

## STANDARD RULES AND REGULATIONS

### SECTION IV - EMERGENCY ELECTRICAL PROCEDURES

#### I. General

Emergency electrical procedures may be necessary if there is a shortage in the electrical energy supply to meet the demands of customers in the electrical service area. It is recognized that such deficiencies can be short term (a few hours) or long-term (more than a few hours) in duration, and, in view of the difference in nature between short and long term deficiencies, different and appropriate procedures shall be adopted for each.

Essential health and safety customers given special consideration in these procedures shall, insofar as the situation permits, include the following types of customers and such other customers or types of customers which the Commission may subsequently identify:

- (a) "Governmental Detention Institutions," which will be limited to those facilities used for the detention of persons.
- (b) "Fire Stations," which will be limited to attended, publicly-owned facilities housing mobile fire fighting apparatus.
- (c) "Hospitals," which will be limited to institutions providing medical care to patients and where surgical procedures are performed.
- (d) Life support equipment such as kidney machine or respirator, used to sustain the life of a person.
- (e) "Water Pumping Plants," which will be limited to publicly-owned facilities essential to the supply of potable water to a community.
- (f) "Sewage Plants," which will be limited to publicly-owned facilities essential to the collection, treatment or disposal of a community's sewage.
- (g) Radio and television stations utilized for the transmittal of emergency messages and public information broadcasts related to these procedures.

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Effective: July 1, 1980

By: Warren St. John, President

Dafer, Michigan

Issued under the authority of the Michigan Public Service Commission order dated June 17, 1980 in case No. U-6402.



Although these types of customers will be given special consideration from the manual load shedding provisions of this procedure, they are encouraged to install emergency generation equipment if continuity of service is essential. It is known that some of the township fire departments in the more rural parts of Michigan have portable generation equipment available. Maximum use should be made of these facilities. In the case of customers supplied from two utility sources, only one source will be given special consideration. Other customers who, in their opinion, have critical equipment or circumstances, should install emergency battery or portable generating equipment.

The Commission will be promptly advised of the nature, time and duration of all implemented emergency conditions and procedures which affect normal service to customers. The Commission may order the implementation of additional procedures or the termination of the procedures previously employed when circumstances so require.

As may be appropriate in accordance with the nature of the occurring or anticipated emergency, the company will initiate the following procedures.

II. Sudden or Unanticipated Short-Term Capacity Shortage -

In the event of a sudden decline of the frequency on the system or a sudden breakup which isolates all or parts of the system or power pool from other electric systems with which it is interconnected and which results in the area so isolated being deficient in electric generation, with consequent rapid decline in frequency:

(a) Every effort will be made to maintain at least partial service to the system by means of predetermined load shedding of selected transmission and/or distribution circuits. The company will make every reasonable effort to provide continuous service to essential health and safety customers.

(b) With no substantial generation of its own and being to a great extent dependent on outside sources for energy, the Short-Term, Sudden, Unanticipated Capacity Shortage may result in temporary complete loss of service to the company. However, the company will make every effort to resume service to essential customers as soon as practicable.

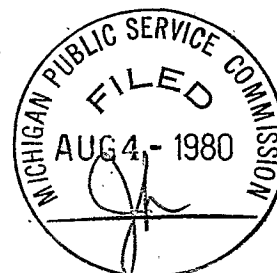
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III. Anticipated or Predictable Short-Term Capacity Shortages in the Company System.

In the event an emergency condition of short-term duration is anticipated or predicted which cannot be relieved by sources of generation within or outside the system serving as the company source of energy, the following steps will be taken at the appropriate time and in the order appropriate to the situation:

- (a) The internal demand of substations, offices and other premises owned by the company will be reduced to the largest extent consistent with the maintenance of service.
- (b) Service will be interrupted to loads rendered service under interruptible tariffs.
- (c) Voltage will be reduced not more than six percent.
- (d) Voluntary load reductions will be requested of large commercial and industrial customers by procedures established in their respective load management plans.
- (e) Voluntary load reductions will be requested of all other customers through appropriate media appeals.
- (f) Load shedding of firm customer loads will be initiated. Service so interrupted shall be of selected distribution circuits throughout the company area. Such interruptions shall be consistent with the criteria established for essential health and safety customers and will, insofar as practicable, be alternated among circuits. Records will be maintained to insure that during subsequent capacity shortages, service interruptions may be rotated throughout the company service area in an equitable manner.

IV. Long-Term Capacity or Fuel Shortage -

The following actions will be implemented until it is determined by the company energy suppliers that any or all actions may be terminated. The Public will be immediately advised through appropriate media sources of the

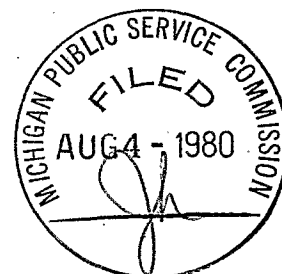
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implementation of these procedures. If an emergency situation of long-term duration arises out of a long term capacity or fuel shortage in the area which cannot be relieved by sources of generation within or outside the system, the following actions will be taken in the order noted as required:

(a) Curtail use during hours of maximum system demand of non-essential energy on premises controlled by the company including parking and large area lighting and interior lighting, except lighting required for security and safety, and other uses of energy both during and outside normal business hours.

(b) Initiate voluntary energy curtailment during hours of maximum system demand of all customers by requesting through mass communication media, voluntary curtailment by all customers of a minimum of ten percent of their electric use. This use will include lighting, air conditioning, heating, manufacturing processes, cooking, refrigeration, clothes washing and drying, and any other loads that can be curtailed or deferred to off-peak hours.

(c) Implement procedures for interruption of selected distribution circuits during the period of maximum system demand on a rotational basis in accordance with specified load reduction amounts minimizing interruption to facilities which are essential to the public health and safety. The length of an interruption of any selected circuit should not exceed two hours and the total interruption should not exceed four hours in any 24-hour period without prior notification to the Commission.

If the above actions are made necessary because of a long-term fuel shortage, they will be continued in the order taken to maintain as nearly as possible a 30 day fuel supply.

V. Emergency Procedures of Wholesale Suppliers

Where appropriate, the emergency procedures will be the same as those placed in effect by the company's wholesale for resale energy supplier.

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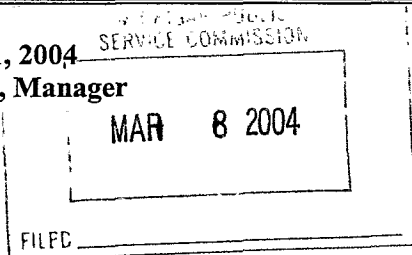
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**By Don Wozniak, Manager**  
**Dafer, Michigan**



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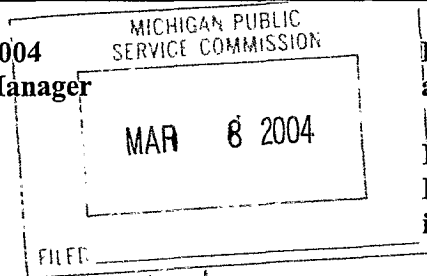
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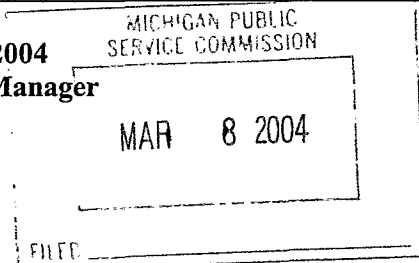
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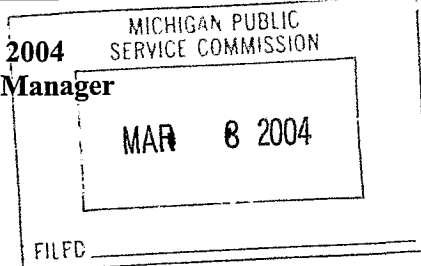
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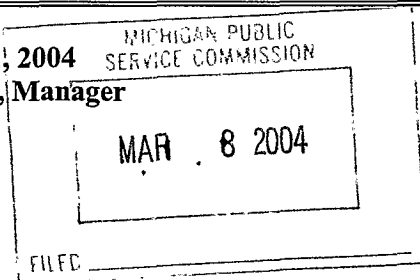
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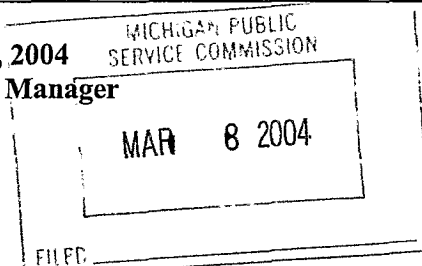
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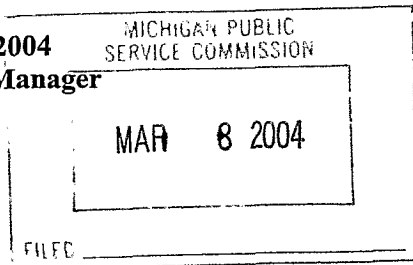
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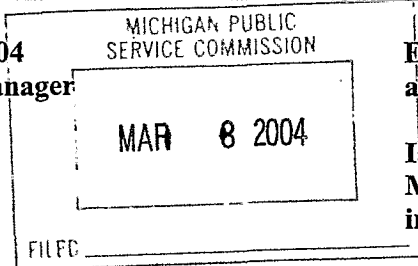
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STANDARD RULES AND REGULATIONS  
REQUIREMENTS FOR OPERATION OF  
PARALLEL GENERATION FACILITIES

(COGENERATORS AND SMALL POWER PRODUCERS)

In order to provide for the safety of customers, utility personnel, and others, and to assure reliable electric service consistent with the requirements of the Public Utility Regulatory Policies Act of 1978 and the Michigan Public Service Commission's Order in Case No. U-6798, the following requirements are established for connection and/or operation of customer generation facilities in parallel with the cooperatives distribution system:

Availability

These requirements include all customer generation facilities under 100 KW. Customer generation facilities of 100 KW and over will be handled on an individual basis.

If the customer does not meet all of the requirements listed below the cooperative may require termination of parallel operation and the customer shall be liable for any damages or injury resulting from unauthorized or improper connection and/or operation of the customer's generation facility. These requirements apply to both existing and proposed installations and are subject to change with approval of the Michigan Public Service Commission from time to time.

Safety and Reliability Requirements

The customer shall submit for the cooperative's review detailed electric diagrams, equipment nameplate data,

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Effective on and  
after August 27, 1982



including the interface device and control system of the customer's power sources and a site plan.

The customer's control and protection system and site plan must be acceptable to the cooperative and in accordance with these safety and reliability standards. This system shall provide for immediate automatic shutdown or separation of the customer's generator and the cooperative system in the event of momentary or extended loss of power from the cooperative, including loss of one or more phases if the customer is generating three phase power. The shutdown or separation must continue until normal utility service is restored. The shutdown or separation shall occur when frequency, voltage, and or current deviate from normal utility standards. The customer shall be liable if the customer's protection system fails to function.

A disconnecting device suitable for use as a protective tag location may be required so as to be accessible and in reasonably close proximity to the billing meter.

The completed installation must meet all local, state and national codes and regulations and is subject to inspection by proper enforcement authorities before commencement of parallel operation. In addition, the cooperative may, at its discretion, inspect or test the facility at any time.

The customer shall advise the cooperative prior to making any revisions to the customer's generation facility, the control system, or the interface between the two power systems after the installation. Any such revision must be acceptable to the cooperative.

Should the parallel operation of the customer's generation facility cause interference or adversely affect voltage, frequency, harmonic content or power factor in the cooperative's system or other customers' service, the cooperative may require disconnection of parallel operation until the condition has been corrected.

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By: Warren St. John, President  
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Reimbursement of Costs

The customer shall pay for all costs associated with any addition to or alteration of the cooperative's equipment required for metering and for the safe and reliable operation of the customer's generating equipment in parallel with the cooperative's system. The customer shall also pay for costs of changes required due to safety or adverse effects on other customers and/or on the cooperative caused by the connection and/or operation of the customer's generation facility.

The cooperative may require reasonable and adequate insurance coverage by the interconnecting customer and the customer shall provide proof of liability coverage as may be required by the cooperative.

Rates for Sales to Cooperative

Cogenerators and small power producers may operate under one of the following options:

Option I

The customer may have a detente installed on its single KWH meter and opt to sell no power to the utility.

Option II

The customer may install a second KWH meter to meter energy sold to the cooperative. The cooperative will pay \_\_\_\_\_ per KWH purchased from the customer.

Option III

The customer may enter into a contract for at least four years providing for the sale of both capacity and energy. The cooperative may require a test period, subject to MPSC approval, wherein the exact

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amount of capacity available for sale can be determined. During this period sales will be made subject to Option II.

Capacity is equal to KWH purchased/720. However in no event will demand payments be made in any month when demand is less than KWH purchased/720 for any of the cooperative's four weekly system peaks.

After the contract is executed the utility will pay \_\_\_\_\_ per KWH purchased. The cooperative will pay a rate per KW based upon the generation characteristics of the customer as follows:

$$\text{Rate per KW} = \frac{\text{_____}}{\text{_____}} \times (\text{availability factor}) \times (\text{capacity factor})$$

Availability and capacity factors will initially be based on estimation but may be adjusted if justified by actual performance.

Customers selling capacity recognize that, under certain operating conditions, the cooperative will require the qualifying facility to back down its generation.

#### Recovery of Administrative Costs

Customers choosing Options II and III will be assessed a 1 mill/KWH surcharge to cover administrative costs.

#### Calculation of Avoided Costs

Pursuant to the Commission's Order in Case No. U-6798, dated August 27, 1982, Cloverland's avoided costs are based upon the average rate paid to its power suppliers. The power supply bills used to derive avoided energy costs and avoided capacity costs will be kept on file at Cloverland. Cloverland personnel will be available to explain how this methodology is applied to these bills so as to derive the avoided costs for any particular billing period.

