



FUEL ADJUSTMENT CLAUSE RIDER

DESCRIPTION	RATE CODE
Fuel Adjustment Clause Rider	71-540

RULES AND REGULATIONS: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this rider.

There shall be added to the monthly bill the amount per Kilowatt-Hour (rounded to the nearest 0.001¢) of the average cost of fuel per Kilowatt-Hour. The average cost of fuel per Kilowatt-Hour for the current period shall be calculated from data covering actual costs from the most recent three month period as follows:

Energy costs from actual months 1, 2 and 3 plus unrecovered (or less over recovered) prior cumulative energy costs plus (or minus) the carrying charge, divided by the associated energy (reduced for average system losses) associated with retail sales for actual months 1, 2 and 3 equals the cost of energy amount.

The applicable adjustment will be applied month to month on a uniform billing cycle to each Customer's bill beginning with cycle 1 of the calendar month following the month when the adjustment is calculated. The cost of fuel shall be determined as follows:

1. The expense of fossil and other fuels, including but not limited to, biomass, wood, refuse-derived fuel (RDF), and tire-derived fuel (TDF), as recorded in Account 151 of the FERC's Uniform System of Accounts for Public Utilities and Licensees, used in the Company's generating plants, and the cost of emission allowances purchased after January 1, 2012, necessary for the Company to operate its generating plants in compliance with the Cross-State Air Pollution Rule. C
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2. The utility's share of the expense of fossil fuel, as recorded in Account 151, used in jointly owned or leased plants.
3. The net energy cost of energy purchases when such energy is purchased on an economic dispatch basis, exclusive of Capacity or Demand charges.
4. The net cost of energy purchases from any facility utilizing wind or other renewable energy conversion systems for the generation of electric energy, whether or not those purchases occur on an economic dispatch basis.