install one (1) additional span of aerial circuit from existing secondary facilities.

## F. Terms and Conditions of Service

1. Private lighting service is available to individual Customers provided Company has in place existing secondary service facilities.
2. When additional circuits or poles are required on the Customer's premises, such additional circuits and poles shall be paid for, owned and maintained by Customer.
3. Any additional circuits or equipment necessary on Company poles shall be installed by Company at Customer's expense but will be owned and maintained by Customer.
4. When lighting unit is attached to a Company pole and is located along a public right of way, the lighting unit furnished under this Service Classification must then extend over the Customer's private property and not over the public right-of-way. The decision as to the location of a private lighting unit on Company poles rests solely with the Company and the installation of equipment must conform with the regulations of public authorities having jurisdiction in the area.
5. The Company will maintain and service only owned equipment.

## SERVICE CLASSIFICATION "PL"

PRIVATE AREA LIGHTING - Continued

## F. Terms and Conditions of Service - (Continued)

6. Lamps shall be lighted from dusk to dawn each night, approximately 4,100 hours per year.
7. New installations shall remain in service for a minimum of one year. The Company may require payment for removals or relocations of new installations in service for less than one (1) year.
8. Company will provide relamp when necessary and maintain the fixture and glassware which it owns. All other maintenance will be at Customer's expense.
9. Lamp renewals and/or maintenance will be performed during normal working hours within a reasonable period following notification by the Customer to the Company.
10. All installations must be accessible to Company maintenance trucks and personnel for relamping and repairs. The 4 ft. and 8 ft. brackets under Group B are limited to 30 ft. mounting height and available only in locations accessible by bucket type service truck.
11. Company reserves the right to discontinue service where cost of service is excessive because of vandalism or other reasons.
12. The Company will only attach lighting units to utility owned poles or approved private poles.

## G. Standard Offer Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electricity Supplier and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## H. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

## I. Rules and Regulations

The General Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "SL"

PUBLIC LIGHTING SERVICE

(Street Lighting, Traffic Signals, & Directional Signs)

A. Availability

This rate applies throughout the territory served by the Company in the Commonwealth of Virginia and is available to incorporated municipalities and to county or state public authorities taking Delivery Service or the Company's combined Electric & Delivery Service. Street lighting is also available to organizations and developments not offered public lighting service throughout public authorities.

B. Character of Service

Street lighting service is available by the use of high intensity discharge light sources. Traffic signals are incandescent lamps and directional signs are to be either mercury vapor or fluorescent light sources. Vertical lumen values and wattages of light sources quoted herein are based on nominal ratings as listed by lamp manufacturers.

C. Contract Term and Billing

Standard contracts for street lighting shall be for an initial term of five (5) years and thereafter from year to year unless terminated with 90 days notice. Standard contracts for traffic signals and directional signs shall be on a monthly basis. Bills will be rendered monthly in accordance with the rate table.

D. Monthly Rate Table

The monthly charges and rates under this Service Classification are shown on Tariff Leaf Nos. 47 and 48.

SERVICE CLASSIFICATION "SL"

PUBLIC LIGHTING SERVICE - (Continued)

E. Conditions of Service

Company will provide street lighting as outlined in the above rate table subject to the following conditions:

1. Service Category A - Luminaire installed on existing poles supplied by aerial circuit limited to 200' from an existing overhead distribution facility. (See Note 1)
2. Service Category B - Luminaire installed on high-level metal pole supplied by aerial or underground circuit, limited to 200' from existing distribution facility. (See Note 1) Not available after May 1, 1987.
3. Service Category C - Luminaire (ornamental) installed on low-level metal pole supplied by underground circuit, in residential areas, limited to 200' from existing distribution facility. (See Note 1) Not available after May 1, 1987.
4. Service Category D - Customer installs, owns, and maintains lighting system. Company will provide unmetered delivery service, lamp renewals, glassware and photo-control device replacements providing the lamp, glassware and photo-cell is of a type normally used by the Company and the installation meets Company specifications.
5. Service Category E - Customer installs, owns, and maintains entire lighting system. Company will provide unmetered delivery service and 100' of aerial service in aerial distribution area. Customer to extend underground to the nearest Company-owned distribution facility.

Note 1 - If Company is required to break and restore hard surfacing for underground circuit then such cost shall be paid by the Customer.

Note 2 - Company may require that Customer pay for any costs in excess of these Conditions of Service.

## SERVICE CLASSIFICATION "SL"

PUBLIC LIGHTING SERVICE - (Continued)

## F. Terms of Service

1. The Company may require payment of cost of changes, requested by the Customer, in pole or luminaire location other than those incidental to street or highway improvements.
2. New street lighting installations shall remain in service for a minimum of five (5) years. The Company may require payment for removals of new installations in service for less than five (5) years.
3. The street lighting equipment furnished by the Company shall be a type and style normally used for this class of service and may be changed or modified at the Company's option.
4. Lamps used for street lighting shall be lighted from dusk to dawn each night, approximately 4,100 hours per year.

## G. Standard Offer Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electricity Supplier and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

## H. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

## I. Rules and Regulations

The General Rules and Regulations set forth in this Tariff shall govern the provision of service under the Service Classification.