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RATE "1" COGENERATION AND SMALL POWER PRODUCTION

Availability

Available to any generating installation with a capacity of 100 kw or less which employs cogeneration or other small power production technology utilizing biomass, waste, renewable resources, or geothermal energy as fuel and which meets the Federal Energy Regulatory Commission's criteria for a Qualifying Facility. Purchases shall be covered by contract.

The terms and conditions under this schedule are controlled by the Michigan Public Service Commission's order in Case No. U-6798 dated August 21, 1984, and by the Code of Federal Regulations, Title 18, Part 292.

Terms and Conditions of Service

Interconnection Costs

1. Obligation to Pay

Each qualified facility shall be obligated to pay all in interconnection costs (as defined in Subpart A, Sub-section 18, CFR 292.101 (b) (7) of the FERC Rule) which the Cooperative may assess against the facility on a nondiscriminatory basis with respect to other customers with similar size and load characteristics. Payment of these costs should be in accordance with the reimbursement procedure outlined below.

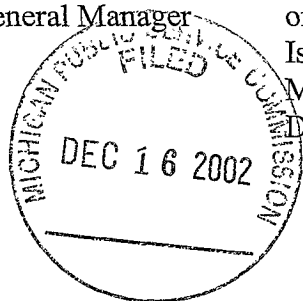
2. Reimbursement of Interconnection Costs

The qualified facility shall reimburse the electric utility for interconnection costs in the following manner:

- a. The customer shall install, at the customer's expense, the necessary controlling, additional metering, and protective equipment according to specifications of the utility.
- b. Domestic customers desiring electric service as an auxiliary source of power for wind or solar powered generating equipment shall pay all direct costs of controlling and protective equipment necessitated by the presence of a source of power on the customer's premises.

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Dafter, Michigan

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on and after **January 1, 2003**  
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RATE "1" COGENERATION AND SMALL POWER PRODUCTION  
(continued)

- c. Additional charges to cover the cost of safety equipment and other local facilities installed by the Cooperative, including design costs, shall be determined by the Cooperative for each case and collected from the customer. The customer shall make a one-time payment for such charges on the required additional facilities in accordance with Section III.A. of the Cooperative's Construction Policy, First Revised Sheet No. 6.15, but without provision for refund per Section III.B of the Cooperative's Construction Policy, Second Revised Sheet No. 6.16. Other local facilities include primary and secondary line extensions, service drops, transformers, conversion from single-phase to three-phase, refusing, etc.
3. Detent Only

For qualifying facilities interested in producing electricity for their own use not wishing to sell energy or capacity to the Cooperative (thereby avoiding the expense of additional metering) the Cooperative will install a detent on the energy meter to prevent reverse rotation during times when the customer's generation may exceed load. The cost of the installation of the detent will be treated as part of the interconnection cost, and no separate additional monthly metering charge will be required.

Monthly Purchase Price

The operator may elect to sell energy to the Cooperative under one of the following options:

1. The average avoided energy cost, or
2. The qualifying facility may enter into an agreement, with a duration of at least four years, for the sale of both capacity and energy. Such an agreement shall provide for a rate consisting of both an energy component and a capacity component for energy delivered to the Cooperative during "on-peak hours" and a rate consisting of only an energy component for energy delivered during all other hours. The energy component shall be the "average avoided energy cost" in either case. **"On-peak hours" means the hours from 8 AM through 8 PM weekdays.** The capacity component shall be equal to the capacity charge per kilowatt of the then effective **Joint Operating Agreement with Wisconsin Electric Power** divided by the number of "on-peak hours" in the month in which such energy is delivered. The qualifying facility must agree to the installation, at its expense, of a dual register time-of-day meter.

Administrative Cost Charge

\$0.001 per kWh purchased.

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Dafer, Michigan

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RATE "1" COGENERATION AND SMALL POWER PRODUCTION  
(continued)

Average Avoided Energy Cost

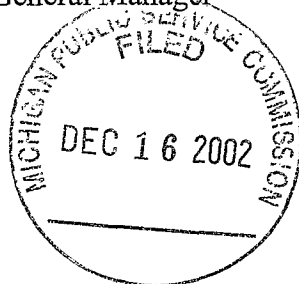
Average Avoided Energy Cost is the weighted average energy cost incurred by the Cooperative under the Joint Operating Agreement with Wisconsin Electric Power.

The Cooperative shall make available, upon request, to co-generators and small power producers, data concerning the present and anticipated future avoided cost on the utility's system. Personnel will be available to explain how to obtain the avoided costs for any particular month.

Notwithstanding anything hereinabove or hereinafter to the contrary, the total rate to be paid a qualifying facility for any kwh of energy delivered to the Cooperative shall not exceed the then applicable total rate per kwh (as calculated on Appendix "C" to the Settlement Agreement in Case No. U-6798) of diesel-generated energy available to Edison Sault Electric Company., under a contract with the Cooperative dated July 1, 1980, as amended, supplemented, or superseded from time to time.

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Dated **November 7, 2002** in Case No. U-13345





RATE "2" COGENERATION AND SMALL POWER PRODUCTION

Availability

Available to any generating installation with a capacity of over 100 kw which employs cogeneration or other small power production technology utilizing biomass, waste, renewable resources, or geothermal energy as fuel and which meets the Federal Energy Regulatory Commission's criteria for a Qualifying Facility. Purchases shall be covered by contract.

The terms and conditions applicable under this schedule are controlled by the Michigan Public Service Commission's order in Case No. U-6798 dated August 21, 1984, and by the Code of Federal Regulations, Title 18, Part 292.

Terms and Conditions of Service

Interconnection Costs

1. Obligation to Pay

Each qualified facility shall be obligated to pay all interconnection costs (as defined in Sub-part A, Sub-section 18 CFR 292.101 (b) (7) of the FERC Rule) which the Cooperative may assess against the facility on a nondiscriminatory basis with respect to other customers with similar size and load characteristics. Payment of these costs should be in accordance with the reimbursement procedure outlined below.

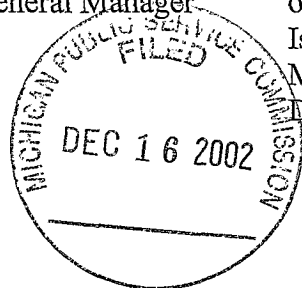
2. Reimbursement of Interconnection Costs

The qualified facility shall reimburse the electric utility for interconnection costs in the following manner:

- a. The customer shall install, at the customer's expense, the necessary controlling, additional metering, and protective equipment according to specifications of the utility.
- b. Domestic customers desiring electric service as an auxiliary source of power for wind or solar powered generating equipment shall pay all direct costs of controlling and protective equipment necessitated by the presence of a source of power on the customer's premises.

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RATE "2" COGENERATION AND SMALL POWER PRODUCTION  
(continued)

- c. Additional charges to cover the cost of safety equipment and other local facilities installed by the Cooperative, including design costs, shall be determined by the Cooperative for each case and collected from the customer. The customer shall make a one-time payment for such charges on the required additional facilities in accordance with Section III.A of the Cooperative's Construction Policy, First Revised Sheet No. 6.15, but without provision for refund per Section III.B of the Cooperative's Construction Policy, Second Revised Sheet No. 6.16. Other local facilities include primary and secondary line extensions, service drops, transformers, conversion from single-phase to three-phase, refusing, etc.

3. Detent Only

For qualifying facilities interested in producing electricity for their own use not wishing to sell energy or capacity to the Cooperative (thereby avoiding the expense of additional metering) the Cooperative will install a detent on the energy meter to prevent reverse rotation during times when the customer's generation may exceed load. The cost of installation of the detent will be treated as part of the interconnection cost and no separate additional monthly metering charge will be required.

Monthly Purchase Price

1. Obligation to Purchase

The Cooperative will purchase energy and capacity made available from a qualifying facility under the conditions set forth in 18 CFR 292.303 (a) and 292.304 (d) as described below:

2. Capacity and Energy Rates

Payments for purchases from and rates associated with sales of energy and capacity between the utility and qualifying facilities having a capacity of over 100 kw will be made under negotiated agreements. The capacity rate and energy rates (defined in Appendix B to the Settlement Agreement in Case No. U-6798) will be calculated using the average demand component and energy charges of the then effective **Joint Operating Agreement with Wisconsin Electric Power**. For long-term contracts (contracts exceeding 10 years), the Cooperative and the qualifying facility may negotiate rates based on avoided costs associated with building a new power facility or building new transmission lines to obtain additional sources for purchased power. These methodologies and avoided cost data, so established, will be filed with the Commission.

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RATE "2" COGENERATION AND SMALL POWER PRODUCTION  
(continued)

3. Capacity Purchase Limitations

Capacity purchased from each qualifying facility over 100 kw will be subject to the Cooperative's ability, during any year, to (i) avoid capacity payments from the Cooperative's firm power purchases of (ii) defer capacity additions from planned generation facilities. In the event the Cooperative can no longer avoid capacity from the above sources, the Cooperative may, with the qualifying facility's consent, wheel the qualifying facility's power under a cost plus arrangement (subject to FERC approval and limitations) to other utilities.

Capacity rates for purchases from facilities' construction which commenced prior to November 9, 1978, shall be governed by 18 CFR 292.304 (b) (3). No capacity component will be included in any payments made to qualifying facilities classified as "old facilities" (see 18 CFR Section 292.304 (b) unless (i) substantial proof is shown that the generator and protective equipment have been installed since November 9, 1978, or (ii) substantial proof is shown that (a) the remaining life of the qualifying facilities' equipment is equivalent to "new capacity" and (b) the qualifying facility requires a capacity component to be included in payments made to it for power in order for it to be economically viable or to increase its output.

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COOPERATIVE SALES TO QUALIFYING COGENERATION  
AND SMALL POWER PRODUCTION FACILITIES

1. Obligation to Sell

Sub-part C, Sub-section 18 CFR 292.303 (b) and the Michigan Public Service Commission's order in Case No. U-6798, dated August 21, 1984, shall govern the obligation on the part of the Cooperative to sell energy and capacity to qualifying facilities within its service area upon request. Qualifying facilities selling only excess energy or capacity to the utility shall compensate the utility under appropriate rates for: 1) supplementary power, 2) back-up power, and 3) maintenance power where such service is requested of the Cooperative.

2. Rates for Sales

The qualifying facility may elect any of the following options regarding sales made by the Cooperative to such qualifying facility. The election must be made at the time the contract is entered into.

a. Supplemental Power

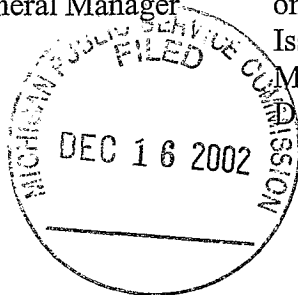
An operator may contract to purchase power from the Cooperative to supplement the operator's generation. The qualifying facility may receive service under any of the applicable rate schedules currently in effect. A "contract demand" shall be established for such service by mutual agreement between the Cooperative and the operator. The on-peak billing demand shall be the highest 30-minute demand during the on-peak hours, but shall not be less than 60% of the "contract demand" and shall in no case be less than 100 kw. Any on-peak billing demand above the "contract demand" shall be considered as standby service.

b. Original Standby Rate

The qualifying facility may make a monthly payment of \$.60 per kw per day for the highest on-peak demand occurring each day in which standby service is utilized in addition to the otherwise applicable monthly demand charge of the Rate LP, Large Power Service Capacity Charge specified in Cooperative's rate schedule. A maximum demand in kilowatts shall be initially established by mutual agreement for electrical capacity sufficient to meet the maximum standby requirements which the Cooperative is expected to supply. Whenever the standby capacity so established is exceeded by the creation of a greater actual maximum demand, then such greater demand becomes the new standby capacity. The energy charge applicable under this option will be the rate shown for energy charge in **Cloverland Electric Cooperative's Standard Rate Schedule "LP"**

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Dated **November 7, 2002** in Case No. U-13345



c. Maintenance Power

Standby power for maintenance shall be available to an operator for a maximum of 30 consecutive days once per calendar year upon 90 days' written request by the operator and agreement by the Cooperative as to when the maintenance power will be supplied within the calendar year. At least 60 days prior to the commencement date of the requested period of maintenance power, the Cooperative will notify the operator as to whether it is in agreement with the period of maintenance power. During the period of maintenance power, the charge of \$.60 per kw per day under the Optional Standby Rate shall be waived. The operator will pay the demand charge provided for in Cloverland Electric Cooperative's Standard Rate Schedule "LP." The energy charge per kwh applicable under this option shall equal the maximum per kwh charge for any kWh in the "LP" rate.

d. "On-peak hours" means **the hours from 8 AM through 8 PM weekdays.**

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Cloverland Electric Cooperative  
Power Supply Cost Recovery Clause

This clause permits the monthly adjustment of rates for power supply to allow recovery of the booked costs of fuel and purchased power incurred under reasonable and prudent policies and practices.

For purposes of this clause, the following definitions apply:

"Power supply cost recovery factor" means that element of the rates to be charged for electric service to reflect power supply costs incurred and made pursuant to a power supply cost recovery clause incorporated in the rates or rate schedule.

"Power supply cost recovery plan" means a filing made annually describing the expected sources of electric power supply and changes over a future 12-month period specified by the Commission and requesting for each of those 12 months a specified power supply cost recovery factor.

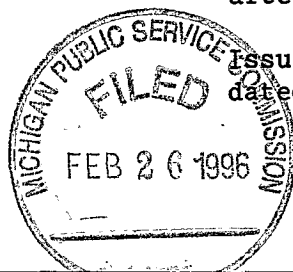
"Power supply costs" means those elements of the costs of fuel and purchased power as determined by the Commission to be included in the calculation of the power supply cost recovery factor.

