

**RATE 834
RATE FOR ELECTRIC SERVICE
GENERAL SERVICE**

No. 1 of 6 Sheets

TO WHOM AVAILABLE

Available to GENERAL service Customers for electric service, who have auxiliary 60 Hertz electric generation equipment and who are located on the Company's electric supply lines suitable and adequate for supplying the service requested.

The Customer shall enter into a written contract for a definite amount of required electrical capacity which shall be not more than 25,000 kilowatts.

CHARACTER OF SERVICE

The Company will supply service to the extent of the capacity available from its electric supply lines, at such frequency, phase, regulation and one standard secondary voltage, or the available primary or transmission voltage at the location where service is required. (See Rule 37 of the accompanying Rules and Regulations for the Company's standard voltages.)

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

The Customer may parallel its 60 Hertz electric generation equipment and system with the Company's 60 Hertz supply. The Customer shall so regulate its use of electric energy as not to cause excessive pulsations or fluctuations in the current or voltage in the Company's system.

RATE

The electric service and energy supplied hereunder shall be billed under a three-part rate consisting of a Capacity Charge, a Demand Charge and an Energy Charge. Subject to the adjustments herein provided, said rate is as follows:

Capacity Charge

\$3.68 per month per kilowatt of total required capacity

Demand Charge

\$10.92 per kilowatt per month for all kilowatts of Billing Demand per month.

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RATE (continued)

Energy Charge

4.704 cents per kilowatt hour for all kilowatt hours used per month.

RATE ADJUSTMENT

The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor, in accordance with the Order of the Indiana Utility Regulatory Commission approved December 17, 1976, in Cause No. 34614. The Purchased Power Cost Adjustment Tracking Factor stated in Appendix A - Sheet No. 58 is applicable hereto and is issued and effective at the dates shown on Appendix A.

DEDUCTIONS

1. Deduction for Primary Service:

If the service is taken by the Customer at his property line and at the Company's primary supply line voltage of 11,500 volts or 12,500 volts, the customer supplying and maintaining all high tension and transforming equipment installed on his premises, \$0.65 per kilowatt of monthly billing demand will be deducted from the monthly Demand Payment.

2. Deduction for Transmission Service

If the service is taken by the Customer at his property line and at the Company's transmission supply line voltage of 34,500 volts or above, the Customer supplying and maintaining all high tension and transforming equipment installed on his premises, \$0.81 per kilowatt of monthly billing demand will be deducted from the monthly Demand Payment.

3. Deduction for Primary Metering:

If, at the Company's option and in its sole discretion the service is metered at the Company's primary or transmission supply line voltage, three percent (3%) of the kilowatt hours so metered will be deducted before computing the Energy Payment.

MONTHLY MINIMUM PAYMENT

The Customer's Monthly Minimum Payment under this rate shall be the sum of the Capacity Charge, the Demand Charge and the Energy Charge, subject to the adjustments as herein provided.

ADJUSTMENT OF CHARGES FOR COST OF FUEL

The above charges shall be adjusted for cost of fuel in accordance with the formula set forth in Rule 39 of the accompanying Rules and Regulations. See Appendix B - Sheet No. 59 for applicable Fuel Cost Charge.

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CUSTOMER CREDIT ADJUSTMENT FACTOR

The rates and charges contained in this schedule are subject to a Customer Credit Adjustment Factor set forth in accordance with the Final Order of the Indiana Regulatory Commission, issued September 23, 2002, approving the Settlement Agreement in Cause No. 41746. See Appendix C - Sheet 59A, for the applicable Customer Credit percentage.

ENVIRONMENTAL COST RECOVERY MECHANISM FACTOR

The above rates are subject to an Environmental Cost Recovery Mechanism Factor set forth in Rule 47 of the accompanying General Rules and Regulations, in accordance with the Order of the Indiana Utility Regulatory Commission approved November 26, 2002, in Cause No. 42150. The Environmental Cost Recovery Mechanism Factor stated in Appendix D, Sheet No. 59B, is applicable hereto and is issued and effective at the dates shown on Appendix D.