SERVICE CLASSIFICATION "ORL"

OUTDOOR RECREATIONAL LIGHTING RATE

A. Availability

This rate applies throughout the territory served by the Company in the State of Virginia and is available to non-profit organizations and local governmental entities where at least 90% of the total connected load is used for outdoor recreational lighting.

B. Contract Term and Billing

Standard contracts are for an initial period of one (1) year with automatic month to month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary. Bills will be rendered monthly.

C. Monthly Rate

The monthly charges & rates under this Service Classification are shown on Tariff Leaf No. 42.

D. Standard Offer Service

Until such time that the Customer has the right to purchase its electric supply services from an Electricity Supplier, other than the Company, the Company shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. When the Customer has the right to select an Electricity Supplier and has not exercised that right, then the Company shall be the electricity supplier and shall provide the Company's combined Electric Supply & Delivery Service, which includes the Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electricity Supplier and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service for up to one (1) billing month after which, and beginning on the Customer's scheduled meter reading date, the Customer will be eligible to be served by an Electricity Supplier.

E. Minimum Bills.

The minimum monthly bill shall be the Customer Charge.

F. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

G. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION

## A. Availability

This rate schedule is available throughout the territory served by the Company in the Commonwealth of Virginia and is applicable to purchase of electricity by the Company from cogenerators or small power producers which meet Federal qualifying standards and have a generating capacity of 100 kW or less. The rates stated herein are subject to change biennially.

## B. Delivery Voltage

Available at any standard secondary voltage at the same voltage as if the Qualifying Facility (QF) were purchasing similar quantities of electricity at the same delivery point, considering the load and operating conditions of said facility.

## C. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary or if the Customer contracts to receive Capacity Payments.

## D. Market Access

The Company's electric system is operated as part of the integrated electric system of the PJM Control Area, under the direction of the control area operator, regional transmission provider, and regional market administrator, PJM. Interconnection with the Company's electric system provides access to wholesale markets as follows:

1. Choice of Markets – Pursuant to 18 CFR §292.303(d) of the regulations, any net excess of the QF's energy and capacity will be transmitted as directed by the Customer either (1) to the energy, capacity and ancillary services markets administered by PJM, for sale at such prices as may be available in those markets from time to time, or (2) to any bilateral purchaser (including the Company) or other market selected by the Customer, for sale as negotiated between the Customer and the purchaser.

2. Point of Delivery – Delivery to the PJM marketplace shall occur at the Interconnection Point under this schedule, provided, for market administration purposes, if the Interconnection Point is not located on a "generation bus" for which a locational marginal price is calculated by PJM, the nominal point of delivery to the PJM marketplace will be the PJM-recognized "generation bus" electrically most directly connected to the Interconnection Point. Delivery to a bilateral purchaser shall occur as arranged with PJM and other transmission providers; such arrangements are the responsibility of the Customer.

3. Delivery Arrangements - Power generated and delivered by the QF will be metered for sale in the wholesale marketplace. The Company shall install, own, and maintain all metering equipment needed to measure the kilowatt-hours delivered to the Company. There is no Distribution Service charge for the Company's delivery of the QF's electrical output to the integrated system of the PJM Control Area. Power delivered by the Company to the Customer will be metered by the Company under the applicable retail rate schedule (for Standard Offer Service or for Delivery Service only, as defined in the Company's Rules and Regulations).

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION – (Continued)

## E. Monthly Rate Table

Monthly Customer Charge: \$ 3.84 (To be paid by Customer)

Energy and Capacity Payments

Upon request, a QF interconnected with the Company under this schedule may sell its output to the Company for resale in the PJM markets in the following manner:

## 1. Energy Payments

The Company will sell the QF's energy in the PJM as-available hourly (real-time) energy market. The Company will pay the QF the hourly energy price received from PJM, less any associated PJM ancillary charges. The Company will pay Customers without hourly interval metering the Average Hourly LMP for the month in which the Customer sells its output to the Company.

## 2. Capacity Payments

If the QF has been certified by PJM as a PJM Capacity Resource, the Company will offer the QF's capacity in the PJM multi-month capacity market, and in the short-term PJM capacity markets if any remains unsold in the seasonal market. The Company will pay the QF the capacity price received from PJM, less any associated PJM charges and less the out-of-pocket cost to the Company of compliance with PJM unit commitment and dispatch requirements with respect to the QF's capacity.

## F. Interconnection with the Company's System

Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgment, provides safety for personnel; affords adequate protection against damage to the Company's system or to its Customer's property; and prevents any interference with the Company's delivery and supply of service to others. The Company shall not be liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential which originates from a cogenerator's or small power producer's generation facilities, except as the Company would be liable in the normal course of business. Such protective equipment shall be installed, owned and maintained by the cogenerator or small power producer at his expense. In addition, it may be necessary for the Company to extend or modify portions of its systems to accommodate the purchase of electricity from a cogenerator or small power producer. Should such extension or modification be necessary, all work shall be performed by the Company at the cogenerator's or small power producer's expense. For new services, such expense shall be determined by the difference between total costs and the investment the Company would make to install a normal service without Customer-Owned generation. All such interconnection expenses to be paid for by the Customer may, at the Customer's option, be paid in a lump sum or may be paid for over a period not exceeding three years, including interest calculated at the Company's current cost at the time of interconnection.