The Power Supply Cost Recovery Factor shall, in accordance with the hearing procedures adopted by the Michigan Public Service Commission, consist of 0.01111 mills per kilowatthour for each full .01 mills per kWh, of power supply costs, rounded to the nearest .01 mills per kilowatthour. The power supply cost recovery factor to be applied to Cloverland Electric Cooperative, ("Cooperative") retail customers' monthly kilowatthour usage represents the power supply costs as established by Commission order pursuant to a power supply and cost review hearing conducted by the Commission. The power supply and cost review will be conducted not less than once a year for the purpose of evaluating the power supply cost recovery plan filed by Cooperative and to authorize appropriate power supply cost recovery factors.

Not more than 45 days following the last day of each billing month in which a power supply cost recovery factor has been applied to customers' bills, Cooperative shall file with the Commission a detailed statement for that month of the revenues recorded pursuant to the power supply cost recovery factor and the allowance for cost of power included in the base rates established in the latest Commission order for Cooperative and the cost of power supply.

Issued: February 6, 1996  
By Don Wozniak  
Dafter, Michigan

Effective for service rendered on and  
after February 6, 1996



Issued under the authority of M.P.S.C.  
dated February 5, 1996 in Case No. U-10975







FARM AND HOME SERVICE  
Schedule "FH"

Availability:

To **member-consumers** of the **Cooperative** for all normal farm and **principal permanent** home uses, subject to the established rules and regulations of the Cooperative. **Member-consumers** having small businesses on their residential premises may take service under this schedule provided such business use does not exceed 25 percent of the energy usage.

Type of Service:

Single-phase, alternating current, 60 hertz, approximately 120/240 volts.

Monthly Rate:

<b>Facility Charge:</b>	<b>\$9.00</b> per month
<b>Energy Charges:</b>	
First 500 kWh	<b>\$0.0723</b> per kWh
Excess	<b>\$0.0656</b> per kWh
Optional Automatic Meter Reading	\$4.50 per month

Minimum Charge:

The Minimum Monthly Charge under this schedule shall be the **Facility Charge**. For **member-consumers** participating in the Cooperative's Automatic Meter Reading option, the minimum charge shall be increased by \$4.50 per month.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Terms of Payment:

A one time late payment charge of 2% of the unpaid balance will be assessed on any bill not paid by the due date. This provision does not apply to **member-consumers** participating in the Winter Protection Plan set forth in U-4240.

Taxes:

Michigan State Sales Tax will be added to all billings whenever applicable.

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan

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**November 7, 2002** in Case No. U-13345



FARM AND HOME SERVICE  
Schedule "FH"  
(Continued from Sheet No. 8.00)

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Terms of Service:

Terms or conditions of service under this schedule shall be governed by the Cooperative's Standard Rules and Regulations which are on file with the Michigan Public Service Commission.

Participation in the Cooperative's Automatic Meter Reading option requires at least a one year commitment as to continuous participation and a continuously active telephone line at the location of the service participating in the Automatic Meter Reading option.

The Cooperative's Automatic Meter Reading option is available to members of the Cooperative unless the telephone line at the location of the service is not readily accessible to the member's meter, or the meter or meter base is not adaptable to conversion to the Cooperative's Automatic Meter Reading option. If conditions require additional expenditures on the part of the Cooperative, the Cooperative shall be reimbursed therefor.

Issued: October 1, 1999  
By: Don Wozniak  
Dafter, Michigan



Effective for service on and after  
October 1, 1999

Issued under the authority of M.P.S.C.  
dated September 28, 1999 in Case No. U-11975

**ELECTRIC SELECT**  
Schedule "ES"

**Availability:**

To member-consumers of the Cooperative for all normal farm and principal permanent home uses, subject to the established rules and regulations of the Cooperative. Member-consumers having small businesses on their residential premises may take service under this schedule provided such business use does not exceed 25 percent of the energy usage. This schedule is only available to member-consumers who agree to take service under this schedule for a minimum of 12 months. The agreement to take service under this schedule shall continue for 12 months, at the end of which the agreement shall continue month to month until the member-consumer cancels.

**Type of Service:**

Single-phase, alternating current, 60 hertz, approximately 120/240 volts.

**Monthly Rate:**

Facility Charge:	\$13.00 per month
Energy Charge:	
First 1000 kWh	\$0.0680 per kWh
Excess of 1000 kWh	\$0.0500 per kWh
Optional Automatic Meter Reading	\$4.50 per month

**Minimum Charge:**

The Minimum Monthly Charge under this schedule shall be the Facility Charge. For member-consumers participating in the Cooperative's Automatic Meter Reading option, the minimum charge shall be increased by \$4.50 per month.

**Power Supply Cost Recovery Clause and Factor:**

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

(Continued on Sheet No. 8.51)

Issued: May 11, 2005  
By: Don Wozniak  
General Manager  
Dafer, Michigan



Effective for service rendered on and after  
April 29, 2005

Issued under the authority of M.P.S.C. Order  
dated April 28, 2005 in Case No. U-14081

**ELECTRIC SELECT**  
Schedule "ES"  
(Continued from Sheet No. 8.50)

**Terms of Payment:**

A one time late payment charge of 2% of the unpaid balance will be assessed on any bill not paid by the due date. This provision does not apply to member-consumers participating in the Winter Protection Plan set forth in U-4240.

**Taxes:**

Michigan State Sales Tax will be added to all billings whenever applicable.

**Tax Adjustments:**

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

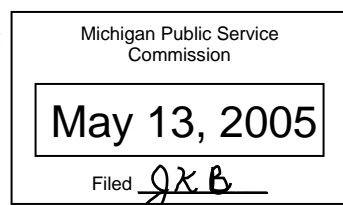
**Terms of Service:**

Terms or conditions of service under this schedule shall be governed by the Cooperative's Standard Rules and Regulations which are on file with the Michigan Public Service Commission.

Participation in the Cooperative's Automatic Meter Reading option requires at least a one year commitment to continuous participation and a continuously active telephone line at the location of the service participating in the Automatic Meter Reading option.

The Cooperative's Automatic Meter Reading option is available to members of the Cooperative unless the telephone line at the location of the service is not readily accessible to the member's meter, or the meter or meter base is not adaptable to conversion to the Cooperative's Automatic Meter Reading option. If conditions require additional expenditures on the part of the Cooperative, the Cooperative shall be reimbursed therefore.

Issued: May 11, 2005  
By: Don Wozniak  
General Manager  
Dafter, Michigan



Effective for service rendered on and after  
April 29, 2005

Issued under the authority of M.P.S.C. Order  
dated April 28, 2005 in Case No. U-14081

SEASONAL RESIDENTIAL SERVICE  
Schedule "SR"

Availability:

To **member-consumers** of the **Cooperative**, who use their homes or cottages only a part of each year or at intervals during the year, for all normal residential uses, subject to the established rules and regulations of the Cooperative. **It is not available for member-consumers' principal permanent residential units.**

Type of Service:

Single-phase, alternating current, 60 hertz, approximately 120/240 volts.

Annual Rate:

<b>Facility Charge:</b>	<b>\$138.00 per year</b>
Energy Charge:	<b>\$0.0740 per kWh</b>

Minimum Charge:

The Minimum Annual Charge under this schedule shall be the **Facility Charge**.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Meter Reading:

The Cooperative will read all meters **once** each year.

Issued: **November 13, 2002**  
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Dafer, Michigan

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SEASONAL RESIDENTIAL SERVICE  
Schedule "SR"  
(Continued from Sheet No. 9.00)

Billing

**Member-consumers** receiving service under this schedule will be billed in advance for the annual **Facility** Charge. All charges under the schedule in excess of the annual **Facility** Charge will be billed annually.

Terms of Payment

A onetime late payment charge of 2% of the unpaid balance will be assessed on any bill not paid by the due date.

Taxes

Michigan State Sales Tax will be added to all billings whenever applicable.

Tax Adjustment

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other **member-consumers** from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

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Dafer, Michigan



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**November 7, 2002** in Case No. U-13345

GENERAL SERVICE  
Schedule "GS"

Availability:

To any **member-consumer** of the **Cooperative** for all uses, subject to the established rules and regulations of the Cooperative.

Type of Service:

Single-phase or **three-phase**, alternating current, 60 hertz, at the Cooperative's available secondary voltages.

Monthly Rate:

<b>Facility Charge:</b>	
<b>Single Phase</b>	<b>\$10.00 per month</b>
<b>Three Phase</b>	<b>\$25.00 per month</b>
Energy Charge:	<b>\$0.0745 per kWh</b>
Optional Automatic Meter Reading:	<b>\$4.50 per month</b>

Minimum Charge:

The Minimum Monthly Charge under this schedule shall be the **Facility Charge**.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

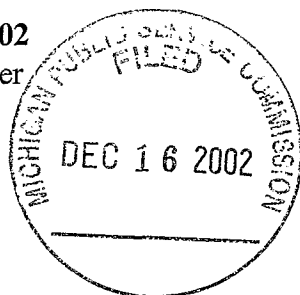
Terms of Payment:

The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Taxes:

Michigan State Sales Tax will be added to all billings whenever applicable.

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan



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**November 7, 2002** in Case No. U-13345

GENERAL SERVICE  
Schedule "GS"  
(Continued from Sheet No. 10.00)

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Terms of Service:

Terms or conditions of service under this schedule shall be governed by the Cooperative's Standard Rules and Regulations which are on file with the Michigan Public Service Commission.

Participation in the Cooperative's Automatic Meter Reading option requires at least a one year commitment as to continuous participation and a continuously active telephone line at the location of the service participating in the Automatic Meter Reading option.

The Cooperative's Automatic Meter Reading option is available to members of the Cooperative unless the telephone line at the location of the service is not readily accessible to the member's meter, or the meter or meter base is not adaptable to conversion to the Cooperative's Automatic Meter Reading option. If conditions require additional expenditures on the part of the Cooperative, the Cooperative shall be reimbursed therefor.

Issued: October 1, 1999  
By: Don Wozniak  
Dafter, Michigan

Effective for service on and after  
October 1, 1999

Issued under the authority of M.P.S.C.  
dated September 28, 1999 in Case No. U-11975





SEASONAL GENERAL SERVICE  
Schedule "SGS"

Availability:

To the **member-consumers** of the **Cooperative** who use their places of business only a part of each year or at intervals during the year, for all normal commercial uses, subject to the rules and regulations of the Cooperative.

Type of Service:

Single-phase, alternating current, 60 hertz, at the Cooperative's available secondary voltages.

Annual Rates:

<b>Facility Charge:</b>	<b>\$150.00 per year</b>
Energy Charge:	<b>\$0.0745 per kWh</b>

Minimum Charge:

The Minimum Annual Charge under this schedule shall be the **Facility Charge**.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Meter Reading:

**The Cooperative will read all meters once each year.**

Billing

**Member-consumers** receiving service under this schedule will be billed in advance for the annual **Facility Charge**. All charges under the schedule in excess of the annual **Facility Charge** will be billed annually.

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan

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**November 7, 2002** in Case No. U-13345



SEASONAL GENERAL SERVICE  
Schedule "SGS  
(Continued from Sheet No.11.00)

Billing

Members receiving service under this schedule will be billed in advance each October for the annual service charge. All charges under the schedule in excess of the annual service charge will be billed bi-annually as follows:

1. In the month of April, members will be billed for usage in accordance with meter readings. If a meter reading has not been provided by a member, that member will be billed for one-half of his estimated annual usage based upon usage in the prior year; provided that such billing is not less than \$5.00
2. In the month of October, members will be billed for the balance of energy consumed in the year.

In the event that energy billed in April is greater than annual consumption, a credit or rebate will be made in the October billing.

Terms of Payment

The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Taxes

Michigan State Sales Tax will be added to all billings whenever applicable.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Issued: September 16, 1997  
By: Don Wozniak  
Dafter, Michigan

Effective for service rendered on and  
after October 1, 1997



Issued under the authority of M.P.S.C.  
dated September 12, 1997 in Case No. U-11365

LARGE POWER SERVICE  
Schedule "LP"

Availability:

To any **member-consumer** of the **Cooperative** requiring three- phase service, subject to the Cooperative's rules and regulations, when the billing demand is not more than 500 kW.

Type of Service:

Three-phase, alternating current, 60 hertz, at the Cooperative's available secondary voltages.

Monthly Rates:

Facility Charge:	\$50.00 per month
Demand Charge:	\$4.20 per kW
Energy Charge:	
First 200 kWh per kW	\$0.050 per kWh
Excess	\$0.045 per kWh

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Billing Demand:

The billing demand shall be the kilowatts (kW) supplied during the 15 minute period of maximum usage during the billing period.

Minimum Charge:

The Minimum Monthly Charge shall be the **Facility** Charge included in the rates.

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan

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**November 7, 2002** in Case No. U-13345



LARGE POWER SERVICE  
Schedule "LP"  
(Continued from Sheet No. 12.00)

Primary Service

A **member-consumer** may elect to furnish, install, own and maintain **their** own transformation facilities and to take service **at the Cooperative's** primary distribution voltage. In such event, **the Cooperative** will install primary metering and deduct 3.0% from demand and energy measurements for billing purposes.

Terms of Payment

The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

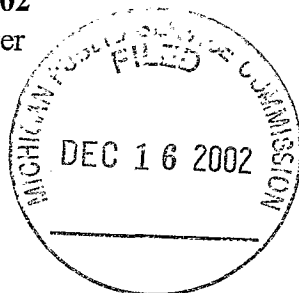
Taxes

Michigan States Sales Tax will be added to all billings whenever applicable.

