

NEBRASKA PUBLIC POWER DISTRICT

Schedule: DW-RIDER Issued: 11/18/11
Supersedes Schedule: DW-RIDER Issued: 11/15/10
Sheet No: 1 of 4 Sheets

DEMAND WAIVER PROGRAM RIDER RATE SCHEDULE

(Name of Schedule)

AVAILABLE: In the retail distribution service territory of the District.

APPLICABLE: To Customers who are served under the following rate schedules:

General Service Demand (Rate Codes 17 & 18)

High Tension Service (Rate Codes 19 & 20)

BASE RATE: The base rates, charges and Base Rate Adjustments for electric service regularly applicable under the rate schedules listed above, with the addition of an administrative charge of \$110.00 per month.

WAIVER OF ON-PEAK DEMAND:

The provision entitled "Determination of Billing Demand" in each of the above rate schedules specifies the demand to be used for billing purposes. For Customers taking service under this rate schedule, the hours eligible for selection of the Customer's Billing Demand will be limited to those on-peak hours as specified in the Off-Peak Service Rider Rate Schedule (OP-Rider). The District may, from time to time, designate additional on-peak hours as off-peak solely for the purpose of a waiver of measured demands. In effect, these waived on-peak hours shall be considered off-peak for the purposes of determining the Customer's Billing Demand during the billing period. The District shall have the sole responsibility and authority for determining whether the measured demands shall be waived.

These additional off-peak hours will be subject to cancellation by the District if unforeseen events take place that reduce the available resources of the District to supply loads. Notice of cancellation by the District will necessitate that Customers respond promptly by reducing load or operating emergency generating units, however, if the District has waived the demand during specified hours on the day of such emergency, the demand for such specified hours that day will still be waived for billing purposes.

TAX CLAUSE: In the event of the imposition of any new or increased tax or any payment in lieu thereof, in excess of that provided for under Article VIII, Section 11 of the Nebraska Constitution, by any lawful authority on the production, transmission, or sale of electricity, the rate provided herein may be increased to reflect the amount of such tax or in lieu of tax increase.

Effective: January 1, 2012

Approved: 11/10/11

Resolution No: 11-84

Issued by: Todd J. Swartz

NEBRASKA PUBLIC POWER DISTRICT

Schedule: DW-RIDER Issued: 11/18/11
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DETERMINATION OF BILLING DEMAND:

For Customers taking service under this rate schedule, the Billing Demands shall be determined as follows:

(1) The Billing Demand for the monthly billing periods of June through September shall be determined from the higher of (a) or (b) below:

(a) The Customer's maximum integrated kilowatt load recorded during any thirty (30) minute period during on-peak hours that have not been waived of the current billing period or the three (3) monthly billing periods between June and September immediately preceding the current billing period. For example, the July billing demand would be chosen from the Customer's eligible demands recorded in July, June and the previous year's September and August.

Due to the fact that the District may waive all hours in the months of June and September, the above procedure will be modified for a customer's initial year on this rate schedule as follows:

- i. For Customers who begin taking service under this rate schedule in the months of October through June, the Billing Demand for the Customer's initial June billing period shall be based on the highest demand recorded in all June on-peak hours as determined by the OP-Rider. This June Billing Demand shall not be used in the subsequent three (3) months as a potential ratchet demand per paragraph 1.a above.
- ii. For Customers who begin taking service under this rate schedule in September, the Billing Demands for the Customer's initial September and June billing periods shall be based on the highest demand recorded in all June and September on-peak hours, respectively, as determined by the OP-Rider. These September and June Billing Demands shall not be used as potential ratchet demands per paragraph 1.a above.
- iii. For a Customer's initial three (3) June through September months on this rate schedule, the maximum integrated kilowatt load shall be taken from only the current billing period and all previous billing periods in which the Customer

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Approved: 11/10/11

Resolution No: 11-84

Issued by: Todd D. Smith

NEBRASKA PUBLIC POWER DISTRICT

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was taking service under this rate schedule, subject to the provisions in paragraphs i and ii above.

- (b) Fifty percent (50%) of the Customer's maximum integrated kilowatt load recorded during any thirty (30) minute period during all waived and off-peak hours of the current billing period.
(2) The Billing Demand for the monthly billing periods of October through May shall be determined from the higher of (a) or (b) below:
(a) The Customer's maximum integrated kilowatt load recorded during any thirty (30) minute period during on-peak hours that have not been waived of the current billing period.
(b) Fifty percent (50%) of the Customer's maximum integrated kilowatt load recorded during any thirty (30) minute period during all waived and off-peak hours of the current billing period.

Where power factor adjustments are applicable, such adjustments shall be made to the demands specified in (1) and (2) above.

DEMAND WAIVER NOTIFICATION:

Official messages regarding demand waiver will be made by fax machine or e-mail. Each morning, except Sundays and six (6) holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day), by approximately 9:15 a.m. during the months of June through September, and by approximately 7:15 a.m. during the months of October through May, the District will provide a message confirming if the demand will be waived for a portion or all of that particular day.

In some instances, the District may designate multiple periods of a day as non-waived periods and/or issue a message waiving hours that were previously declared to be non-waived. Therefore multiple messages may be sent on certain days confirming if the demand will be waived for a portion or all of the remainder of that day.

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Issued by: [Signature]

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It is each Customer's responsibility to contact the designated District representative if these messages are not received. The failure to receive these messages shall not relieve the Customer of the obligation for whatever peak demand was established during that day.

All times listed above are based on either Central Standard Time or Central Daylight Savings Time, whichever is applicable.

TERMS AND CONDITIONS:

1. The Customer shall comply with all applicable terms and conditions of their appropriate standard rate schedule.
2. Customers with loads less than 500 kW taking service under this rate schedule shall be required to reimburse the District for the necessary investment in a recording demand meter to implement this rate schedule.
3. Customers taking service under this rate schedule must be billed on a calendar month basis.
4. The District retains and reserves the right, power and authority to modify, revise, amend, replace, repeal or cancel this rate schedule, at any time and in whole or in part, by resolution adopted by the District's Board of Directors.

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