At the Company's request, the cogenerator or small power producer shall furnish, install and maintain, at its own expense, corrective apparatus which results in an average power factor of not less than ninety percent (90%) lagging.

The Company's technical requirements for parallel operations shall be followed and are as stated in its document titled "Technical Considerations Covering Parallel Operations of Customer-owned Generation."

SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

G. Metering

The Company shall install, own and maintain all metering equipment needed to measure the kilowatt-hours delivered to the Company. The installation will include a time-differentiated metering service unless the cogenerator or small power producer elects to sell electricity at the Average Hourly LMP regardless of the time delivered. At the Customer's option, the cogenerator or small power producer shall pay the installed cost of metering but the Company retains ownership of the meter. A monthly meter charge shall be assessed for the following meter types as applicable (for meters not listed below, a separate rate will be developed as necessary and as provided in Paragraph A, Section VIII of Delmarva's Virginia Tariff):

	<u>Monthly Meter Equipment Rate</u>	<u>Monthly O&amp;M Rate</u>
A. Non time differentiated metering		
1. Self-contained single phase - 200 ampere	\$ 2.39	\$ 1.05
2. Self-contained single phase - 400 ampere	\$ 2.75	\$ 1.05
3. Self-contained three phase - 200 ampere	\$ 4.50	\$ 1.05
4. Transformer rated three phase	\$ 11.04	\$ 1.05
B. Time-differentiated metering		
1. Self-contained single phase - 200 ampere	\$ 6.89	\$ 4.28
2. Self-contained three phase - 200 ampere	\$ 8.36	\$ 4.28
3. Transformer rated three phase	\$ 14.90	\$ 4.28

Customers who elect to pay the installed cost of metering shall pay the Monthly O&M Rate. Where the Company provides and installs the metering equipment, the Customer shall pay the Monthly Meter Equipment Rate plus the Monthly O&M Rate.

H. Cessation of Parallel Operation

Parallel operation must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company. The cogenerator or small power producer must cease parallel operation upon notification by the Company if such operation is determined to be unsafe, interferes with the supply of service to others, or interferes with system maintenance or operation. The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the cogenerator or small power producer to operate in compliance with Company requirements.

I. Payment Terms

The Company shall read the meter at approximately 30-day intervals. Payment to the cogenerator or small power producer shall be first applied to outstanding bills and then accumulated up to a balance of twenty-five dollars (\$25.00) or more, which shall then be refunded.

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

## J. Failure to Comply

Failure of the cogenerator or small power producer to comply with any of the requirements set forth in Paragraph G and H above shall result in disconnection from the Company's system, and the Company will be under no obligation to make subsequent purchases therefrom.

## K. Alternative Transactions

This service classification is premised upon the qualifying facility selling its entire generation output to the Company under the rates set forth herein and then purchasing its entire electric requirements from the Company under the regular rate schedule as applicable (a "simultaneous buy/sell" transaction). Two alternative transactions are available at the Customer's option as follows:

## 1. "Net Excess" Transaction

Under this option, the Customer generates to supply its own load; it sells to the Company the generated energy in excess of its own load and purchases only its requirements in excess of its generation. Two meters would be installed; one to meter the net electrical flow from the Company to the Customer and the other to meter the net electrical flow from the Customer to the Company, both ratcheted to prevent reverse regulation. The two meters would measure "net" electrical flow. The net flow from the Company would be billed at the Company's regular rate schedule as applicable, while the net flow to the Company would be paid to the Customer based on the above rates, charges, terms and conditions. The appropriate monthly meter charge, as stated in Section G above, would apply for the meter measuring the net electrical flow from the Customer to the Company.

## 2. "No Sale" Transaction

Under this option, the Customer generates energy to supply all or a portion of its own load and purchases any additional requirements from the Company. One meter would be installed, ratcheted to prevent reverse registration, with the type of meter installed as determined by the applicable regular rate schedule. The meter would measure the net electrical flow to the Customer, without offset for periods when the Customer's generation exceeded the Customer's electric requirements, with billing at the Company's regular rate schedule as applicable. The monthly Customer and meter charges, as set forth in Section F and H above, would not apply under this option.

## L. State and Local Taxes

In addition to the charges provided for in this Service Classification, any state and local tax shall apply to all services rendered hereunder, as provided in Section XIX of the Rules and Regulations, unless the Customer is exempt from such tax.

SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

M. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

RIDER "EP"

ELECTRICITY PURCHASED BY THE COMPANY  
FROM COGENERATORS AND SMALL POWER PRODUCERS

Cogeneration and small power production facilities which meet Federal qualifying standards may elect to sell energy to the wholesale market. The Company shall purchase such energy under Service Classification "X", Cogeneration and Small Power Production, from qualifying facilities with generating capacity of 100 kW or less. Purchases from qualifying facilities with generating capacity of greater than 100 kW shall be made under special contracts. The rates paid by the Company under such special contracts shall be related to the PJM market value of these sales.

The terms and conditions of purchases shall vary with the circumstances of each specific installation, and shall be subject to approval by the State Corporation Commission.

RIDER "EFT"

ENERGY FOR TOMORROW

A. Availability

As of May 1, 1996, this Rider is closed to new locations where load management equipment is not currently installed.

