



Direct Control Interruptible Service Rider

AVAILABILITY

Available to customers on Rate Schedules Cg-2, Cg-4, Cg-6, Cg-8, and Sp-3 who contract for service for a period of three years with a minimum on-peak interruptible load of 75 kW measured over a 15-minute time period. The interruptible load must be controllable by a switch located in the Company's Power Supply Office.

RATE

Deliveries from the Company to the customer will be billed in accordance with the applicable Cg-2, Cg-4, Cg-6, Cg-8, and Sp-3 rate schedules of the Company, with the exception that customers served on this rider will have the on-peak demand charge for that portion of the customer's load designated as interruptible reduced by \$0.13151 per kW per day.

A customer receiving service under this rider may have the rate adjusted periodically as the Public Service Commission of Wisconsin approves changes to this schedule.

DETERMINATION OF DEMAND

1. For a customer who has nominated a contract firm demand level, if the measured maximum on-peak, 15-minute demand is greater than the contract firm demand level, the load designated as interruptible will be equal to the difference between the measured maximum on-peak, 15-minute demand and the contract firm demand level. If the measured maximum 15-minute demand is less than or equal to the contract firm demand level, the load designated as interruptible is zero.
2. For a customer who has nominated a contract interruptible demand, the customer must start backup electric generation to supply the interruptible load. For a customer with parallel switchgear, the load designated as interruptible is the lesser of the contract interruptible demand and the customer maximum 15-minute demand, but cannot exceed the minimum generation level of the backup electric generation during the entire interruption period. For a customer without parallel switchgear, the load designated as interruptible is the lesser of the contract interruptible demand and the monthly maximum on-peak 15-minute demand, but cannot exceed the minimum generation level of the backup electric generation during the entire interruption period.

CONDITIONS OF DELIVERY

1. Customers will be subject to interruptions. An interruption will be called by the Company in order to maintain the reliability of the power system. Customers will not be able to buy out of an interruption.
2. A customer receiving service under this rider must enter into a contract that specifies that portion of the customer's load that is interruptible. The customer may choose to nominate the contract firm demand level or the contract interruptible demand level.
 - a. For customers nominating a firm contract, the contract firm demand level may be amended annually during the contract term if the customer's load characteristics change so as to make the existing contract level inappropriate. That portion of the customer's load remaining as interruptible once the firm nomination is made may not be reduced by more 20 percent in any one year and by more than 30 percent in any three-year period. In no circumstances may the contract firm demand level be amended in such a way as to create a minimum on-peak interruptible load of less than 75 kW. All requests for changes in the contract firm demand level are subject to the approval of the Company.



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CONDITIONS OF DELIVERY (continued)

- b. For customers nominating an interruptible demand level, the portion of service that is confirmed as interruptible may not be reduced by more 20 percent in any one year and by more than 30 percent in any three-year period. In no circumstances may the contract interruptible demand level be amended in such a way as to create a minimum on-peak interruptible load of less than 75 kW. All requests for changes in the contract interruptible demand level are subject to the approval of the Company.
3. The Company will perform periodic testing (on average annually) of customer's ability to interrupt the amount of demand they have contracted to provide. Failure to successfully comply with a test interruption may result in adjustments to the customer's Is-4 service agreement or ability to participate in this service rider. The customer will pay the full demand charge (no credit will be applied) to the level of capacity that was not interrupted in the test until the customer successfully complies with a Company authorized interruption test for the entire contracted interruption capacity at a later date. Failure of an initial test under this provision will not affect the charges for unauthorized use included in paragraph 12 of this rider.
4. A customer may make a one-time election to take service under this rate schedule for a trial period. The trial period will run from time of election until January 1 of the following year which is when the Company must set its capacity requirements for the year. The customer must execute a contract which specifies that the customer will notify the Company at least 30 days before the trial period ends of whether the customer will continue the interruptible service contract for a minimum of three more years. The interruptible service contract will contain a provision which will specify that the contract will remain in effect until and unless terminated by either party by giving three years' prior written notice.
5. For a customer with a contract interruptible demand level, after receiving notification by the Company of an interruption, the customer must start backup generation to supply the interruptible load, and the generation output, as metered by the Company, must remain at a level no less than the contract interruptible demand level until the customer is notified by the Company that the interruption period has ended and service has been resumed. **Failure to comply with these provisions will result in an unauthorized use of electricity.**
6. The customer may schedule up to two weeks of annual maintenance for any generating equipment necessary to comply with this service rider. During this period, the Company will not exercise its right to interrupt electric service to the customer. The customer must notify the Company at least two weeks prior to any maintenance periods. Maintenance periods must be approved by the Company and will not be scheduled during the months of June, July, August, or September. Scheduled annual maintenance will not reduce any demand credits to the customer under this service rider. For any other occasion that the customer wishes not to be interrupted, a Short-Term Interruptible Replacement service is available on a limited basis subject to the terms contained in Rate Schedule STIR.
7. The customer's load designated as interruptible may be instantaneously interrupted without notice by the Company. The Company will provide a radio receiver and the customer will be responsible for installing an audible and/or visual alarm that will alert the customer up to 15 minutes prior to interruption. All costs incurred to install the alarm will be paid by the customer. The Company will have sole discretion on the length of interruption.
8. The availability of service under this rate may be limited at the discretion of the Company. Service under this rate may be refused if the Company believes the load to be interrupted will not provide adequate load reduction when the Company desires interruption.