Tax Adjustment

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, licenses fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other **member-consumers** from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafter, Michigan



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Issued under the authority of M.P.S.C. dated  
**November 7, 2002** in Case No. U-13345

COMMERCIAL HEATING AND AIR CONDITIONING  
Schedule "HA"

Availability

To any commercial or industrial **member-consumer** of the **Cooperative** for separately metered heating service where the principal source of energy for comfort heating of the premises is electrically supplied. **Member-consumers** who meet the above qualification can also use this rate for air conditioning service. This rate is in process of elimination and is withdrawn except for the present **member-consumers** receiving services hereunder at premises served prior to August 29, 1977.

Type of Service

Single-phase or three-phase alternating current, 60 hertz, at the Cooperative's available secondary voltages.

Monthly Rate

<b>Facility Charge:</b>	<b>\$10.00 per month</b>
<b>Energy Charge:</b>	<b>\$0.064 per kWh</b>

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Minimum Charge

The **Minimum Monthly Charge shall be the Facility Charge.**

Terms of Payment

The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Taxes

Michigan State Sales Tax will be added to all billings whenever applicable.

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**November 7, 2002** in Case No. U-13345



OUTDOOR PROTECTIVE LIGHTING SERVICE  
Schedule "PL"

Availability

**Member-consumers** already taking service for outdoor protective lighting service on premises on which the **member-consumer** is already taking service from the Cooperative under another rate schedule under this schedule may continue to do so. The schedule will be closed to new business as of July 1, 1980.

Hours of Service

Dusk to dawns controlled by photo-sensitive **devices**, every night and all night for approximately 4,200 hours per year.

Type of Service

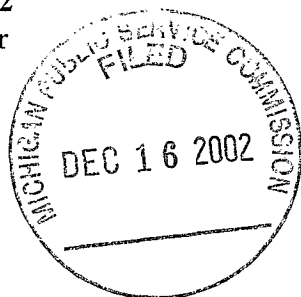
Multiple lighting from secondary or service lines. The Cooperative will own, operate and maintain the lighting fixtures. Burned out lamps must be reported by the **member-consumer**, and the Cooperative will undertake to replace the lamp as soon as possible during regular working hours. Broken lamps or damage to fixtures by accident or vandalism will be repaired or replaced at the **member-consumer's** expense.

Monthly Rate

1. Using existing pole and secondary facilities:
  - 175 watt mercury vapor lamp @ **\$7.87** per month per fixture (assumes 80 kWh/month).
  - 400 watt mercury vapor lamp @ **\$15.14** per month per fixture (assumes 180 kWh/month).
  - 100 watt high pressure sodium lamp @ **\$7.28** per month per fixture (assumes 45 kWh per month).
2. Requiring new pole and one span of new secondary facilities
  - 175 watt mercury vapor lamp @ **\$9.05** per month per fixture (assumes 80 kWh/month).
  - 400 watt mercury vapor lamp @ **\$16.32** per month per fixture (assumes 180 kWh/month).
  - 100 watt high pressure sodium lamp @ **\$8.46** per month per fixture (assumes 45 kWh per month).

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan

Effective for service rendered on and after  
**January 1, 2003**  
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**November 7, 2002** in Case No. U-13345



OUTDOOR PROTECTIVE LIGHTING SERVICE  
Schedule "PL"  
(Continued from Sheet No. 14.00)

Special Terms and Conditions:

When more than one new pole or more than one span of new secondary facilities are required, the cost of labor and material for the additional installation will be charged directly to the member.

Terms of Payment:

The above rates are net, the gross rates being 2.0% higher. In the event the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Taxes:

Michigan State Sales Tax will be added to all billings whenever applicable.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Issued: September 16, 1997  
By: Don Wozniak  
Dafter, Michigan

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Issued under the authority of M.P.S.C.  
dated September 12, 1997 in Case No. U-11365



OUTDOOR PROTECTIVE LIGHTING SERVICE  
Schedule "PL-1"

Availability

To all **member-consumers** of the **Cooperative** for outdoor protective lighting service on premises on which the **member-consumer** is already taking service from the Cooperative under another rate schedule. This service will only be available to **member-consumers** who agree to enter into an agreement with **the Cooperative** whereby the **member-consumer** guarantees a minimum of 60 months' payments. However, should removal occur before 60 months have elapsed, the **member-consumer** will be required to pay the balance of the monthly fees or \$200.00 whichever is less.

Hours of Service

Dusk to dawn controlled by photo-sensitive **devices**, every night and all night for approximately 4,200 hours per year.

Type of Service

Multiple lighting from secondary or service lines. The Cooperative will own, operate and maintain the lighting fixtures. Burned out lamps must be reported by the **member-consumer**, and the Cooperative will undertake to replace the lamp as soon as possible during regular working hours. Broken lamps or damage to fixtures by accident or vandalism will be repaired or replaced at the **member-consumer's** expense.

Monthly Rate

100 watt high pressure sodium lamp @ \$7.28 per month per fixture (assumes 45 kWh per month).

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By: Don Wozniak, Manager  
Dafter, Michigan

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**November 7, 2002** in Case No. U-13345





OUTDOOR PROTECTIVE LIGHTING SERVICE  
Schedule "PL-1"  
(Continued from Sheet No. 14.50)

Special Terms and Conditions:

When additional secondary facilities are required, the cost of labor and material for the additional installation will be charged directly to the member.

Terms of Payment:

The above rates are net, the gross rates being 2.0% higher. In the event the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Taxes:

Michigan State Sales Tax will be added to all billings whenever applicable.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

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Dafer, Michigan

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dated September 12, 1997 in Case No. U-11365



MUNICIPAL LIGHTING SERVICE  
Schedule "ML"

Availability

Available to municipalities **and** political subdivisions for street lighting service with the condition that said municipalities, etc., become **member-consumers** of the Cooperative. This service will only be available to **member-consumers** who agree to enter into an agreement with **the Cooperative** whereby the **member-consumer** guarantees a minimum of 60 months' payments. However, should removal occur before 60 months have elapsed, the **member-consumer** will be required to pay the balance of the monthly fees or \$200.00 whichever is less.

Hours of Service

Dusk to dawn controlled by photo-sensitive **devices**, every night and all night for approximately 4,200 hours per year.

Type of Service

Multiple lighting from secondary or service lines. The Cooperative will own, operate and maintain the lighting fixtures. Burned out lamps must be reported by the **member-consumer**, and the Cooperative will undertake to replace the lamp as soon as possible during regular working hours. Broken lamps or damage to fixtures by accident or vandalism will be repaired or replaced at the **member-consumer's** expense.

Monthly Rate

1. 175 watt mercury vapor lamp @ **\$7.87** per month per fixture (assumes 80 kWh/month).  
400 watt mercury vapor lamp @ **\$15.14** per month per fixture (assumes 180 kWh/month).  
100 watt high pressure sodium lamp @ **\$7.28** per month per fixture (assumes 45 kWh per month).

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan

Effective for service rendered on and after  
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**November 7, 2002** in Case No. U-13345



MUNICIPAL LIGHTING SERVICE  
Schedule "ML"  
(Continued from Sheet No. 14.60)

Special Terms and Conditions:

When additional secondary facilities are required, the cost of labor and material for the additional installation will be charged directly to the member.

Terms of Payment:

The above rates are net, the gross rates being 2.0% higher. In the event the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Taxes:

Michigan State Sales Tax will be added to all billings whenever applicable.

Power Supply Cost Recovery Clause and Factor:

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

Issued: September 16, 1997  
By: Don Wozniak  
Dafter, Michigan

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Issued under the authority of M.P.S.C.  
dated September 12, 1997 in Case No. U-11365



Cloverland Electric Cooperative  
M.P.S.C. No. 4 - Electric

First Revised Sheet No. 15.00  
Cancels Original Sheet No. 15.00

Requirements for Pole Attachments

The Cooperative may permit a cable television company or other attaching party (as defined in paragraph 1(a) of 1980 PA 470; MCLA 460.6g) to make attachments to its poles, ducts or conduits pursuant to contract between the Cooperative and the attaching party. Upon execution, copies of such contracts shall be filed with the Michigan Public Service Commission. Effective April 1, 1997, the annual pole attachment rate shall be \$3.74 per pole per year.

Attaching parties must obtain any necessary authorizations to occupy public or private rights-of-ways prior to execution of a contract with the Cooperative.

This sheet shall not apply to attachments made or proposed to be made by utilities (as defined in paragraph 1(d) of 1980 PA 470) to the facilities of the Cooperative.

Issued: March 12, 1997  
By Don Wozniak  
General Manager  
Dafer, Michigan

Effective for service rendered on and after  
April 1, 1997

Issued under the authority of M.P.S.C.  
dated February 11, 1997 in Case No. U-10831



Primary Substation Distribution Service  
Schedule "PSDS"

Availability

This rate is available only to **member-consumers with** primary service loads of 1,000 kW or greater to be served directly from a distribution substation, or loads of at least 500 kW taken directly from the transmission system at a voltage of 69 kV or greater.

Type of Service

Three-phase alternating current, 60 hertz, at the Cooperative's available voltages.

Monthly Rates

**Facility Charge:**

**Unless** specified in the Electric Service Agreement: **\$200.00 per month**

Demand Charge:

**\$7.35 per kW**

Energy Charge:

**\$0.0295 per kWh**

Minimum Charge

The Minimum Monthly Charge shall be **the** greater of the **Facility** Charge included in the Electric Service Agreement or **\$3,675.00 per month**.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's power supply cost recovery clause as set forth on Sheet No. 7.00.

Issued: **November 13, 2002**  
By: Don Wozniak, Manager  
Dafer, Michigan

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**November 7, 2002** in Case No. U-13345



**Primary Substation Distribution Service  
Schedule "PSDS"  
(Continued from Sheet No. 16.00)**

**Determination of Billing Demand:**

This billing demand shall be the maximum kilowatt demand established by the consumer for any period of thirty consecutive minutes during the month for which the bill is rendered, as indicated or recorded by the demand meter installed by seller to make such determination and adjusted for power factor as provided below.

**Power Factor Adjustment:**

The consumer agrees to maintain a unity of power factor as nearly as practicable. Demand charges will be adjusted for average power factors lower than 90 percent. Such adjustment shall be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

**Terms of Payment:**

The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

**Taxes:**

Michigan state sales tax will be added to all billings whenever applicable.

**Tax Adjustments:**

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

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Dafer, Michigan

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dated September 12, 1997 in Case No. U-11365



LARGE POWER - MINING OPERATION  
SCHEDULE "LP-MO"

Availability

This rate is available only to **member-consumers with** Mining Operations which are primary service loads.

Type of Service

Three-phase, alternating current, 60 hertz, at the Cooperative's available voltages.

Monthly Rates

Facility Charge:	\$200.00 per month
Demand Charge:	\$3.80 per kW
Energy Charge:	\$0.04410 per kWh

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet No. 7.00.

Determination of Billing Demand

The billing demand shall be the maximum kilowatt demand established by the **Member-consumer** for any period of thirty consecutive minutes during the month for which the bill is rendered, as indicated or recorded by the demand meter installed by seller to make such a determination and adjusted for power factor as provided below.

Minimum Charge

The Minimum Monthly Charge **under this schedule** shall be the **Facility Charge**.

Power Factor Adjustment

The **member-consumer** agrees to maintain a unity power factor as nearly as practicable. Demand charges will be adjusted for average power factors lower than 90%. Such adjustment shall be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging.

Terms of Payment

The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

Issued: **November 13, 2002**  
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Dafter, Michigan

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**November 7, 2002** in Case No. U-13345



LARGE POWER - MINING OPERATION  
SCHEDULE "LP-MO"  
(continued from Sheet No. 17.00)

Tax Adjustments:

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local taxes.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric energy.

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Dafter, Michigan

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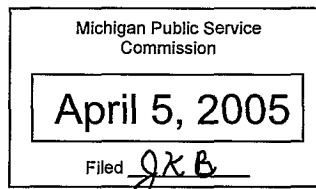


Cloverland Electric Cooperative  
M.P.S.C. No. 4 -Electric

**First Revised Sheet No. 18.00**  
**Cancels Original Sheet No. 18.00**

**SCHEDULE LPRAS**  
**LARGE POWER RETAIL ACCESS SERVICE**

THIS SHEET IS CANCELLED



Issued: **March 22, 2005**  
By: Don Wozniak  
Dafer, Michigan

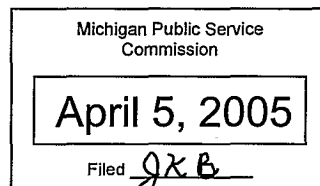
Effective for all Open Access Service rendered  
On and After **May 25, 2005**  
Issued under the authority of M.P.S.C. order  
Dated **2/24/05** in Case No. U-14182

Cloverland Electric Cooperative  
M.P.S.C. No. 4 -Electric

**First Revised Sheet No. 18.01**  
**Cancels Original Sheet No. 18.01**

**SCHEDULE LPRAS**  
**LARGE POWER RETAIL ACCESS SERVICE**

THIS SHEET IS CANCELLED



Issued: **March 22, 2005**  
By: Don Wozniak  
Dafer, Michigan

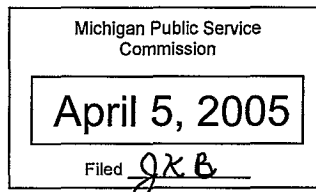
Effective for all Open Access Service rendered  
On and After **May 25, 2005**  
Issued under the authority of M.P.S.C. order  
Dated **2/24/05** in Case No. U-14182

Cloverland Electric Cooperative  
M.P.S.C. No. 4 -Electric

**First Revised Sheet No. 18.02**  
**Cancels Original Sheet No. 18.02**

**SCHEDULE LPRAS**  
**LARGE POWER RETAIL ACCESS SERVICE**

THIS SHEET IS CANCELLED



Issued: **March 22, 2005**  
By: Don Wozniak  
Dafer, Michigan

Effective for all Open Access Service rendered  
On and After **May 25, 2005**  
Issued under the authority of M.P.S.C. order  
Dated **2/24/05** in Case No. U-14182

**SCHEDULE RASS  
RETAIL ACCESS STANDBY SERVICE**

Availability

This schedule is available on a best efforts basis only to Member-Consumers of the Cooperative receiving service under its Large Power Service Rate-C (Schedule LP-Choice), Primary Substation Distribution Service Rate-C (Schedule PSDS-Choice), and Large Power-Mining Operation Rate-C (LP-MO-Choice). This is in addition to the Member-Consumer's applicable Choice tariff.