This Rider is available where service is provided to eligible residential dwellings under Service Classification "R", "R-TOU-ND", "SGS-S", "LGS-S", and "GS-P", regardless of the Customer's electricity supplier. The Customer who agrees to participate in the Company's "Challenge 2000" program to help manage future electricity costs. By participating in this plan, the Customer and the Customer's Electricity Supplier agrees to allow the Company to cycle off and on the Customer's electrical central air conditioner/heat pump or water heater or both during the times in which the demand for electricity on the Company's system is anticipated to be high or as required to mitigate a system emergency, or for economic purposes.

When the dwelling served is not owned by the Customer, participation in this program is conditioned upon agreement of both the owner of the dwelling, or owner's agent, and the Customer.

Availability is subject to the economic and technical feasibility of the installation of required Company equipment. All of Customer's like appliances must be connected to Company's cycling equipment to qualify for this Rider.

B. Payments for Participating

Each participating Customer shall be paid by the Company, regardless of the Company's Electricity Supplier, the amounts stated below for each option the Customer selects. Only one credit per household for each option selected shall be paid to the Customer for the months specified below. Payment shall be a separate credit on the Customer's regular monthly electric bill, before applicable taxes, and shall not reduce Customer's monthly electric bill below the Minimum Monthly Charge found on the applicable service classification:

<u>Option Selected</u>	<u>Monthly Credit</u>	<u>Months Credit Paid to Customer</u>
Air Conditioning	\$4.92	June, July, August & September
Water Heating	\$2.95	June, July, August & September

RIDER "EFT"

ENERGY FOR TOMORROW – (CONTINUED)

C. Customer Options Available & Eligibility Criteria

A participating Customer may select any one of the following three options:

Option 1 - Air Conditioner Cycling

This option is available to any Customer who has an electric central air conditioner or heat pump with an air conditioning cycle.

Option 2 - Water Heater Cycling

This option is available to any Customer who has an electric water heater of at least 40 gallons of capacity.

Option 3 - Both Air Conditioner and Water Heater Cycling

This option is available to any Customer who qualifies for both Options 1 and 2.

D. Cycling Periods

Air Conditioners

Under this option, the Company may cycle off and on the Customer's central air conditioner only on weekdays and normally during the summer season of June 1 through September 30.

The air conditioner may be "cycled off" for up to 15 minutes out of every 30 minute period normally between the on-peak hours of 9 a.m. and 10 p.m. on any weekday. The number of weekdays in which cycling may occur shall be limited to not more than 30 weekdays during the June 1 to September 30 summer season. Of the 30 weekdays that may be used for cycling, no more than 15 weekdays may be used by the Company, at its sole discretion, for economic purposes using the economic cycling guidelines stated below.

In addition, the air conditioner may be "cycled off" for up to 15 minutes out of every 30 minutes during all periods throughout the year as may be required to mitigate a system emergency.

Water Heaters

Under this option, the Company may cycle off and on the Customer's electric water heater normally on weekdays and normally during the summer season of June 1 through September 30.

The water heater may be "cycled off" up to 8 on-peak hours between 9:00 a.m. and 10:00 p.m. on any weekday. The number of weekdays in which cycling may occur shall be limited to not more than 30 weekdays during the June 1 to September 30 summer season. Of the 30 weekdays that may be used for cycling, no more than 15 weekdays may be used by the Company, at its sole discretion, for economic purposes using the economic cycling guidelines stated below.

In addition, the water heater may be "cycled off" for up to 8 hours out of every 24 hours during all periods throughout the year as may be required to mitigate a system emergency.

## RIDER "EFT"

ENERGY FOR TOMORROW - (CONTINUED)

## E. Cycling Equipment

The Customer's air conditioner and/or water heater, depending upon the option selected by the Customer, shall be "cycled off" and then "cycled on" by means of a signal transmitted by the Company to a receiver installed at the Customer's residence. The Customer will allow the Company to install, own and maintain the equipment required for the purpose of the Company cycling off and on operation of those appliances as described herein. Such equipment shall be installed by the Company at no direct cost to the Customer.

## F. Economic Cycling Guidelines

The Company may activate a cycling event for economic purposes, at its sole discretion, in a non-discriminatory manner in accordance with the following guidelines:

1. The PJM market price for energy, the Locational Marginal Price for the Company's Zone, will likely be \$100/MWH and is expected to increase.
2. The duration of the economic cycling event will generally not exceed eight (8) hours and will not exceed thirteen (13) hours.
3. The economic cycling event will cease by 10:00 p.m.
4. The Company may refuse to activate any economic cycling event that would, in its sole judgment, cause significant reduction in Customer satisfaction or program participation.

RIDER "PM"

"EXPERIMENTAL"  
PEAK MANAGEMENT RIDER

A. Availability

As of May 1, 1996, this Rider is closed to new locations not previously operated under this load management program.

This Rider is available to any eligible Customer taking the Company's combined Electric Supply & Delivery Service from the Company served under Service Classifications "SGS-S", "LGS-S", "GS-P" or served at the transmission voltage level, having a demonstrated load reduction capability of one hundred kilowatts (100 kW) or more and who agrees to either establish a firm service level and to curtail load to that level or agrees to reduce load by a guaranteed amount upon the request of the Company, as set forth herein.

