

SOUTH CENTRAL INDIANA RURAL ELECTRIC MEMBERSHIP CORPORATION

**INDUSTRIAL POWER SERVICE RATE
RATE SCHEDULE – IP
EFFECTIVE OCTOBER 1, 2015**

Availability

This schedule is available to commercial and industrial consumers with a minimum monthly demand of 500 KW and who meet specific load characteristics established by the Cooperative. Availability of this rate to commercial and industrial consumers is at the sole discretion of the Cooperative.

Type of Service

Three-phase, sixty (60) cycles at the following standard voltages: 120/240, 120/208, 277/480, 240/480.

Monthly Rate

Fixed Cost:

Monthly Charge \$400.00

Energy Charge:

Purchased Power - On Peak \$.07141 per KWH

Purchased Power – Off Peak \$.04041 per KWH

Excess Net kVARh \$.00616 per kVARh

Demand Charge:

Purchased Power \$11.51 per KW

SCI Distribution Cost \$ 6.50 per KW

Energy On-Peak Period

The energy on-peak period shall be as follows:

12:00 PM to 10:00 PM EDT, Monday through Friday during the months of June, July, and August, excluding July 4th.

7:00 AM to 10:00 AM EST, Monday through Friday during the months of December, January, and February, excluding December 25th and January 1st.

6:00 PM to 9:00 PM EST, Monday through Friday during the months of December, January, and February excluding December 25th and January 1st.

Energy Off-Peak Period

The energy off-peak period shall be all hours other than the on-peak hours described above.

Determination of Billing Demand

The billing demand shall be the highest fixed 30 minute demand during the peak hours of the month expressed in kilowatts, but in no event less than 75% of the highest billing demand used in any of the preceding 11 months, or 500 kilowatts, whichever is higher. Peak hours are defined as from 7:00 a.m. to 11:00 p.m. EST, daily.

Power Factor Adjustment

The consumer agrees to maintain unity power factor as nearly as practicable. The Corporation reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor at the time of maximum demand is less than 97%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 97% and divided by the percent power factor.

In addition, if the average monthly power factor (leading or lagging) is determined to be less than 95%, an "Excess Net kVARh charge" shall be determined based upon the difference between the actual measured Net kVARh amount and a calculated Net kVARh at 95% power factor. The Excess Net kVARh shall be charged at \$0.00616 per excess kVARh per billing period. The Net kVARh calculation at 95% power factor is as follows:

$$\text{Net kVARh at 95\% power factor} = \text{kWh} * \sqrt{[1 \div (0.95)^2] - 1}$$

Hoosier Energy Adjustment

The above rates may be subject from time to time to a purchased power cost adjustment tracking factor as deemed appropriate by the Board of Directors of the Corporation. The purchased power cost adjustment tracking factor applicable hereto is equal to the tracker billed to SCI REMC by Hoosier Energy. This tracker normally changes each quarter.

Terms of Payment

The above rate is net, the gross rate being 5% higher on the current net monthly bill. In the event the current monthly bill is not paid within seventeen (17) days of the bill date, the gross rate shall apply. When the seventeenth day falls on Sunday or any other legal holiday, the first business day thereafter shall be added to the seventeen-day period. If a delinquent balance exists, all payments will be first applied to such delinquent balance.

Interpretation of Schedule

The interpretation of or the application by the Corporation or by any consumer of all rates, rules, and regulations included in this rate schedule shall be subject to review by the Board of Directors of the Corporation, consistent with its service rules and regulations or policies, except as otherwise provided by law.

Miscellaneous Nonrecurring Charges

Consumers served under this rate schedule shall be subject to the miscellaneous nonrecurring charges as stated in Appendix C, which may be charged to the consumer as applicable.

Operation Roundup®

Consumers served under this rate schedule may voluntarily participate in the Operation Roundup® program as described in Appendix D.

Rate Schedule Modifications

All rate schedules and charges, as well as the Corporation's service rules and regulations or policies, may be amended or modified, in whole or in part, at any time as deemed appropriate by the Corporation's Board of Directors.