Nature of Service

Service under this schedule is only available on a best efforts basis to the Member-Consumer when an Alternative Electric Supplier (AES) has ceased service to the Member-Consumer. The Member-Consumer may arrange to return to Full Requirements Service by following the procedures detailed in the Cooperative's *Retail Access Service Tariff*, subject to the terms and conditions set forth in said tariff.

Standby Service under this schedule does not include net under- or over- deliveries of Energy that result when Energy is delivered on behalf of a Member-Consumer but deviates from the Member-Consumer's scheduled Energy requirements plus applicable provisions for line losses. Any change in the Member-Consumer's Energy schedule must be reported to the Transmission Service Provider according to the provisions in the applicable Open Access Transmission Tariff (OATT). These charges represent Schedule 4 ancillary services and will be summarized each month with payment to the Member-Consumer or due from the Member-Consumer per the calculation.

Charges for Service

The charges for this service shall be equal to the Cooperative's out-of-pocket cost of standby power delivered to the Member-Consumer, plus a service fee of one-cent (\$0.01) per kWh delivered to the Member-Consumer.

The Cooperative's out-of-pocket cost shall be equal to the amount it is billed by its wholesale supplier for Standby Service delivered to the Member-Consumer.

(Continued on Sheet No. 19.01)

Issued: **December 1, 2005**

By: Don Wozniak

Dafer, Michigan

Michigan Public Service Commission
December 7, 2005
Filed <u>BJ</u>

Effective for **Retail** Access Service rendered

On and After **January 1, 2006**

Issued under the authority of M.P.S.C. order

Dated **September 20, 2005** in Case No. U-14572

**SCHEDULE RASS**  
**RETAIL ACCESS STANDBY SERVICE**  
(Continued from Sheet No. 19.00)

Terms of Payment

1. Monthly bills for Standby Service rendered by the Cooperative are due and payable on or before the due date listed on the bill.
2. The above rates are net. A one-time late payment charge of two (2%) percent of the unpaid balance, excluding sales tax, will be assessed on any bill for Standby Service not paid by the due date.
3. The Cooperative will not collect any monies on behalf of any AES, retailer or other third party without a written agreement between the Cooperative, the Member-Consumer and the third party.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member Consumer and any third party.

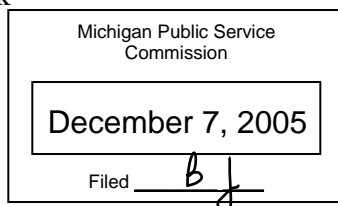
Tax Adjustment

1. Bills shall be increased or decreased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases or decreases.
2. Bills shall be adjusted to offset any new, increased or decreased specific tax or excise imposed by any governmental authority, which increases or decreases the Cooperative's cost of providing electric service.

Issued: **December 1, 2005**

By: Don Wozniak

Dafter, Michigan



Effective for **Retail** Access Service rendered

On and After **January 1, 2006**

Issued under the authority of M.P.S.C. order

Dated **September 20, 2005** in Case No. U-14572

**RETAIL ACCESS SERVICE TARIFF**

**1.0 INTRODUCTION AND DEFINITIONS**

This tariff expresses the terms and conditions associated with Retail Access Service and provides information regarding the roles of the various market participants. This tariff includes the following sections:

Introduction and Definitions	Section 1.0
Member-Consumer Section	Section 2.0
Alternative Electric Supplier Section	Section 3.0
Dispute Resolution	Section 4.0
Liability and Exclusions	Section 5.0

When a Member-Consumer participates in Retail Access Service and obtains Generation Services from an Alternative Electric Supplier (AES), the Cooperative will maintain a relationship and interact with the separate participants – including the Member-Consumer, the Transmission Service Provider, and the AES.

**1.1 The Member-Consumer Role**

The Member-Consumer is the end-user of Power in the State of Michigan who has facilities connected to the Cooperative's Distribution System. Under Retail Access Service, the Member-Consumer will conduct transactions with at least two participants – including the Cooperative and an AES. The Member-Consumer is responsible for choosing an AES. Member-Consumers may receive transmission service directly from the Transmission Service Provider or the AES may make such arrangements as part of its service to the Member-Consumer.

The Cooperative's principal requirement is that the Member-Consumer must be taking service under the Cooperative's Schedule LP, PSDS, or LP-MO and have a Maximum Demand of at least **50 kW**. An Individual Member-Consumer currently demand metered and who is eligible to be taking service under the Cooperative's Schedule LP or LP-MO may achieve the **50 kW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each demand metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated demand metering points on an individual account basis. **No more than 30% of the total number of member-consumers between 50 kW and 199 kW may be eligible for service under this tariff.**

(Continued on Sheet No. 20.01)

Issued: **December 1, 2005**

By: Don Wozniak

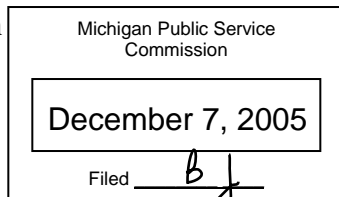
Dafter, Michigan

Effective for **Retail** Access Service rendered

On and After **January 1, 2006**

Issued under the authority of M.P.S.C. order

Dated **September 20, 2005** in Case No. U-14572



**RETAIL ACCESS SERVICE TARIFF**

(Continued from Sheet No. 20.00)

The Member-Consumer is ultimately responsible for the purchase and delivery of power to the Cooperative's distribution system that is sufficient to meet the Member-Consumer's electrical requirements for each hour of each day. If for any reason, including but not limited to the failure or default of the AES, the failure of its generation resources and/or transmission system constraints, power is delivered to a retail open access Member-Consumer by the Cooperative then the Member-Consumer shall purchase said power from the Cooperative pursuant to the Default Service provisions of this tariff.

**1.2 The Alternative Electric Supplier Role**

An Alternative Electric Supplier (AES) is a Person that has been licensed by the Michigan Public Service Commission to sell electric generation service to retail Consumers in this state. The AES takes title to Power and sells Power in Michigan's retail electric market.

An AES makes necessary arrangements to provide Power to Member-Consumers, assembles products and/or services, and sells the products and/or services to Member-Consumers. The AES must meet all applicable statutory and regulatory requirements of Michigan and federal law.

Market participation responsibilities of the AES or Member-Consumer include: scheduling energy, obtaining and paying for transmission and ancillary services (including energy imbalance charges), and payment or provision of energy for losses incurred on the Transmission System and the Distribution System to deliver Power. The AES is responsible for assuring power supply, arranging deliveries to the Cooperative's Distribution System, and managing its own retail sales.

**1.3 Transmission Service Provider Role**

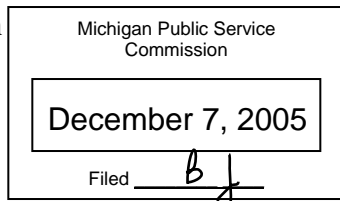
The Transmission Service Provider delivers electrical energy to the Cooperative's distribution system. To obtain retail access service, the Member-Consumer or the AES on behalf of the Member-Consumer must arrange for transmission service from the Transmission Service Provider. The Transmission Service Provider provides services to transmission consumers, whether an AES or a Member-Consumer as defined herein, pursuant to its Open Access Transmission Tariff (OATT) rules and regulations as approved by the Federal Energy Regulatory Commission or pursuant to a Transmission Tariff approved by another appropriate regulatory authority.

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**RETAIL ACCESS SERVICE TARIFF**

(Continued from Sheet No. 20.01)

**1.4 Cooperative Role**

The Cooperative provides facilities and related services for the distribution of electricity and is the Member-Consumer's primary contact for electric service. Under Retail Access, the Cooperative arranges for the physical connection of the Member-Consumer's facilities to the Distribution system and provides system maintenance, outage restoration, metering equipment, meter data processing, bill processing for distribution services and other Consumer support services.

The Cooperative's Generation Services (Default Service and Full Requirements Service) offered herein are supplied by purchases for resale from the Cooperative's wholesale power supplier. Such purchases are made pursuant to tariffs that are established by the wholesale power supplier and approved by the Federal Energy Regulatory Commission or other appropriate regulatory authority.

**1.5 Definitions**

“*Aggregate*” or “*Aggregation*” means to combine or the combination of multiple metering points serving an individual Member-Consumer for the purpose of qualifying for Retail Access Service.

“*Alternative Electric Supplier*” or “*AES*” means a Person properly licensed by the Michigan Public Service Commission to sell electric Generation Service to retail Consumers in the state of Michigan. AES does not include a Person who physically delivers electricity from the AES directly to retail Consumers in Michigan.

“*Commission*” means the Michigan Public Service Commission.

“*Cooperative*” means Cloverland Electric Cooperative or its agent.

“*Default Service*” means Generation Service provided by the Cooperative. Default Service shall be purchased under the rates, terms, and conditions in the applicable Retail Access Standby Service tariff approved by the Commission.

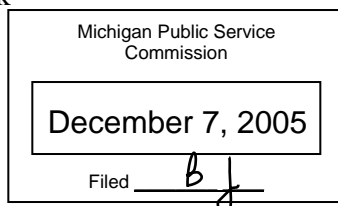
“*Demand*” means the amount of Power required to meet the Member-Consumer’s load averaged over a designated interval of time, expressed in kilowatts or megawatts.

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“*Distribution Point of Delivery*” means the point of interconnection between the Cooperative’s Distribution System and the Member-Consumer’s service Location.

“*Distribution Point of Receipt*” means the point of interconnection between the Cooperative’s Distribution System and the Transmission System or other facilities where electric Energy is received for delivery to a Member-Consumer.

“*Distribution Service*” means the provision of retail Regulated Electric Service including delivery of Generation over the Distribution System, and ancillary services all provided by the Cooperative pursuant to its rates for Retail Access Service.

“*Distribution System*” means facilities operated by the Cooperative for the purpose of distributing electric power within the Cooperative’s electric service territory, which are subject to the jurisdiction of the Commission.

“*Drop Request*” means a request by an AES to terminate Generation Service to a Member-Consumer.

“*Drop Response*” means a response sent by the Cooperative to an AES which submitted a Drop Request that confirms the requested Member-Consumer drop as pending and provides certain Member-Consumer information or, if the Drop Request is denied, provides a reason or invalidation code explaining why the request was denied.

“*Energy*” refers to “electrical energy.” Energy is usually measured in kilowatt-hours (kWh) or megawatt-hours (MWh).

“*Full Requirements Service*” means the provision of retail Regulated Electric Service including generation, transmission, distribution, and ancillary services all provided by the Cooperative pursuant to its rates for standard electric service.

“*Generation Service*” means the provision of electric Power, transmission, and related ancillary services.

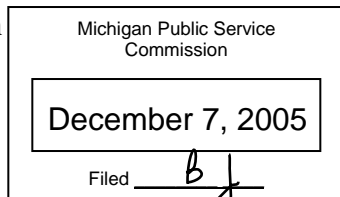
“*Interval Demand Meter*” means a meter capable of measuring and recording kW demands and kVAR demands on a sub-hour time interval and hourly integrated basis and measuring energy in kWh on a cumulative basis.

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(Continued from Sheet No. 20.03)

“*Load*” means any end-use device drawing energy from the electric system.

“*Location*” means each Member-Consumer facility, whether owned or leased, where power is delivered by the Cooperative.

“*Maximum Demand*” (also known as “Peak Demand”) means the highest 15-minute integrated demand created during the current and previous eleven (11) billing months at each voltage level, whether the Member-Consumer received service under this tariff or another Cooperative retail tariff.

“*Member-Consumer*” means, for purposes of Retail Access Service, a Person with electrical load facilities connected to the Cooperative’s Distribution System and to whom Power is delivered to its Location pursuant to this tariff. All Member-Consumers, regardless of the voltage level of the service, are considered to be connected to the Cooperative’s Distribution System.

“*Open Access Transmission Tariff (OATT)*” means Open Access Transmission Tariff of a Person owning or controlling the Transmission System, on file with the Federal Energy Regulatory Commission, as may be amended from time to time.

“*Person*” means an individual, governmental body, corporation, partnership, association, or other legal entity.

“*Power*” means a combination of the electric Demand and Energy requirements of the Member-Consumer.

“*Retail Access Service*” means the service offered by the Cooperative under applicable laws, regulations, tariffs and agreements, which allows the Member-Consumer to purchase Generation Service from a licensed AES, with Power delivered through the Cooperative’s Distribution System.

“*Regulated Electric Service*” means the services offered by the Cooperative under terms and conditions approved by the Commission.

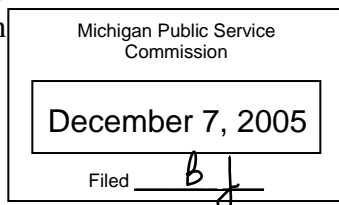
“*Relevant Market*” means either the Upper Peninsula or the Lower Peninsula of this state.

(Continued on Sheet No. 20.05)

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(Continued from Sheet No. 20.04)

“*Slamming*” means the act of changing the Member-Consumer’s chosen AES, or changing the Member-Consumer from Full Requirements Service to Generation Service from an AES, without the Member-Consumer’s consent.

“*Switch*” means a Member-Consumer move from one provider of Generation Service to another.

“*Switch Date*” means the date on which the Member-Consumer is actually assigned to a new Generation Service provider for purposes of Energy supply responsibility.

“*Switch Request*” means a request by an AES to switch the Member-Consumer from the Cooperative or another AES to the requesting AES, for Generation Service.

