

NODAK ELECTRIC COOPERATIVE, INC.
Grand Forks, North Dakota

Policy Bulletin No. **501.2**

Commercial/Industrial – Distribution Delivery:

Applies to all services that historically meet the following criteria:

1. average greater than 50 kW monthly demand per year, or
2. have a monthly demand greater than 100 kW two or more times per year, or
3. require service to an irrigation pump load, or
4. require service to a data center/mining load.

Rate:

Facility Charge:

| | |
|----------------------|--------------------|
| Single-Phase Service | \$85.50/Month |
| Three-Phase Service | \$139.15/Month |
| Off-Peak Service | \$3.95/Meter/Month |

Energy Charge:

| | |
|---|-------------|
| First 360 kWh x Monthly Demand | \$0.055/kWh |
| All kWh in excess of 360 kWh x Monthly Demand | \$0.044/kWh |

Off-Peak KWH

| | | |
|---|--------------|-------------|
| Short-Term or Medium-Term Non-Cycled | Oct. – May | \$0.077/kWh |
| | June - Sept. | \$0.104/kWh |
| Long-Term or Medium-Term Cycled | Oct. – May | \$0.062/kWh |
| | June - Sept. | \$0.104/kWh |
| Medium-Term Cycled | Year-Round | \$0.062/kWh |

Base Demand Charge: \$4.11/kW

Base Demand (average demand) is calculated by averaging each hour of purchased kWh energy within the calendar month.

Winter Demand Charge: \$15.56/kW/Month
Summer Demand Charge: \$15.58/kW/Month

Demand charges will be based on the buyer's average 15-minute demand level registered during Minnkota Power Cooperative's (MPC) winter and summer seasonal system billing demand measurement periods. The winter system peak will be established during the period occurring between December 1 and April 1 of the following year. The winter demand charge will apply to the six-month

period beginning April 1. The summer system peak will be established between June 1 and October 1 each year. The summer demand charge will apply to the six-month period beginning October 1.

Transmission Demand: \$3.64/kW

Transmission Demand for the current 12-month billing period, April 1 through March 31 of the following year, will be based on the 12 Coincidental Peak (12 CP) Demand. The 12 CP Demand is an average of 12 monthly demands recorded at the time of Minnkota Power Cooperative's monthly peak load during the immediate previous calendar year.

New potential C&I Distribution Delivery accounts will be initially billed according to the General Service Rate (501.1a) until the account meets the C&I criteria for a complete season. At the end of the season, qualifying accounts will then be placed on the C&I Distribution Delivery Rate using the previous season's Winter, Summer, and Transmission demands for billing purposes.

Load Management Options –

Two options are available to C&I members who wish to lower their Winter and Summer (seasonal) demand charges by participating in the Load Management Program.

1. **Full Load Management**
Under full load management, the member must curtail load during all hours of load management. Under this option, the member may avoid all seasonal demand charges.
2. **Incremental Pricing Plan (IPP) Demand Response**
Members also have the option of purchasing energy during certain control periods. Nodak will provide a signal at the load control device indicating whether or not incremental energy is available. If the member chooses to operate through periods when incremental energy is available, seasonal demand charges will not accrue; however, an incremental adder will be charged for each kilowatt-hour consumed during those hours.

Participating C&I accounts' incremental adder shall be equal to the seasonal energy charge as calculated by MPC.

This rate will vary based on the average purchase price of the IPP energy.

The incremental energy adder will be calculated following each season based upon the amount of energy used and the established price for that energy.

Standby generators being utilized to participate in a Demand Response Program must meet all applicable federal, state, and local regulations. As an example, the EPA requires a generator(s) (no matter the horsepower size or the kilowatt generation capacity) under a Demand Response Program to be a stationary installation and be RICE (Reciprocating Internal Combustion Engine) Rule compliant.

All participating demand response installations must be wired to, and controlled by, a Nodak issued load control device. Nodak will furnish the load control device with installation to be accomplished by member.

Minimum:

The minimum charge under this rate will be based on the appropriate minimum as defined in Policy Bulletin No. 402.

Primary Metered Discount:

1½%

Available to distribution-served members whose service is metered at the distribution voltage of 12,470/7200 volts. The discount shall apply to the energy charge after any applicable primary service discount has been applied.

Primary Service Discount:

1½%

Available to distribution-served members that receive service at the load side of the primary meter. The member shall be responsible for all facilities beyond the primary service delivery point. The discount shall apply to the energy charge.

Power Factor Adjustment:

The member agrees to maintain unity (100%) power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of the maximum monthly demand is less than 95 percent leading or lagging, the monthly demand for billing purposes shall be the demand as indicated or recorded by the kW demand meter multiplied by 95 percent and divided by the actual percent power factor at the time the maximum monthly demand occurred.

Cogeneration Standby Service:

Please refer to Policy Bulletin No. 501.7, Cogeneration Facility Standby Service Rate Schedule.