The Peak Management program is normally activated during the times in which the demand for electricity on the Company's system is anticipated to be high, or as required to mitigate a system emergency, or for economic purposes. The Company reserves the right to limit the total controllable demand served under this Rider on the Company's electric system. Availability is subject to the economic and technical feasibility of the installation of required Company equipment. This Rider is not available to a Customer taking its electricity supply from an Electricity Supplier and any credits/payments, load reduction amounts, and mechanisms for implementing or ending load reduction events would be a matter of contract between the Customer and its Electricity Supplier and the benefits of such load reduction (such as load reduction credits that may be available pursuant to the rules of the PJM Interchange, LLC) would be for the account of the Electricity Supplier.

B. Contract Term and Billing

The Customer shall execute an agreement for service provided under this Rider. The agreement shall be for a term of one (1) year, beginning in any month of the year.

In addition, the Company may enter into contractual commitments with customers that preserve the benefits of this program for the Company.

C. Monthly Peak Management Demand Credit

The Customer's monthly bill shall include a "Peak Management Credit" based upon the Peak Management Option selected by the Customer and the level of the Customer's Peak Management Billing Demand. Peak Management Credits will be applied during the billing months of June through October.

Credits to be paid to the Customer under this Rider shall be applied before applicable taxes, as part of the Customer's regular monthly General Service bill.

RIDER "PM"

"EXPERIMENTAL"  
PEAK MANAGEMENT RIDER (Continued)

C. Monthly Peak Management Demand Credit (Continued)

Peak Management Billing Demand Credit:	<u>Monthly Peak Management Credits (June - October)</u>
Option 1	\$ 5.90/kW
Option 2	\$ 9.84/kW

D. Peak Management Billing Demand

Customers shall contract for either Option A. - Firm Service Level or Option B. - Guaranteed Load Drop as the method for determining their Peak Management Billing Demand. The selected option may not be changed until the expiration of the contract term.

Option A - Firm Service Level

The Customer's "Peak Management Billing Demand" in any billing month shall be equal to the lesser of:

1. The average of the Customer's expected maximum demand, as determined by the Company, during each Peak Management Period had the event(s) not occurred, less the Customer's contract Firm Service Level, or
2. The average of the Customer's expected maximum demand, as determined by the Company, during each Peak Management Period had the event(s) not occurred, less the average of the maximum measured demand(s) recorded during each Peak Management Period for all events in the billing month. Each maximum measured demand recorded during each Peak Management event shall not be less than the Customer's contract Firm Service Level.

At the Company's discretion, the Customer's expected maximum demand as stated above may be substituted with the Customer's maximum measured demand, as defined under the applicable General Service Classification, excluding any off-peak demand provision. Such Peak Management Billing Demands shall not be less than zero.

Option B - Guaranteed Load Drop

The Customer's "Peak Management Billing Demand" in any billing month shall be equal to the lesser of:

1. The Customer's contract Guaranteed Load Drop, or
2. The average of the Customer's expected maximum demand, as determined by the Company, during each Peak Management Period had the event(s) not occurred, less the average of the maximum measured demand(s) recorded during each Peak Management Period for all events in that billing month. Each maximum measured demand recorded during each Peak Management Period event shall not be less than the Customer's expected maximum demand less the Customer's contract Guaranteed Load Drop.

## RIDER "PM"

"EXPERIMENTAL"  
PEAK MANAGEMENT RIDER (Continued)

## D. Peak Management Billing Demand – (Continued)

At the Company's discretion, the Customer's expected maximum demand as stated above may be substituted with the Customer's maximum measured demand, as defined under the applicable General Service Classification, excluding any off-peak demand provision. Such Peak Management Billing Demand shall not be less than zero.

## E. Firm Service Level or Guaranteed Load Drop

Customers shall contract for a Firm Service Level for Option A or a Guaranteed Load Drop for Option B for the period of June through October. The amounts specified in either option will provide for a minimum load reduction of 100 kilowatts. Customers shall be subject to Peak Management Period(s) from June 1 through September 30 between the on-peak hours of 9:00 a.m. and 10:00 p.m. on any weekday and during other times throughout the year as may be required to mitigate a system emergency. Where a Peak Management Period is declared during such off-peak and/or non summer periods and a Customer is unable to comply due to operational conditions, the penalty for non-compliance will be waived for that event.

## F. Changes in Firm Service Level or Guaranteed Load Drop

Upon ninety (90) days written notice, subject to approval by the Company, the Customer may reestablish the Firm Service Level or Guaranteed Load Drop amount and/or selected peak management option for the upcoming peak management season. After the initial three seasons of participation under this Rider, any increase in Customer's Firm Service Level or reduction in Guaranteed Load Drop amount shall not exceed twenty-five (25) percent of the level established during the most recent peak management season. Except that, Customer's Firm Service Level may be increased upon one (1) month's written notice to reflect the addition of load, as verified by the Company. The specified Firm Service Level or Guaranteed Load Drop shall, after adjustment, continue to provide for a minimum load reduction of 100 kW.

## G. Peak Management Compliance

The Company shall provide a minimum of one-hour notice prior to initiating a Peak Management Period. The maximum recorded demand of the Customer must be reduced to a level at or below the Customer's contract Firm Service Level or provide the Guaranteed Load Drop, by the beginning of the Peak Management Period. The Customer's demand must be maintained at or below Customer's contract Firm Service Level or the Customer must provide the Guaranteed Load Drop until the end of the Peak Management Period. The Company is solely responsible for determining the need for initiating a Peak Management Period.