“*Switch Response*” means a response sent by the Cooperative to an AES which submitted a Switch Request that confirms the requested Member-Consumer switch as pending and provides certain Member-Consumer information or, if the Switch Request is denied, provides a reason or invalidation code explaining why the request was denied.

“*Transition Charge*” means a surcharge for the recovery of costs associated with the implementation of Retail Access Service and/or the Cooperative’s stranded costs arising from the implementation of Retail Access Service, as determined by the Commission.

“*Transmission Service Provider*” means a Person that owns, controls and/or operates transmission facilities and provides transmission and related services to the Cooperative including scheduling of power supply resources into the transmission system on behalf of the Cooperative.

“*Transmission System*” means facilities operated by a Person used for transmitting electric Power to the Distribution Point of Receipt, and subject to the jurisdiction of the Federal Energy Regulatory Commission.

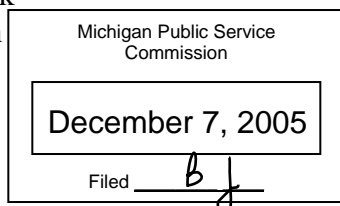
“*Uniform Data Transaction*” means specific technical arrangements for trading information, initiating business requests and executing other common transactions. These arrangements may encompass a number of electronic media and use specified transport protocols.

(Continued on Sheet No. 20.06)

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(Continued from Sheet No. 20.05)

**2.0 MEMBER-CONSUMER SECTION**

**2.1 Availability**

Retail Access Service is available to all existing or new Member-Consumers that meet the terms and conditions of this Retail Access Service tariff and other applicable Cooperative tariffs, subject to contracting with an AES.

**2.2 Eligibility**

2.2.1 A Member-Consumer's eligibility to take Retail Access Service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts with or tariffs of the Cooperative. Member-Consumers must have satisfied any past due amounts for Regulated Electric Service owed to the Cooperative under any other arrangements or provisions for Regulated Electric Service before taking service under this tariff.

2.2.2 An Individual Member-Consumer who is eligible to be taking service under the Cooperative's Schedule LP, PSDS, or LP-MO and having a demand meter with a Maximum Demand of at least **50 kW** is eligible to take service under this tariff. An Individual Member-Consumer receiving demand metered service at multiple metering points and who is eligible to be taking service under the Cooperative's Schedule LP or LP-MO may achieve the **50 kW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to all aggregated metering points on an individual account basis. **No more than 30% of the total number of member-consumers between 50 kW and 199 kW may be eligible for service under this tariff.**

**2.3 Member-Consumer Information**

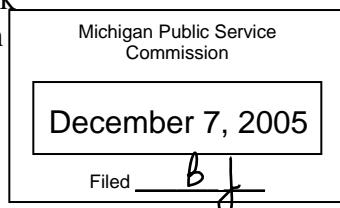
Member-Consumers will be provided their own usage and billing information upon request. No fee shall be charged for the first request per calendar year related to a specific Member-Consumer account. An AES must obtain written authorization from the Member-Consumer before the Cooperative will provide an AES with a Member-Consumer's currently available usage and billing information. Subsequent requests by the Member-Consumer or the AES will require a fee of \$30.00 per account that will be billed to the Member-Consumer.

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(Continued from Sheet No. 20.06)

**2.4 Member-Consumer Enrollment and Switching**

- 2.4.1 A Member-Consumer which switches to an AES cannot return to the Cooperative's Full Requirements Service for two years after the switch to the AES has been effectuated. See Return to Service Provision in Section 2.6.
- 2.4.2 A Member-Consumer will specify only one AES at any given time for the supply of Power to each Member-Consumer account or Member-Consumer Location.
- 2.4.3 A Member-Consumer shall be permitted to change AESs. Assuming all other requirements are met, the changes will become effective at the completion of their normal billing cycle. Member-Consumers will be assessed a fee of \$10.00 per Member-Consumer account for each change beyond one (1) within a calendar year. The change will be submitted to the Cooperative by the Member-Consumer's newly chosen AES as a Switch Request.
- 2.4.4 The AES shall submit to the Cooperative a Switch Request via a Uniform Data Transaction after a required ten (10) day Consumer rescission period.
- 2.4.5 The Cooperative will process one (1) valid Switch Request per Member-Consumer per meter reading cycle. Where multiple Switch Requests for the same Member-Consumer are received during the same meter reading cycle, the Cooperative will process the first valid Switch Request received during a meter read cycle. A Switch Response for each rejected Switch Request will be sent to the appropriate AES via a Uniform Data Transaction within three (3) business days.

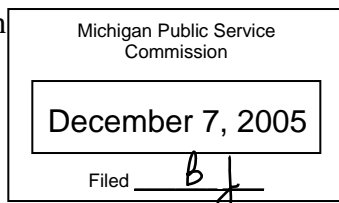
The Cooperative will normally validate a Switch Request within three (3) business days of the receipt of the Switch Request and will transmit a Switch Response to the AES. As part of the validation process, the Cooperative shall notify the Member-Consumer in writing that a Switch Request has been received and is being processed.

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(Continued from Sheet No. 20.07)

For valid Switch Requests from one AES to another, the Cooperative will at the same time send to the AES currently serving the Member-Consumer, via the appropriate Uniform Data Transaction, notice that the AES's service is to be terminated, including the scheduled Member-Consumer Switch Date. In the event that the Member-Consumer or the new AES cancels the Switch before the Switch Date, the Cooperative will send to the current AES, via appropriate Uniform Data Transaction, notice reinstating the current AES's service unless the current AES has submitted a valid Drop Request.

Cut-off time for the receipt of Switch Requests is eight (8) business days in advance of the Member-Consumer's Switch Date. In the case of errors or omissions in Switch Requests received by the Cooperative, final disposition of exceptions may take up to five (5) business days.

- 2.4.6 Other than in situations where Member-Consumers require new meter installations as part of a Switch, Member-Consumer Switches will be scheduled to take place on the scheduled meter reading date, and will be effective on the actual meter reading date or the date of an estimated meter reading for billing purposes. The Switch Date shall be effective on the next scheduled meter read date that is not less than eight (8) business days after the Switch Request has been confirmed as pending. The AES change shall occur at midnight (00:00) local time at the beginning of the effective date.
- 2.4.7 The Cooperative shall process Drop Requests submitted by AESs in the same manner as it processes Switch Requests, including Member-Consumer notification. AESs shall be subject to the same timing, validation and Uniform Data Transaction requirements for Drop Requests as for Switch Requests. An AES shall inform the Member-Consumer in writing of the submission of a Drop Request.

**2.5 Metering**

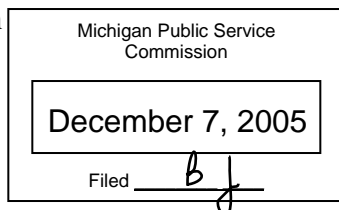
- 2.5.1 Metering equipment for Member-Consumers taking Retail Access Service shall be furnished, installed, read, maintained, and owned by the Cooperative.
- 2.5.2 Member-Consumers shall be required to have an Interval Demand Meter at each metering point.

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(Continued from Sheet No. 20.08)

- 2.5.3 If a new Interval Demand Meter is required, time and material costs to install it will be assessed to the Member-Consumer.
- 2.5.4 The Cooperative may require that the meter be read via telephone. In such cases, Member-Consumers will be required to provide a telephone connection for purposes of meter interrogation by the Cooperative. If a Member-Consumer is not able to allow sharing of a telephone connection, the Member-Consumer may be required to obtain a separate telephone connection for such purposes. The Member-Consumer is responsible for assuring the performance of the telephone connection. The Member-Consumer shall be responsible for all costs of the required telephone connection.
- 2.5.5 In cases where a telephone connection used by the Cooperative for meter interrogation is out of service, the Cooperative may retrieve the data manually for a nominal monthly fee of \$40.00 payable by the Member-Consumer. In the event that the telephone connection is out for three consecutive billing months, the Member-Consumer's Retail Access Service may be terminated and the Member-Consumer will be returned to service under the Cooperative's Full Requirements Service tariffs subject to the provisions of Section 2.6, unless said outage is due to non-performance by the telecommunications service provider.
- 2.5.6 Energy consumption and Demand for settlement purposes shall be based on the data from the Interval Demand Meters.
- 2.5.7 Where monthly metered Energy data is not available due to metering errors, malfunctions, or otherwise, the billing quantities will be estimated by the Cooperative using the available historical data and other relevant information for the Member-Consumer.

(Continued on Sheet No. 20.10)

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(Continued from Sheet No. 20.09)

**2.6 Return to Full Requirements Service**

2.6.1 A Member-Consumer which switches to an AES cannot return to the Cooperative's Full Requirements Service for two (2) years after the switch to the AES has been effectuated. After such two (2) year period, a Member-Consumer may return to full service after giving the Cooperative at least 30 days written notice, unless the Member-Consumer wants to take service during the summer months of June through September, in which case the Member-Consumer must give the Cooperative notice no later than the preceding December 1. The Cooperative will return the Member-Consumer to Full Requirements Service following the notice period. Said notice period commences with the beginning of the Member-Consumer's billing cycle following receipt of the Member-Consumer's written notice of intent to return to Full Requirements Service. If the Member-Consumer returns to the Cooperative's Full Requirements Service for any reason prior to such two (2) year period or prior to the expiration of the notice period, the Member-Consumer's rate will be determined as the greater of:

- A. The charges for Default Service plus the applicable Retail Access Service rate, or
- B. 110% of the applicable Full Requirements Service Rate.

2.6.2 A Member-Consumer, having given notice of its intent to return to Full Requirements Service under Section 2.6.1, will receive Cooperative Default Service if, at any time during the notice period, it discontinues purchasing Generation Service from an AES.

2.6.3 A Member-Consumer taking Default Service under the provisions of Section 2.6.2 may switch to another AES as provided in Section 2.4 at any point during the period that they are on Default Service.

2.6.4 The AES shall transmit a Member-Consumer Drop Request to the Cooperative via a Uniform Data Transaction when the Member-Consumer requests return to Full Requirements Service or when AES service is not being continued for any reason. The AES shall inform the Member-Consumer of the Drop Request in writing.

(Continued on Sheet No. 20.11)

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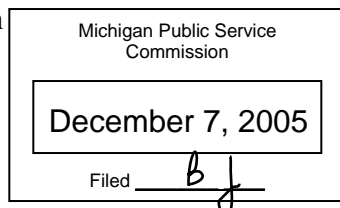
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(Continued from Sheet No. 20.10)

- 2.6.5 The Cooperative will normally validate a Drop Request within three (3) business days of the receipt of the Drop Request and will transmit a Drop Response to the AES. As part of the validation process, the Cooperative will notify the Member-Consumer in writing that a Drop Request has been received and is being processed.
- 2.6.6 The Switch from AES to Full Requirements Service will be processed on the next meter read date after the AES submits the necessary Drop Request to the Cooperative, provided that the requirements of section 2.6.1 are met. If the requirements of section 2.6.1 are not met, then the Member-Consumer will be switched to Cooperative Default Service until said requirements are met. The Switch shall occur at midnight (00:00) local time at the beginning of the effective date.
- 2.6.7 A Member-Consumer returning to Full Requirements Service must remain on such service for the minimum term stated in the applicable Full Requirements Service tariff, but not less than twelve (12) months.
- 2.6.8 In the event of Slamming from Full Requirements Service, a Member-Consumer who desires to return to Full Requirements Service may do so. The Cooperative will waive the twelve (12) month minimum term requirements. The Cooperative's Default Service does not apply to such Member-Consumers.

(Continued on Sheet No. 20.12)

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(Continued from Sheet No. 20.11)

2.6.9 In the event a Member-Consumer is dropped by the AES due to the bankruptcy of the AES or upon the complete withdrawal of the AES from the Relevant Market, the Member-Consumer may receive Default Service from the Cooperative for not more than three (3) full billing cycles. By the end of that time period, the Member-Consumer must either have a Switch Request completed on their behalf as provided in Section 2.4, or give notice of its intent to return to Full Requirements Service as provided in Section 2.6.1. A Member-Consumer that does not arrange for Generation Service from a different AES or give notice of its intent to return to Full Requirements Service within three (3) months shall be disconnected.

**2.7 Billing and Payment**

2.7.1 The Cooperative will bill the Member-Consumer for Retail Access Service as outlined in section 3.3 of this tariff.

2.7.2 The Member-Consumer shall pay the Cooperative the amount billed by the Cooperative on or before a due date established by Member-Consumer billing rules approved by the Commission in accordance with the Commission's consumer standards and billing practices, R 460.3901 et seq., as amended, for nonresidential Consumers.

2.7.3 Where incorrect billing results from an error discovered by either the Cooperative, the AES or the Member-Consumer, the error will be corrected and revised bills, as appropriate for the Member-Consumer and/or AES, will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by the Cooperative shall be adjusted as provided for in the Commission's applicable billing rules.

**2.8 Disconnection of Service**

The Cooperative is the only Person allowed to physically disconnect service to a Member-Consumer. Disconnection of service to a Member-Consumer for non-payment of the Cooperative's bill or for any violation of the Cooperative's tariffs shall be in accordance with applicable Commission rules and Cooperative tariffs. The Cooperative shall notify the AES in writing of the intent to disconnect and the date and time of actual disconnection. The Cooperative shall not be liable for any losses to the AES due to disconnection.

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**RETAIL ACCESS SERVICE TARIFF**

(Continued from Sheet No. 20.12)

**3.0 ALTERNATIVE ELECTRIC SUPPLIER SECTION**

**3.1 Availability**

The AES will not be eligible to enroll Member-Consumers unless and until the following conditions have been satisfied and continue to be satisfied. The AES has sole responsibility for conditions 3.1.1, 3.1.2, and 3.1.3. The Cooperative will check and verify conditions 3.1.4 and 3.1.5.

