

NODAK ELECTRIC COOPERATIVE, INC.
Grand Forks, North Dakota

Policy Bulletin No. **501.2a**

Commercial/Industrial – Substation Delivery:

Rate:

Facility Charge:

The facility charge shall include an appropriate share of the wholesale substation charge plus the multiphase facility charge.

Multi-Phase Service \$124.50/Month

Energy Charge:

Substation Delivery: All KWH \$0.042/KWH

Renewable Energy Market Adjustment \$0.003/KWH
(Added to All Above Energy Rates)

Coincidental Demand Charge: Winter component \$13.90/KW/Month
Summer component \$13.90/KW/Month

The coincidental demand charge will be based on the buyer's average 15-minute demand level registered during Minnkota Power Cooperative's winter and summer seasonal system billing demand measurement periods. The winter system peak will be established during the period from November 20 of a given year and March 20 of the following year. The winter coincidental demand charge will apply to the 6-month period beginning March 20. The summer system peak will be established between May 1 and September 20 each year. The summer coincidental demand charge will apply to the six-month period beginning September 20.

Transmission Demand Charge: \$3.75/KW/Month

The transmission demand for the current 12 month billing period, March 20 - March 20, will be based on the weighted average of the Winter Coincidental Demand and the 12 CP Demand. The 12 CP Demand is an average of 12 monthly demands that are recorded at the time of Minnkota's monthly peak load during the immediate previous calendar year.

A three year phase-in of the 12 CP load shall be used, and thus the transmission demand calculation will be weighted as follows:

<u>Date</u>	<u>Adjusted Winter Metered Demand</u>	<u>12 CP</u>
03/20/2011	83.3%	16.7%

03/20/2012	66.7%	33.3%
03/20/2013	50.0%	50.0%

Interim Rate for New Substation Delivered Loads:

New C&I Substation Delivery accounts will be initially billed according to the C&I Rate (501.2a); however, the demand rate will be established as 50% of the total of the applicable summer, winter and transmission demand component rates. The monthly billing demand is established as the maximum one hour load of the project during the billing month for which the bill is rendered, adjusted for power factor. The interim monthly billing demand process will be instituted until the load has been energized of sufficient duration to set a traditional summer and winter billing demand.

Load Management Options:

Two options are available to C/I customers who wish to lower their coincidental demand charges by participating in the Load Management Program.

1. Full load management -
Under full load management, the customer is expected to curtail load during all hours of load management. Under this option, the customer can avoid all seasonal coincidental demand charges.

2. Incremental pricing -
Customers also have the option of purchasing energy during certain control periods. Nodak will provide a signal at the load management receiver indicating whether or not incremental energy is available. The customer is responsible to monitor the load management system status. If the customer chooses to operate through periods when incremental energy is available, coincidental demand charges will not accrue; however, an incremental adder will be charged for each kilowatt-hour consumed during those hours. These charges are as follows:

Incremental adder up to *\$0.095/Kwh

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

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

Power Factor Adjustment:

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

Qualified Cogeneration Standby Service:

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