ENVIRONMENTAL EXPENSE RECOVERY MECHANISM FACTOR

The above rates are subject to an Environmental Expense Recovery Mechanism Factor set forth in Rule 48 of the accompanying General Rules and Regulations, in accordance with the Order of the Indiana Utility Regulatory Commission approved November 26, 2002, in Cause No. 42150. The Environmental Expense Recovery Mechanism Factor stated in Appendix E, Sheet No. 59C, is applicable hereto and is issued and effective at the dates shown on Appendix E.

DEFERRED PAYMENT

All bills under this schedule shall be rendered and due monthly. If not paid within seventeen (17) days after the bill is mailed, there shall be added to bills of \$3.00 or less, ten percent (10%) of the amount of the bill; and to bills in excess of \$3.00 there shall be added ten percent (10%) of the first \$3.00, plus three percent (3%) of the amount of the bill in excess of \$3.00.

DETERMINATION OF AMOUNT OF ELECTRIC SERVICE SUPPLIED

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

DETERMINATION OF MAXIMUM DEMAND

Customer's maximum demand in any month shall be determined by maximum demand instruments. The maximum demand of electric energy supplied in any month shall be taken as the highest average load in kilowatts occurring during any 30 consecutive minutes of the month; provided, however, that if such load shall be less than 50% of the maximum momentary demand in kilowatts, then the maximum demand shall be taken at 50% of such maximum momentary demand.

DETERMINATION OF TOTAL REQUIRED CAPACITY

The total required capacity shall be the greater of the following:

1. Contracted capacity of the customer or;
2. Largest billing demand experienced by the customer.

DETERMINATION OF BILLING DEMAND

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

1. The Billing Determinant for the month.
2. 80% of the highest Billing Determinant established in the immediately preceding eleven (11) months.

DETERMINATION OF AVERAGE POWER FACTOR

The Average Power Factor for the month shall be determined by computation from the registration of a watt-hour meter, and a reactive volt-ampere-hour meter, by dividing the registration of the watt-hour meter by the square root of the sum of the square of the registration of the watt-hour meter and the square of the registration of the reactive volt-ampere-hour meter. If the Power Factor is leading during any interval of time, it shall be considered to be unity during such interval of time. Metering of power factor for loads of new customers for their initial three month period under this rate, and for customers requiring less than 300 kilowatts regularly, may, at the option of the Company, be omitted; in which case the power factor of the customer shall be considered to be 85% lagging.

POWER FACTOR CORRECTION

The service supplied by the company shall be taken by the Customer whenever possible at an Average Power Factor of not less than 85% lagging. The Billing Determinant for the month

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POWER FACTOR CORRECTION (continued)

shall be determined as follows: (1) If the Average Power Factor for the month is 85% lagging, the Billing Determinant for the month shall be the Maximum Demand; (2) If the Average Power Factor for the month is less than 85% lagging, The Billing Determinant for the month shall be the Maximum Demand increased at the rate of 1% for each 1% the Average Power Factor is below 85% lagging; (3) If the Average Power Factor for the month is more than 85% lagging, then the Billing Determinant for the month shall be the Maximum Demand decreased at the rate of 1% for each 1% the Average Power Factor is above 85% lagging.

GENERAL TERMS AND CONDITIONS OF SERVICE

1. Contract

Any Customer requesting service under this rate shall enter into a written contract for an initial period of not less than one year, and such contract shall continue from year to year thereafter unless cancelled by either party giving to the other 60 days prior written notice of the termination of such contract at the end of the initial period or any yearly period thereafter.

In such contract it shall be proper to include such provisions, if any, as may be agreed upon between the Company and the Customer with respect to special terms and conditions under which service is to be furnished hereunder, including but not limited to, the electrical capacity to be supplied, voltage to be supplied, and facilities to be provided by each party.