- 3.1.1 The AES has been granted a license by the Commission.
- 3.1.2 The AES has obtained and maintains a Member-Consumer-signed Enrollment indicating that the Member-Consumer has chosen to switch its Generation Service to the AES.
- 3.1.3 The AES has executed agreements with the appropriate Transmission Service Provider(s).
- 3.1.4 The AES has demonstrated its capability to meet the Cooperative's defined standards and protocols for Uniform Data Transactions.
- 3.1.5 The AES has executed a Retail Access Service agreement (which may include, but is not limited to, a portfolio of Member-Consumers, negotiated services, etc.) with the Cooperative and complied with the Cooperative's Member-Consumer enrollment requirements to prevent Slamming.

**3.2 Switch and Drop Requests**

- 3.2.1 Switch Requests and Drop Requests will be handled in accordance with Section 2.4 of this tariff and will be accepted for processing by the Cooperative.
- 3.2.2 When a Member-Consumer requests to discontinue receiving Generation Service from the AES or when the AES's service is being discontinued for any reason, the AES shall transmit a Member-Consumer Drop Request to the Cooperative via a Uniform Data Transaction within no more than three (3) business days.

(Continued on Sheet No. 20.14)

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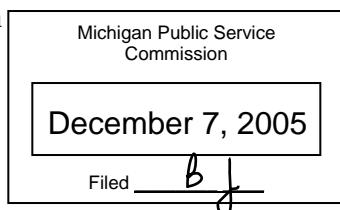
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**3.3 Billing**

3.3.1 Unless otherwise agreed, the Cooperative and the AES will separately bill the Member-Consumer for the respective services provided by each. The Member-Consumer will receive separate bills for services provided and is responsible for making payments to the Cooperative for service provided in accordance with requirements of the Cooperative as set forth in the applicable billing rules and Commission approved tariffs.

3.3.2 The Cooperative may elect to offer a service where it bills the Member-Consumer for services that the Cooperative provides as well as services provided by the AES. If the Cooperative bills for AES charges, the following conditions will apply:

1. The Cooperative and the AES must have entered into a billing agreement that specifies the terms and conditions under which such billing will occur.

2. Any discrepancies in charges collected and remitted will be corrected and reflected in the subsequent billing cycles.

3. Payments received from or on behalf of a Member-Consumer shall be applied in the following order:

1. To the Member-Consumer's past due balance owed the Cooperative,
2. To current balances due the Cooperative,
3. To current balances due the Cooperative for other charges such as facilities or loan agreements, and
4. To the AES for all balances due for services provided.

4. Optional Services (i.e., billing and remittance processing, credit and collections, meter read information, Member-Consumer information, etc.) may be provided by the Cooperative pursuant to terms negotiated with the AES, and shall be offered on a non-discriminatory basis. Amounts owed to the Cooperative by an AES may be deducted from the AES's Member-Consumer payments received by the Cooperative prior to remittance to the AES.

(Continued on Sheet No. 20.15)

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Dafter, Michigan

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Michigan Public Service Commission
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**RETAIL ACCESS SERVICE TARIFF**

(Continued from Sheet No. 20.14)

5. The Cooperative will not pursue collections action for any AES.
- 3.3.3 Unless otherwise specified by the Cooperative, all payments made to the Cooperative by the AES will be made by electronic funds transfer to the Cooperative's account.

**3.4 Terms and Conditions of Service**

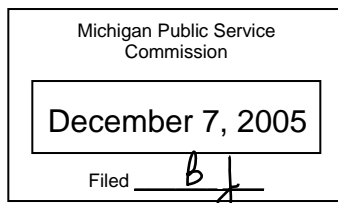
- 3.4.1 The AES is responsible for providing Power to be transmitted by the appropriate Transmission Service Provider(s) to the Cooperative's Distribution Point of Receipt. The AES shall meet all obligations necessary to schedule Power to match the Member-Consumer's Load, subject to energy imbalance charges and penalties in accordance with the terms of the OATT of the Transmission Service Provider(s).
- 3.4.2 Retail Access Service may not commence until metering has been installed as specified in this Tariff as outlined in Section 2.5.
- 3.4.3 The AES will provide to the Cooperative or the Cooperative's designated recipient daily energy schedules for all services including losses associated with use of the Distribution System. The AES will provide verification that it has arranged for and scheduled transmission service to deliver Energy, the energy schedule has been approved by the Transmission Service Provider(s), and the AES has covered losses on the Transmission System(s).
- 3.4.4 The AES will pay the Cooperative under applicable tariffs for all applicable ancillary services, emergency energy services, standby and backup services provided by the Cooperative to the AES for the AES's Member-Consumer(s) from the service commencement date to the service termination date.
- 3.4.5 The Cooperative shall bill the AES for all associated switching fees incurred as a result of Slamming by the AES plus the actual administrative cost incurred for switching a slammed Member-Consumer from one rate service to another.
- 3.4.6 An AES shall not resell Member-Consumer account information or transfer it to other parties for any other purpose. The Cooperative will only release Member-Consumer data to the Member-Consumer or its authorized representative, which may be the AES.

(Continued on Sheet No. 20.16)

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**RETAIL ACCESS SERVICE TARIFF**  
(Continued from Sheet No. 20.15)

**3.5 Distribution Power Losses**

The Alternative Electric Supplier is responsible for replacing losses associated with the delivery of Power to the Member-Consumer's meter. The amount that the AES shall cause to be delivered to the Cooperative's Distribution System will be the amount of Power delivered at the Member-Consumer meter plus an amount to reflect loss factors. For calendar year 2004, the loss factors were:

Primary Service	4.0%
Secondary Service	9.9%
Primary Substation Service	0

Please contact the Cooperative to obtain the applicable loss factors for the current billing period.

(Continued on Sheet No. 20.17)

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**RETAIL ACCESS SERVICE TARIFF**

(Continued from Sheet No. 20.16)

**4.0 DISPUTE RESOLUTION**

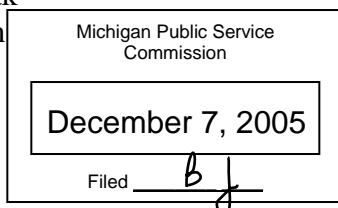
- 4.1 The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs and Member-Consumers.
- 4.2 The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs or Member-Consumers and their Transmission Service Provider(s). Disputes involving a Transmission Service Provider’s OATT shall be resolved using the dispute resolution procedures as described in the OATT.
- 4.3 In the event the AES has a dispute over the implementation of the Cooperative’s Retail Access Service, then the AES shall provide the Cooperative with a statement of the dispute and the proposed resolution to the designated Cooperative contact. Upon receipt of the statement of dispute, the Cooperative shall attempt to resolve the dispute according to the following process:
- 4.3.1 The Cooperative will investigate the dispute and attempt to resolve the dispute informally in a manner that is satisfactory to both parties within five (5) business days of initial receipt of the statement of dispute.
- 4.3.2 If the dispute is not resolved in five (5) business days, the parties shall attempt to resolve the dispute by promptly appointing a senior representative of each party to attempt to mutually agree upon a resolution. The two senior representatives shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either party, be submitted to arbitration as provided in this section.
- 4.3.3 The dispute, if mutually agreed by the parties, may be submitted for resolution in accordance with the American Arbitration Association (“AAA”) commercial arbitration rules. The judgment rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the parties.
- 4.3.4 The arbitrator may be determined by AAA.
- 4.3.5 The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the parties.

(Continued on Sheet No. 20.18)

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**RETAIL ACCESS SERVICE TARIFF**

(Continued from Sheet No. 20.17)

- 4.4 Nothing in this section shall restrict the rights of any party to seek resolution of the dispute with the appropriate regulatory agency with jurisdiction.

**5.0 LIABILITY AND EXCLUSIONS**

- 5.1 In no event will the Cooperative or its suppliers be liable under any cause of action relating to the subject matter of this tariff, whether based on contract, warranty, tort (including negligence), strict liability, indemnity or otherwise for any incidental or consequential damages including but not limited to loss of use, interest charges, inability to operate full capacity, lost profits or claims of AESs or Member-Consumers.
- 5.2 The Cooperative will not be liable to an AES or Member-Consumer for damages caused by interruption of service, voltage or frequency variations, single-phase supply to three-phase lines, reversal of phase rotation, or carrier-current frequencies imposed by the Cooperative for system operations or equipment control, except such as result from the failure of the Cooperative to exercise reasonable care and skill in furnishing the service.
- 5.3 In no event will Cooperative be liable to an AES or Member-Consumer for loss of revenue or other losses due to meter or calculation errors or malfunctions. The Cooperative's sole obligation and the AES's or Member-Consumer's sole remedy will be for the Cooperative to repair or replace the meter and prepare revised bills as described in Section 2.7.3.

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EXPERIMENTAL RENEWABLE ENERGY RIDER

Availability

Available to those customers who are billed on a monthly basis and elect to pay a premium on their electric usage for the Cooperative to obtain electricity from generating sources that are fueled by renewable resources. Customers must enroll to be served under this Rider. Once a customer has enrolled, service will continue under this Rider until the customer terminates the enrollment. A customer must enroll or terminate enrollment effective as of the end of a billing cycle.

Rate

In addition to the customer's normal energy charges, including the PSCR factor, as indicated in the rate schedule under which the customer is served, there will be a renewable adder per kWh based on the level of participation selected by the customer as follows:

<u>Participation Level</u>	<u>Renewable Percentage</u>	<u>Adder</u>
Hydro Base*	40%	0.00 cents per kWh
Hydro Base, plus Renewable Energy	60%	0.41 cents per kWh
Hydro Base, plus Renewable Energy	80%	0.82 cents per kWh
Hydro Base, plus Renewable Energy	100%	1.22 cents per kWh

\*The hydro base represents the electricity generated from hydroelectric sources that comprise approximately 40% of total generation resources that the Cooperative already obtains to meet the power supply requirements of its customers. This rider is for customers who desire to have a greater percentage of their electricity generated from renewable resources, such as wind, solar, water, biomass and geothermal.

Conditions of Delivery

In addition to the rate above, all rates and conditions of delivery of the respective rate schedule under which the customer is served are applicable.

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By Don Wozniak  
Dafer, Michigan

Effective for service rendered on and after  
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MICHIGAN PUBLIC SERVICE COMMISSION
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**LARGE POWER SERVICE RATE-CHOICE**  
**Schedule LP-C**

Availability

Subject to the Rules and Regulations of the Cooperative and its *Retail Access Service Tariff*, this schedule is available to Member-Consumers eligible to be taking service under the Cooperative's Schedule Large Power Service Rate, Schedule LP **or Schedule LP-MO**. Service under this rate is for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery and is subject to the following conditions:

1. The Member-Consumer must have a Maximum Demand between **50 kW** and 500 kW. Individual Member-Consumers receiving demand metered service at multiple metering points who are eligible to be taking service under the Cooperative's Schedule LP or Schedule LP-MO may achieve the **50 kW to 500 kW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis. **No more than 30% of the total number of member-consumers between 50 kW and 199 kW may be eligible for service under this tariff.**
2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.
3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).
4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Type of Service

Three-phase, alternating current, 60 hertz, at the Cooperative's available secondary voltages.

Billing Rate

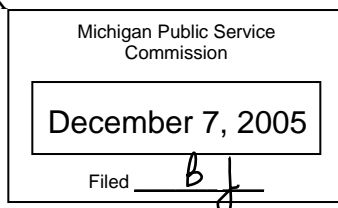
Facility Charge:	\$50.00 per month
Demand Charge:	\$1.81 per kW
Variable Distribution Charge:	
First 200 kWh/kw	2.54¢ per kWh
Excess	2.04¢ per kWh

(Continued on Sheet No. 22.01)

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By: Don Wozniak

Dafter, Michigan



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**LARGE POWER SERVICE RATE-CHOICE**  
**Schedule LP-C**

(Continued from Sheet No. 22.00)

Determination of Billing Demand

The billing demand shall be the kilowatts (kW) supplied during the 15 minute period of maximum usage during the billing period.

Minimum Monthly Charge

The minimum charge shall not be less than the Facility Charge plus the Demand Charge times **50** kW. The monthly minimum charge may be increased, in accordance with the Cooperative's rules and regulations, in those cases in which a greater than average investment is necessary in order to serve an account under this schedule, in those cases in which maximum demand is highly seasonal in nature, and those cases in which the member's equipment causes high demands or short time duration or of intermittent nature.

Primary Service Discount

A Member-Consumer may elect to furnish, install, own and maintain their own transformation facilities and to take service at the Cooperative's primary distribution voltage. In such event, the Cooperative will install primary metering and deduct 3.0% from demand and energy measurements for billing purposes.

Metering

Subject to the terms and conditions of the Retail Access Service Tariff, the member shall be responsible for any associated communication systems such as telephone lines or other related equipment between the Cooperative, the Member-Consumer, and the third party.

Terms of Payment

- A. Billings are due on the due date set forth on the bill.
- B. The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.
- C. The Cooperative will not collect any monies on behalf of any alternate power supplier, retailer, or other third party without a written agreement between the Cooperative, the Member-Consumer, and the third party.

(Continued on Sheet No. 22.02)

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**LARGE POWER SERVICE RATE-CHOICE**

**Schedule LP-C**

(Continued from Sheet No. 22.01)

Tax Adjustment

- A. Bills shall be increased or decreased, within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to recognize such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.
- B. Bills shall be adjusted to reflect any new, increased, or decreased specific tax or excise imposed by any governmental authority which impacts the Cooperative's cost of providing electric service.

Michigan State Sales Tax

Michigan State Sales Tax will be added to all bills, where applicable.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member-Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member-Consumer and any third party.

Transition Charge

Service under this rate may be subject to a transition charge subject to the approval of the Michigan Public Service Commission.

