ELECTRIC RATES

LARGE POWER CONTRACT SERVICE

APPLICABILITY

This tariff is applicable for new customer load interconnected with the Company's system and with expected capacity requirements of 13,000 kW or greater. This service is for large power users who agree to allow Company-dispatched customer-owned generation on-site for the purpose of providing back-up service for the Customer's load and maintaining reliability.

ELIGIBILITY

Customers requesting service under this tariff will be considered upon written application to the Company if one-or-more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new load;
2. The customer has unique requirements for the new load;
3. The customer intends to acquire its electric service for new load from a source other than the Company absent service under this tariff by showing:
   a. The customer demonstrates a competitive alternative, energy source or business location, to the Company's standard tariff rates.
   b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariff rates are material.
   c. The alternative is demonstrated to be technologically feasible and legally permissible.
   d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time

After a customer meets one of the above conditions, an additional requirement to be eligible under this tariff is to have back-up generators that meet certain qualifications, consistent with the Company's engineering standards. Customers will also need to provide the air permits obtained by them that outline the available run hours for the back-up generators.

Upon receipt of the customer's written application and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If the parties agree through negotiations to electric service through this tariff, a Confidential Large Power Service Agreement (Agreement) will be executed. The electric service under this tariff is not applicable to temporary, standby, supplementary, emergency, resale, shared or incidental purposes. Energy service is limited to the Billing Capacity as defined on Sheet No 28.

ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

MONTHLY RATE
Microgrid Management Fee – $/kW-mo., formula rate based on the Billing Capacity of on-site generating equipment as defined in the Agreement. The Microgrid Management Fee calculation example is provided on Sheet No. 30.

Energy Charge - $/kWh is the energy procured or generated by the Company on behalf of the Customer billed on a monthly basis based on actual energy costs including any necessary ancillary charges. The energy procured or generated by the Company to serve these customers will be completed once all energy needs have been fulfilled for other retail customers when contemporaneously transacted.

Transmission Costs - Based on the cost to use the Company's transmission system and transmission costs allocated to the customer for network service on a load ratio share as defined in the Agreement.

Administrative Costs - $/kW-mo., formula rate based on the Billing Capacity of the on-site generation equipment as defined in the Agreement. The Administrative cost calculation example is provided on Sheet No. 31.

DETERMINATION OF BILLING CAPACITY
Billing Capacity as defined in the Agreement, will be the capacity of the on-site installed generating equipment. The energy service provided in this tariff will be limited to 85% of the Billing Capacity.

POWER COST ADJUSTMENT
Customers receiving service under this tariff schedule shall not participate in the Power Cost Adjustment (PCA) to the extent of service received under this tariff schedule.

TRANSMISSION COST ADJUSTMENT MECHANISM RATE
Customers receiving service under this tariff schedule shall not participate in the Transmission Cost Adjustment Mechanism (TCAM) rate to the extent of service received under this tariff schedule.

DEMAND SIDE MANAGEMENT
Demand Side Management (DSM) Surcharge shall not be applicable to Large Power Contract Service Customers.

PAYMENT

Net monthly bills for these service charges are due and payable twenty days from the date of the bill. Bills are delinquent seven days after the due date specified on an undisputed bill. A late payment charge on the undisputed unpaid balance shall apply to delinquent accounts (Sheet No. 9). Discontinuance of service can occur pursuant to the Rules and Regulations (Sheet No. R12).

CONTRACT
As a condition to be eligible for this tariff, the customer is required to enter into an Agreement for service under this tariff. The Agreement shall be filed confidentially with the Commission prior to a customer being billed under this tariff schedule.

ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

CONTRACT TERMINATION PROVISIONS
Customers taking service under this tariff must provide a minimum of four years' notice in order to move from this tariff to service under a different tariff.

RULES AND REGULATIONS
Service supplied under this schedule is subject to the terms and conditions set forth in the Company's Rules and Regulations on file with the Public Service Commission of Wyoming unless modified by the Agreement.

CREDIT SUPPORT
The Company may require from the customer a deposit or other credit support, such as but not limited to, performance guarantee or letter of credit as determined by the Company. The credit support shall not be considered as an advance payment of bills for service to be rendered but shall be held as security for payment of obligations incurred on behalf of the customer.

RING FENCING PROVISIONS
Customers taking service under this schedule will not be combined with other retail customers for purposes of class cost of service studies. Customers served upon the provisions of this rate schedule will have costs assigned to them individually based upon cost causation principles and the characteristics of the electric service that has been contracted for by the customer.

ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

Microgrid Management Fee Formula
Example for Tariff Purposes

Line No.	Description				Year 1
1	Capital Cost				$ 56,700,000
2					
3	Other Rate Base Reduction (Fed Tax)				$ 254,996
4	Rate Base Amount (line 1-3)				$ 56,445,004
5					
6	Interest Expense	48.00%	5.02%	2.41%	$ 1,360,325
7	Return on Equity	52.00%	9.75%	5.07%	$ 2,861,762
8					
9	Depreciation Expense				$ 1,619,025
10					
11	Fed/State Income Tax Expense (ln7 x (1 ÷ (1-federal tax rate))				$ 760,254
12					
13	Revenue to Cover Only ROE & Income Tax (ln7 ÷ ln11)				$ 3,622,016
14	Monthly Rate per kW of Capacity (ln13/12/37000)				8.16
15	15 year average (perkW-mo)				$ 6.01

The information above illustrates the formula that will be used in establishing the starting point for negotiation of the Microgrid Management Fee as shown on Sheet No. 28. The inputs to the formula will be changed based on the facts in existence at the time of the negotiation. Key assumptions of capacity, cost per kW of new generation, taxes and depreciable life will be identified in conjunction with the LPCS customer. Capital structure, ROE and cost of debt will be based on the last base rate case. These assumptions and inputs will be components to the formula illustrated above, which is intended to compensate the Company for the lost earnings opportunity associated with not serving the customer under its other existing tariffs. As noted, the formula provides the starting point for negotiation of the Microgrid Management Fee. Additional factors that may impact the final negotiated Microgrid Management Fee, include, but may not be limited to, customer credit quality, contract term, and size of load. The cost $/kW-mo will be negotiated based on facts and circumstances at the time of the negotiations with the new LPCS customer and will be defined in the Agreement.

ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

Administrative Rate Formula
Example for Tariff Purposes

The Reference column is from the Class Cost of Service model for the ICS/ITS Customer Classes

Line No.	Description	Reference		ICS/ITS Customer Class Only
1	Total A&G Expense	Sch H, ln 175	$	2,991,466
2				
3	LPCS A&G Revenue Credit	Sch I, ln 13	$	480,602
4				
5	Net A&G Expenses	(ln 1 - ln 3)	$	2,510,864
6				
7	Class Demand	Sch AF, ln 263	$	682,449
8				
9	Administrative Cost per kW	(ln 5/ ln 7)	$	3.68

The information above illustrates the formula that will be used in establishing the starting point for negotiation of the Administrative costs as shown on Sheet No. 28. The inputs to the formula will be updated at the conclusion of each subsequent base rate case. As noted, the formula provides the starting point for negotiation of the Administrative rate.

Additional factors that may impact the final negotiated Administrative rate include, but are not limited to, customer credit quality, contract term and size of load. The $/kW will be negotiated based on facts and circumstances at the time of the negotiations with the new LPCS customer and will be defined in the Agreement.