RIDER "PM"

"EXPERIMENTAL"  
PEAK MANAGEMENT RIDER (Continued)

H. Peak Management Options Available

The Customer has the option to contract for either one of the two Peak Management Options listed below which will determine the Peak Management Billing Demand Credit that the Customer will receive.

<u>Peak Management Options</u>	<u>Maximum Duration of Peak Management Period</u>	<u>Maximum Number of Peak Management Periods Per Calendar Year</u>	<u>Annual Maximum Hours</u>
1	4 Hours	20	80
2	8 Hours 4 Hours Minimum	40	160

I. Penalty for Non-Compliance

Except as provided for in Section E, if, upon request by the Company to the Customer, the Customer fails to effect the reduction to the applicable Firm Service Level or provide the Guaranteed Load Drop, the Customer shall be subject to a penalty as follows: The Company shall record the measured demands established by the Customer during each Peak Management Period(s) of the billing month. The maximum such demand in excess of Customer's contract Firm Service Level or Load Drop Shortfall, depending upon the option selected by the Customer, shall be recorded during each Peak Management Period. The Load Drop Shortfall equals 1) the Customer's contract Guaranteed Load Drop, minus 2) the average of the expected maximum demand, as determined by the Company during each Peak Management Period had the event(s) not occurred, less the average of the maximum measured demand established during each Peak Management Period. The Load Drop Shortfall shall not be less than zero. At the Company's discretion, the Customer's expected maximum demand, during the Peak Management Period had the event(s) not occurred, may be substituted with the Customer's maximum measured demand, as defined under the applicable General Service Classification, excluding any off-peak demand provision.

The sum of such recorded excess demand or Load Drop Shortfall shall be divided by the number of Peak Management Periods designated by the Company during the billing month to determine the Customer's average "Non-Compliance Demand". Such Non-Compliance Demand shall be billed at two (2) times the applicable Peak Management Credit for the billing month. Except that, the Company shall waive the application of the Non-Compliance Demand penalty during the Customer's first billing month of operation under this Rider. The Company may discontinue offering Rider "PM" to any Customer who frequently or deliberately fails to comply with a request for load reduction during a Peak Management Period.

J. Billing Demand Free Periods

After each of the Peak Management Period(s) is terminated the days remaining on-peak hours will not be utilized to establish a billing demand.

K. Company Equipment

The Customer will allow the Company to install, own and maintain the equipment required for the purpose of administering this Rider. Such equipment shall be installed by the Company at no direct cost to the Customer.

## RIDER "NEM"

NET ENERGY METERING RIDER

## A. Availability

This Rider is available to any Customer regardless of the Customer's Electricity Supplier and is served under Service Classifications "R", "SGS-S", "LGS" or "GS-P" and who owns and operates, or contracts with a person (individual, corporation, partnership, association, company, business, trust, joint venture or other private legal entity and the Commonwealth or any municipality) to own or operate, or both, a renewable fuel generator that:

1. Has an alternating current capacity of not more than 10 kilowatts for residential Customers and not more than 500 kilowatts for non-residential Customers;
2. Uses renewable energy, as defined by § 56-576 of the Code of Virginia (solar, wind, hydro, energy from waste, sustainable biomass, wave motion, tides and geothermal power but excluding energy from coal, oil, natural gas or nuclear power);
3. The net metering Customer owns and operates, or has contracted with others persons to own or operate, or both;
4. Is located on the Customer's premises and is connected to the Customer's wiring on the Customer's side of its interconnection with the distributor;
5. Is interconnected and operated in parallel with the Company's distribution facilities; and
6. Is intended primarily to offset all or part of the Customer's own electricity requirements.

This Rider is available to the extent that the renewable fuel generating capacity within the Company's Virginia service territory does not exceed 0.1% of the Company's Virginia peak load forecast for the previous year.

This Rider is not available to Customers served under Service Classification "X", Cogeneration and Small Power Production.

## B. Customer and Company Notification

Any Customer who elects this Rider shall submit a Notification Form (obtained from the Company) and a certificate of insurance or other proof of insurance as required in Section I below to the Company at least 30 days prior to the date that the Customer intends to interconnect the renewable fuel generator to the Company's distribution facilities; provided, however, if the renewable fuel generator has a rated capacity greater than 25 kilowatts, the Notification Form must be submitted 60 days prior to the date of interconnection.

## RIDER "NEM"

NET ENERGY METERING RIDER – (Continued)

## B. Customer and Company Notification (continued)

The Notification Form includes, among other items, the size, type, manufacturer and manufacturer specifications of all components of the renewable fuel generator. If the prospective net metering Customer has contracted with another person to own or operate, or both, the renewable fuel generator, then the notice will include detailed, current and accurate contact information for the owner or operator, or both including without limitation, the name and title of one or more individuals responsible for the interconnection and operation of the generator, a telephone number, a physical street address other than a post office box, a fax number, and an e-mail address for each such person or persons.