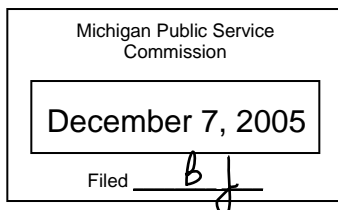
Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations and the Cooperative's *Retail Access Service Tariff*.

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**PRIMARY SUBSTATION DISTRIBUTION SERVICE RATE-CHOICE**  
**Schedule PSDS-C**

Availability

Subject to the Rules and Regulations of the Cooperative and its *Retail Access Service Tariff*, this schedule is available to Member-Consumers taking service under the Cooperative's Primary Substation Distribution Service Rate, Schedule PSDS. Service under this rate is for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery and is subject to the following conditions:

1. The Member-Consumer must have a Maximum Demand of at least 500 kW. Individual Member-Consumers receiving demand metered service at multiple metering points who are eligible to be taking service under the Cooperative's Schedule LP or Schedule LP-MO may achieve the 500 kW Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis.
2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.
3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).
4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Type of Service

Three-phase, alternating current, 60 hertz, at the Cooperative's available secondary voltages.

Billing Rate

Facility Charge:  
Unless specified in the  
Electric Service Agreement: \$200.00 per month

Demand Charge: \$2.69 per kW

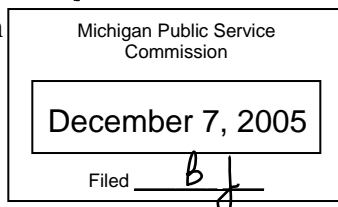
Variable Distribution Charge: .49¢ per kWh

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**PRIMARY SUBSTATION DISTRIBUTION SERVICE RATE-CHOICE**

**Schedule PSDS-C**

(Continued from Sheet No. 23.00)

Minimum Monthly Charge

The minimum charge shall not be less than the Facility Charge plus the Demand Charge times 500 kW. The monthly minimum charge may be increased, in accordance with the Cooperative's rules and regulations, in those cases in which a greater than average investment is necessary in order to serve an account under this schedule, in those cases in which maximum demand is highly seasonal in nature, and those cases in which the member's equipment causes high demands or short time duration or of intermittent nature.

Determination of Billing Demand

The billing demand shall be the maximum kilowatt demand established by the Member-Consumer for any period of 30 consecutive minutes during the month for which the bill is rendered, as indicated or recorded by the demand meter installed by seller to make such determination and adjusted for the power factor as provided below.

Power Factor Adjustment

The Member-Consumer agrees to maintain a unity of power factor as nearly as practicable. Demand charges will be adjusted for average power factors lower than 90%. Such adjustment shall be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging.

Metering

Subject to the terms and conditions of the Retail Access Service Tariff, the member shall be responsible for any associated communication systems such as telephone lines or other related equipment between the Cooperative, the Member-Consumer, and the third party.

Terms of Payment

- A. Billings are due on the due date set forth on the bill.
- B. The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.

(Continued on Sheet No. 23.02)

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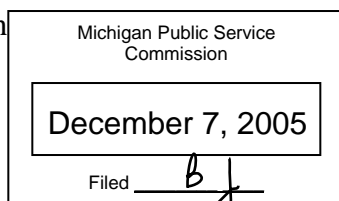
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**PRIMARY SUBSTATION DISTRIBUTION SERVICE RATE-CHOICE**

**Schedule PSDS-C**

(Continued from Sheet No. 23.01)

- C. The Cooperative will not collect any monies on behalf of any alternate power supplier, retailer, or other third party without a written agreement between the Cooperative, the Member-Consumer, and the third party.

Tax Adjustment

- A. Bills shall be increased or decreased, within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to recognize such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.
- B. Bills shall be adjusted to reflect any new, increased, or decreased specific tax or excise imposed by any governmental authority which impacts the Cooperative's cost of providing electric service.

Michigan State Sales Tax

Michigan State Sales Tax will be added to all bills, where applicable.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member-Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member-Consumer and any third party.

Transition Charge

Service under this rate may be subject to a transition charge subject to the approval of the Michigan Public Service Commission.

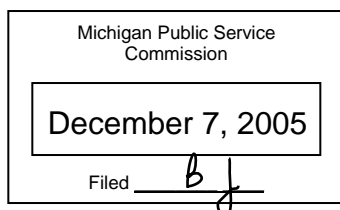
Rules and Regulations

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**LARGE POWER-MINING OPERATION RATE-CHOICE**  
**Schedule LP-MO-C**

Availability

Subject to the Rules and Regulations of the Cooperative and its *Retail Access Service Tariff*, this schedule is available to Member-Consumers taking service under the Cooperative's Large Power Mining Operation Rate, Schedule LP-MO. Service under this rate is for delivery of power from the Point of Distribution Receipt to the Point of Distribution Delivery and is subject to the following conditions:

1. The Member-Consumer must have a Maximum Demand of at least **50 kW**. Individual Member-Consumers receiving demand metered service at multiple metering points who are eligible to be taking service under the Cooperative's Schedule LP-MO may achieve the **50 kW** Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. The applicable rate schedule will apply to all aggregated metering points on an individual account basis. **No more than 30% of the total number of member-consumers between 50 kW and 199 kW may be eligible for service under this tariff.**
2. The Member-Consumer must enter a Retail Access Service Agreement with the Cooperative.
3. The transmission of power to the Distribution Point of Receipt and all related costs shall be the responsibility of the Member-Consumer and/or Alternative Electric Supplier (AES).
4. The Member-Consumer must agree to purchase any default energy delivered pursuant to Schedule RASS-Retail Access Standby Service in addition to the service specified herein.

Type of Service

Three-phase, alternating current, 60 hertz, at the Cooperative's available voltages.

Billing Rate

Facility Charge:	\$200.00 per month
Demand Charge:	\$2.09 per kW
Variable Distribution Charge:	1.95¢ per kWh

(Continued on Sheet No. 24.01)

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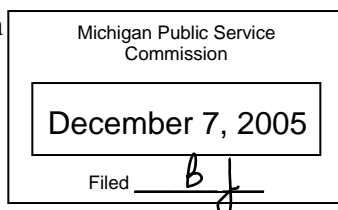
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**LARGE POWER-MINING OPERATION RATE-CHOICE**

**Schedule LP-MO-C**

(Continued from Sheet No. 24.00)

Determination of Billing Demand

The billing demand shall be the maximum kilowatt demand established by the Member-Consumer for any period of 30 consecutive minutes during the month for which the bill is rendered, as indicated or recorded by the demand meter installed by seller to make such determination and adjusted for the power factor as provided below.

Power Factor Adjustment

The Member-Consumer agrees to maintain a unity of power factor as nearly as practicable. Demand charges will be adjusted for average power factors lower than 90%. Such adjustment shall be made by increasing the measured demand 1% for each 1% by which the average power factor is less than 90% lagging.

Minimum Monthly Charge

The minimum monthly charge shall be the Facility Charge plus the Demand Charge times **50 kW**.

Metering

Subject to the terms and conditions of the Retail Access Service Tariff, the member shall be responsible for any associated communication systems such as telephone lines or other related equipment between the Cooperative, the Member-Consumer, and the third party.

Terms of Payment

- A. Billings are due on the due date set forth on the bill.
- B. The above rates are net, the gross rates being 2.0% higher. In the event that the current monthly bill is not paid by the due date on the bill, the gross rate shall apply.
- C. The Cooperative will not collect any monies on behalf of any alternate power supplier, retailer, or other third party without a written agreement between the Cooperative, the Member-Consumer, and the third party.

(Continued on Sheet No. 24.02)

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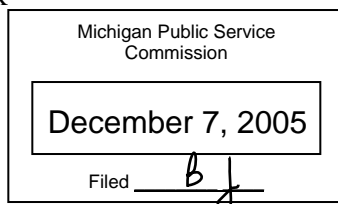
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**LARGE POWER-MINING OPERATION RATE-CHOICE**

**Schedule LP-MO-C**

(Continued from Sheet No. 24.01)

Tax Adjustment

- A. Bills shall be increased or decreased, within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to recognize such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.
- B. Bills shall be adjusted to reflect any new, increased, or decreased specific tax or excise imposed by any governmental authority which impacts the Cooperative's cost of providing electric service.

Michigan State Sales Tax

Michigan State Sales Tax will be added to all bills, where applicable.

Third Party Disputes

The Cooperative has no obligation or duty to intervene, mediate or participate in contractual disputes between the Member-Consumer and its AES Supplier or third parties. Further, the Cooperative will not shut off service or otherwise enforce any provision of a contract between the Member-Consumer and any third party.

Transition Charge

Service under this rate may be subject to a transition charge subject to the approval of the Michigan Public Service Commission.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations and the Cooperative's *Retail Access Service Tariff*.

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**NET METERING PROGRAM**

**AVAILABILITY**

This rate is available only to member-consumers who operate renewable electric generation facilities that are interconnected with the Cooperative's system who generate a portion or all of their own retail electricity from renewable energy resources as defined herein.

The Cooperative may restrict or deny service under this Schedule once the Cooperative is providing service under this Schedule to member-consumers whose combined total connected generation equals either 0.1% (one tenth of one percent) of the Cooperative's previous year's peak demand (measured in kW) or 100 kW, whichever is greater.

**Net Metering Definition**

Net metering under this Schedule is an accounting mechanism whereby member-consumers who generate a portion or all of their own retail electricity needs and put their excess generation, if any, on the Cooperative's system can receive a billing credit equal to the Cooperatives wholesale cost of energy, adjusted to include line losses, in accordance with this Schedule. For biomass systems blending fossil-fuel, the generation credit shall apply only to the output associated with the renewable fuel and exclude the output from the fossil-fuel. The member-consumer's generator output in excess of the total metered usage shall be carried over to the next month's billing period.

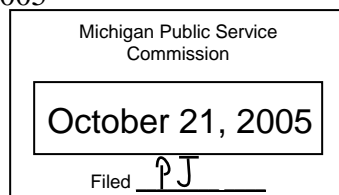
Service under this Schedule shall be pursuant to the following terms and conditions.

Service under this Schedule is limited to member-consumers who operate renewable energy source electric generating technologies as provided in 2000 P.A. 141, section 10g(l)(f) (MCL 460.10g(l)(f)). This is defined as "energy generated by solar, wind, geothermal, biomass, including waste-to-energy and landfill gas, or hydroelectric." Biomass systems are allowed to blend up to 25% fossil-fuel as needed to ensure safe, environmentally sound operation of the system. A member-consumer using biomass blended with fossil-fuel as their renewable energy source must submit proof to the Cooperative substantiating the percentage of fossil fuel blend either by (1) separately metering the fossil fuel, or (2) providing other documentation that will allow the Cooperative to correctly apply a generation credit to the output associated with the member-consumer's renewable fuel only.

Continued on Sheet No. 25.01

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**NET METERING PROGRAM**  
(Continued from Sheet No. 25.00)

Eligibility for participation in the net metering program is limited to member-consumers taking bundled service (non-interruptible) from the Cooperative. The eligible facilities must be installed on the member-consumer's premises.

The maximum size of electric generators eligible for net metering treatment is less than 30 kW. To qualify for this Schedule, member-consumer generation systems will be limited in size, not to exceed the member-consumer's self-service needs. Non-dispatchable generation systems (*e.g.*, wind and solar) shall be sized not to exceed the member-consumer's annual energy needs, measured in kilowatt-hours (kWh). Dispatchable systems shall be sized not to exceed the member-consumer's capacity needs, measured in kilowatts (kW).

If a member-consumer has more than one generator, to qualify for this Schedule, the total capacity of the generators shall be less than 30 kW.

**Monthly Rate**

Deliveries from the Cooperative to the member-consumer shall be billed in accordance with the standard applicable rate schedules of the Cooperative.

**Customer Credits for Net Excess Generation (NEG)**

NEG represents the amount of electric generation by the member-consumer beyond the member-consumer's own metered usage which is delivered to the Cooperative during the billing period. Deliveries from the member-consumer to the Cooperative shall be credited at the Cooperative's wholesale cost of energy, adjusted for line losses. The dollar amount credited to the member-consumer shall not exceed the dollar amount the Cooperative bills the customer for its energy consumption in any billing period. Instead, the net excess dollar amount shall be allowed to accumulate as a NEG credit to offset the member-consumer's energy charges in the next billing period.

NEG credits, if any, will be carried over from month to month. Following the member-consumer's December billing cycle, the member-consumer's credits balance will be reset to zero. Any unused NEG credits will be retained by the Cooperative to offset costs associated with the operation of the net metering program.

Continued on Sheet No. 25.02

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**NET METERING PROGRAM**  
(Continued from Sheet No. 25.01)

Interconnection

All application fees, procedures, and requirements for interconnecting net metering generators will be those contained in the Commission's Electric Interconnection Standards Rules (R 460.48 1-460.489) and the Cooperative's associated Commission-approved Generator Interconnection Requirements.

In accordance with the interconnection rules and requirements, facilities must be designed and operated in parallel with the Cooperative's system without adversely affecting the operation of equipment and service or presenting any safety hazards.

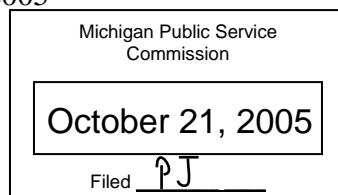
The interconnection rules and requirements will be applied to determine whether any additional equipment is required to complete the interconnection and to calculate and determine the assignment of equipment costs. The member-consumer shall pay all costs incurred by the Cooperative to install appropriate metering technology to allow the Cooperative to separately measure the member-consumer's consumption and generation above the cost of a standard meter that would be installed if the member-consumer were not taking service under this Schedule.

Duration of Service

Service under this Schedule shall be open to member-consumers for a period of five years from the effective date of this Schedule. Member-consumers that participate under the program shall be allowed to take service under this Schedule for a minimum of ten years.

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