2. Interruption or Curtailment of Service

The Demand Charges will not be reduced for any billing month because of any interruption, suspension, reduction or curtailment of the delivery of electric energy, except in the event it shall be due to, occasioned by, or in consequence of, a strike or strikes of employees or workmen of the Company, differences between the Company and its employees or workmen, inability of the Company to secure cars, coal, fuel or other material, supplies or equipment, breakage or failure of the Company's machinery, generating equipment, electrical lines or equipment, federal, state or other governmental laws, orders, decrees, restraints or regulations, when, in any such event, the Demand Charge shall be reduced for such billing month in an amount determined as follows:

- (a) With respect to reductions or curtailments of the delivery of electric energy below the Billing Demand established during the immediately preceding billing month, in the proportion that the reduction or curtailment in kilowatts multiplied by the number of hours such reduction or curtailment was in force, bears to the Billing Demand established during the immediately preceding billing month multiplied by the number of hours in the billing month, but excluding reductions or curtailments during such month not aggregating more than eight (8) hours in length; and

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GENERAL TERMS AND CONDITIONS OF SERVICE

2. Interruption or Curtailment of Service (continued)

- (b) With respect to interruptions and suspensions of the delivery of electric energy, in the proportion that the length of time of all such service interruptions and suspensions during the billing month bears to the total number of hours in the billing month, but excluding interruptions during such month not aggregating more than eight (8) hours in length, and also excluding scheduled interruptions.

The Company reserves the right to interrupt service at any time when necessary to make emergency repairs. For the purpose of making other than emergency repairs or extensions to its lines, the Company reserves the right to cut off the Customer's supply of electric energy for four (4) consecutive hours on any Sunday, or such other day or days as may be agreed to by the Customer and the Company, provided forty-eight (48) hours' notification previous to the hour of cut-off is given the Customer of such intention, such interruptions being scheduled interruptions referred to above.

3. Additional Load

The Customer shall notify the Company in writing of any substantial additions to or alterations in the equipment to be supplied with electric energy by the Company and such additions or alterations shall not be connected to the system supplied with electric energy by the Company until such notice shall have been given by the Customer and received by the Company.

4. Discontinuance of Service

The Company shall have the right to cut off and discontinue the supply of electric energy and remove its metering equipment and other property when any bill is in arrears, overdue or in default, or upon violation by the Customer of any of the terms or conditions of the contract.

5. Rules and Regulations

The Company's General Rules and Regulations applicable to Electric Service are applicable to service supplied hereunder.

6. Force Majeure

The Company will use reasonable diligence to provide a regular and uninterrupted supply of electric energy but does not guarantee such supply. Neither the Company nor the Customer shall be liable to the other for damages caused by the interruption, suspension, reduction or curtailment of the delivery of electric energy hereunder due to, occasioned by or in consequence of, any of the following causes or contingencies, viz: acts of God, the elements, storms, hurricanes, tornadoes, cyclones, sleet, floods, lightning, earthquakes, landslides, washouts or other revulsions of nature, epidemics, accidents, fires, collisions, explosions, strikes, lockouts, differences with workmen or other industrial disturbances, vandalism, sabotage, riots, inability to secure cars, coal, fuel, or

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GENERAL TERMS AND CONDITIONS OF SERVICE

6. Force Majeure (Continued)

other materials, supplies or equipment, breakage or failure of machinery, generating equipment, electrical lines or equipment, wars, insurrections, blockades, acts of the public enemy, arrests and restraints of rulers and people, civil disturbances, federal, state or other governmental laws, orders, decrees, restraints or regulations, and any other causes or contingencies not within the control of the party whose performance is interfered with, whether of the kind herein enumerated or otherwise. Settlement of strikes and lockouts shall be wholly within the discretion of the party having the difficulty. Such causes or contingencies affecting performance shall not relieve the Company or Customer of liability in the event of its concurring negligence or in the event of failure of either to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies or any thereof relieve either from its obligation to pay amounts due hereunder or to pay Demand Charges or Minimum Bills accruing during such interruption or suspension of service, except as provided in Section 2 above.

WHERE AVAILABLE

ALL TERRITORY FURNISHED ELECTRIC SERVICE.

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