The Customer shall have all equipment necessary to complete the interconnection to the Company's distribution system installed prior to submitting the Notification Form to the Company. The Company shall have 30 days from the date of notification from the Customer (60 days for renewable fuel generators with a rated capacity greater than 25 kilowatts) to determine whether the requirements contained in Section C below have been met. The Company's notification date shall be the third day following the mailing of the Notification Form by the Customer. Thirty-one (31) days after the Company's notification date, the Customer may interconnect the renewable fuel generator and begin operation unless the Company requests a waiver of this requirement from the Commission prior to the 31<sup>st</sup> day. In cases where the Company requests a waiver, a copy of the request for a waiver shall be sent to the Customer.

The net energy metering Customer shall immediately notify the electric distribution company of any changes in the ownership of, operational responsibility for, or contact information for the generator.

## RIDER "NEM"

NET ENERGY METERING RIDER – (Continued)

## C. Connection to the Company's System

A Customer may begin operation of the renewable fuel generator on an interconnected basis only after all the following have been met:

1. The Customer has properly notified the Company of its intent to connect in accordance with Section B above;
2. The Company recommends that the Customer install a lockable, Company accessible, load breaking manual disconnect switch, at the Customer's expense, to disconnect the generator;
3. The Customer must obtain, at the Customer's expense, all necessary inspections and approvals required by the local public authorities before the renewable fuel generator is connected to the Company's electric system;
4. A licensed electrician has certified, by signing the Notification Form, that the manual disconnect switch has been installed properly and that the renewable fuel generator has been installed in accordance with all applicable safety and performance standards established by the National Electrical Code, and in accordance with the applicable codes of the local public authorities. Special attention should be given to the National Electrical Code Sections 690 and 705;
5. The vendor has certified, by signing the Notification Form, that the renewable fuel generator being installed is in compliance with requirements established by Underwriters Laboratories, or other national laboratories, and meets performance standards established by the Institute of Electrical & Electronics Engineers;
6. In the case of static inverter-connected renewable fuel generators with an alternating current capacity in excess of ten (10) kilowatts, the Customer has had the inverter settings inspected by the Company. The Customer shall be charged \$50 for each inspection;
7. In the case of non-static inverter-connected renewable fuel generators, the Customer has interconnected according to the Company's interconnection guidelines, as contained in the Technical Considerations Covering Parallel Operations of Customer Owned Generation dated January 19, 2000, and the Company has inspected all protection equipment settings. The Customer shall be charged \$50 for each inspection; and
8. The renewable fuel generator shall be connected in parallel operation with the Company's electric system and shall have adequate protective equipment as described in Section H below.

## RIDER "NEM"

NET ENERGY METERING RIDER – (Continued)

## C. Connection to the Company's System (Continued)

9. Electric distribution facilities and customer impact limitations. A renewable fuel generator shall not be permitted to interconnect to distribution facilities if the interconnection would reasonably lead to damage to any of the Company's facilities or would reasonably lead to voltage regulation or power quality problems at other customer revenue meters due to the incremental effect of the generator on the performance of the Company's electric distribution system, unless the Customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.
10. Secondary, service, and service entrance limitations. The capacity of the renewable fuel generator shall be less than the capacity of the Company-owned secondary, service, and service entrance cable connected to the point of interconnection, unless the Customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.
11. Transformer loading limitations. The renewable fuel generator shall not have the ability to overload the Company transformer, or any transformer winding, beyond manufacturer or nameplate ratings, unless the Customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.
12. Integration with Company facilities grounding. The grounding scheme of the renewable fuel generator shall comply with IEEE 1547, Standard for Interconnecting Distributed Resources with Electric Power Systems, July 2003, and shall be consistent with the grounding scheme used by the Company. If requested by a prospective net metering customer, the Company shall assist the prospective net metering Customer in selecting a grounding scheme that coordinates with its distribution system.
13. Balance limitation. The renewable fuel generator shall not create a voltage imbalance of more than 3.0% at any other customer's revenue meter if the Company transformer, with the secondary connected to the point of interconnection, is a three-phase transformer, unless the Customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.

A Customer shall not be allowed to interconnect a renewable fuel generator if doing so will cause the total rated capacity of all interconnected renewable fuel generators within the Company's Virginia service territory to exceed 0.1% of the Company's Virginia peak load forecast for the previous year. If a Customer's proposed installation results in exceeding the limitation described above, the Customer will be notified that the interconnection will not be allowed. Upon request by the Customer, the Company will provide to the Customer the amount of capacity still available for interconnection. The Company shall file with the Commission's Division of Energy Regulation a copy of each completed notification form within 30 days of final interconnection.

## RIDER "NEM"

NET ENERGY METERING RIDER – (Continued)

## D. Delivery Voltage

The delivery voltage of the renewable fuel generator shall be at the same voltage level and at the same delivery point as if the Customer were purchasing all of its electricity from the Company.

## E. Contract Term

The contract term shall be same as that under the Customer's applicable Service Classification.

## F. Metering

The watt-hour energy meter at the Customer's location shall measure the net energy consumed by the Customer or the net energy delivered by the Customer's renewable fuel generator for the monthly billing period. The Company shall furnish, install, maintain and own all the metering equipment needed for measurement of the service supplied. Under this Rider, the Company shall provide, at no additional direct charge to the Customer, a watt-hour energy meter with the capability of reverse registration in order to measure the net watt-hours consumed by the Customer or the net watt-hours delivered by the Customer to the Company for the monthly billing period. Where a larger capacity meter or any additional metering equipment is required to serve the Customer that has a renewable fuel generator, or a larger capacity meter or any additional metering equipment is requested by the Customer, the Customer shall pay the Company the difference between the larger capacity meter investment and the metering investment normally provided under the Customer's Service Classification.

