

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 charges plus the multiphase facility charge.

Multi-Phase Service \$139.15/Month

Energy Charge:

Substation Delivery: All kWh \$0.0451/kWh

Base Demand Charge: \$4.11/kW

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

Winter Demand Charge: \$15.56/kW/Month

Summer Demand Charge: \$15.58/kW/Month

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

Transmission Demand Charge: \$3.64/kW/Month

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

Substation Charges:

Fixed:

1) Less than 7,500 kVa \$500 per substation per month

- 2) 7,500 kVa and greater \$1,000 per substation per month

Demand: \$1.18 per kW-month (\$14.16 per kW-year) of the highest one-hour kW peak registered at each substation during the immediate previous year.

Load Management Options:

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

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

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

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

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

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

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

Power Factor Adjustment:

The member agrees to maintain unity (100%) power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at any hour is less than 95 percent leading or lagging, a power factor adjustment may be added to the current billing month. These charges are to offset losses incurred due to a poor power factor.

Cogeneration Standby Service:

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