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CONDITIONS OF DELIVERY (continued)

9. The customer will, at the customer's expense, install all apparatus and materials necessary for the proper utilization of the power furnished by the Company including disconnect mains and monitoring equipment. All such apparatus will conform to the Company's rules and regulations and will be kept in suitable operating conditions at all times.
10. A customer choosing to operate electric-generating equipment to supply the interruptible load will not connect it in parallel with the Company's system without the written consent of the Company nor without providing, at the customer's expense, protective and synchronizing equipment satisfactory to the Company in accordance with the Company's electric service rules regarding customer-owned electric-generating equipment.
11. Service under this rate will be subject to interruptions or buy-throughs at the sole discretion of the Company. There will be no more than 300 combined hours of interruptions and buy-throughs in a calendar year, of which, interruptions (not including test interruptions) will be limited to no more than 150 hours. Interruptions due to lightning, wind necessary MGE system maintenance repairs and other causes other than intentional load curtailment interruptions by the Company will not be considered in determining the hours of interruption. If the total hours of requested interruptions and buy-throughs exceed 80 percent of the maximum contracted hours of interruption and buy-through during any calendar year, the Company reserves the right to manage the remaining available interruptible/buy-through hours to best meet the Company's capacity/buy-through needs for the remainder of the year.
12. The customer will pay the full demand charge (no credit will be applied) for the first instance of unauthorized use of electricity during an interruption. The monthly credit will not be applied to the associated level of demand until the customer successfully complies with a Company-authorized interruption test for the entire contracted interruption capacity. Along with the loss of the monthly credit, the customer will also pay \$25 per kilowatt for each additional instance during any continuous 12-month period of unauthorized use of electricity during a period of interruption of service ordered by the Company. The Company may suspend service under this rate if the customer uses service during periods of interruption and thereafter serve the customer under the appropriate rate.
13. The customer will pay, in advance of construction, all costs estimated by the Company for facilities to serve the interruptible load.
14. The Company will not be liable for any damages sustained by customer because of interruptions, deficiencies, or imperfections of electric service provided under this rate.
15. Interruptible service will not be used as standby for any other forms of energy or fuel.
16. Service under this rate will be furnished only in accordance with the Electric Service Rules and Regulations of the Company.
17. Energy furnished under this rate will not be resold.



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BUY-THROUGH CONDITIONS

1. Customers will also be subject to buy-throughs. A buy-through will be called if the day-ahead Locational Marginal Price (LMP) applicable for the MGE load zone for at least two consecutive hours exceeds \$150 per MWh. Customers will be electronically notified at least four hours in advance of a buy-through. Customers will be informed at the time of the notification of the time of the buy-through and the hourly price of the buy-through. Multiple buy-through periods can be called for on any day.
2. The buy-through price will equal Midwest Independent Transmission System Operator day-ahead LMP price plus 10 percent for ancillary services.
3. If the customer nominates a contract firm demand level, the buy-through quantity is the kW per hour in excess of the firm demand level.

If the customer nominates an interruptible demand, the firm portion that will be used to determine the buy-through quantity will be based on the demand of the hour preceding the buy-through less the interruptible nomination. The buy-through quantity will then be the kW per hour in excess of this firm demand level.

4. The Company can call a buy-through and then change it to an interruption if there are capacity constraints. If this occurs, customers on this tariff are subject to penalty for any unauthorized use of electricity.