



Fergus Falls, Minnesota

SECTION 5.04 EXTENSION RULES AND MINIMUM REVENUE GUARANTEE

The Company will, at its own expense, extend, enlarge, or change its Distribution or other facilities for supplying electric service when the anticipated revenue from the sale of additional service at the location justifies the expenditure. If it reasonably appears to the Company that the expenditure may not be justified based on a three-year projection of revenue received from the applicable rate schedule(s) under which the Customer is taking service, the Company may require the Customer to sign an Electric Service Agreement guaranteeing a minimum payment of no less than three years use of electric service, and require the Customer to pay in advance if the Company has reason to question whether the Customer will maintain adequate creditworthiness over the period or for any other reason may fail to make payments for service, including the service extension charges, over the period.

The Company shall provide to the Customer an estimate with detail of the extension charges prior to construction.

If at the point of true-up at the end of the initial three-year contract period of service, the Customer uses and pays for more than the specified guaranteed minimum amount of electric service, which the Customer contracted to purchase, any advance that may have been made in excess of the guaranteed minimum amount when calculated based on actual usage will be refunded to the Customer together with interest at the rate provided for Customer deposits under South Dakota Public Utilities Commission Administrative Rule 20:10:19:08. However, if the Customer uses less than the guaranteed minimum, the amount of the difference between the guaranteed minimum and the actual usage will be billed to the Customer.



Fergus Falls, Minnesota

(Continued)

South Dakota P.U.C. Volume II
General Rules and Regulations – Section 5.04

ELECTRIC RATE SCHEDULE
Extension Rules and Minimum Revenue Guarantee

Second Revised Sheet No. 2 Cancelling First Revised Sheet No. 2

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