## G. Monthly Rates, Rate Components and Billing Unit Provisions

The monthly rates, rate components and billing unit provisions shall be those as stated under the Customer's applicable Service Classification. Under this Rider, only the kilowatt-hour (kWh) units of the Customer's bill are affected. All other billing components and charges, such as Customer Charge, Demand Charge and Power Factor amount, are not affected by this Rider. The monthly charges shall be based on one of the following conditions:

1. When the monthly energy meter reading registers that the Customer has consumed more energy than the Customer delivered to the Company's delivery system by the end of the monthly billing period, the Customer shall be charged for the electricity consumed based on the applicable Delivery Service rates and charges or the Company's combined Electric Supply & Delivery Service rates and charges under the Customer's applicable Service Classification.
2. When the Customer has delivered more energy to the Company's delivery system than the Customer has consumed by the end of the monthly billing period, the Company shall take ownership of such net excess energy, regardless of the Customer's Electricity Supplier. The Customer shall not receive any monetary compensation from the Company for such net excess delivered energy for the billing period. The Customer shall be charged for the monthly billing period the greater of:

## RIDER "NEM"

NET ENERGY METERING RIDER – (Continued)

## G. Monthly Rates, Rate Components and Billing Unit Provisions – (Continued)

3. The Customer Charge, and any applicable non-energy charges such as: Demand Charge and any applicable Power Factor Charge under the Customer's applicable Service Classification, or
4. The monthly Minimum Charge under the Customer's applicable Service Classification.

In addition, the Customer's net excess delivered energy in kilowatt-hours (kWh) at the end of each monthly billing period shall be carried forward and credited against either the Customer's consumed energy when the Customer is served under the Company's combined Electric Supply & Delivery Service, or the Customer's delivered energy when the Customer is served under the Company's Delivery Service at the end of any subsequent monthly billing period. Any such net excess delivered energy at the end of the Net Metering Period, defined as each successive 12-month period beginning with the first meter reading date following the date of interconnection of the renewable fuel generator with the Company's facilities, shall be carried forward to the next Net Metering Period only to the extent that the net excess delivered energy does not exceed the amount of the Customer's consumed energy over the current Net Metering Period.

In addition, a Customer's net excess delivered energy is not transferable to another premises or account, and the Customer shall not receive any compensation from the Company for any net excess delivered energy upon termination of this rider and service from the Company.

## H. Protective Equipment and Cessation of Parallel Operation

Interconnection with the Company's system requires the installation of protective equipment which provides safety for personnel, affords adequate protection against damage to the Company's system or to the Customer's property, and prevents any interference with the Company's supply of service to other Customers. Such protective equipment shall be installed, owned and maintained by the Customer at the Customer's expense. The Customer's equipment must be installed and configured so that parallel operation must cease immediately and automatically during system outages or loss of the Company's primary electric source. The Customer must also cease parallel operation upon notification by the Company of a system emergency, abnormal condition, or in cases where such operation is determined to be unsafe, interferes with the supply of service to other Customers, or interferes with the Company's system maintenance or operation. Generation systems and equipment that comply with the standards established in Section C above shall be deemed by the Company to have generally complied with the requirements of this section. For systems not covered by the standards in Section C above, the Technical Considerations Covering Parallel Operations of Customer Owned Generation dated January 19, 2000 shall apply.

RIDER "NEM"

NET ENERGY METERING RIDER – (Continued)

I. Insurance and Liability

A Customer with a renewable fuel generator with a rated capacity not exceeding ten (10) kilowatts shall maintain homeowners, commercial or other insurance providing coverage of at least \$100,000 for the liability of the insured against loss arising out of the use of a renewable fuel generator, and for a renewable fuel generator with a rated capacity exceeding ten (10) kilowatts, the insurance coverage shall be at least \$300,000.

Customers are not required to purchase additional liability insurance where the Customer's existing insurance policy provides coverage against loss arising out of the use of a renewable fuel generator by virtue of not explicitly excluding coverage for such loss.

The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the Customer to operate in compliance with Company's requirements. The Company shall not be liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential which originates from the Customer's electric generation facility, except as the Company would otherwise be liable under the Company's Virginia electric tariff. Connection by the Utility under this Rider does not imply that the Utility has inspected or certified that any Customer-generator's facility has complied with any necessary local codes or applicable safety or performance standards. All inspections, certifications and compliance with applicable local codes and safety requirements are the sole responsibility of the Customer-generator.

J. Modification of the Company's System

If it is necessary for the Company to extend or modify portions of its systems to accommodate the delivery of electricity from the electric generation facility, such extension or modification shall be performed by the Company at the Customer's expense. For new services, such expense shall be determined by the difference between total costs and the investment the Company would make to install a normal service without the Customer's electric generation facility.

K. Failure to Comply

If the Customer fails to comply with any of the requirements set forth in Sections C, H and I above, the Company may disconnect the Customer's service from the Company's electric system until the requirements are met, or the electric generation facility is disconnected from the Customer's electric system.

L. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Rider.

COMPETITIVE SERVICE PROVIDERS

“ELECTRICITY SUPPLIER AGREEMENT”