

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
(SANTEE COOPER)
LARGE LIGHT AND POWER
CURTAILABLE SUPPLEMENTAL POWER
RIDER L-09-SP

SECTION 1. Availability:

Service hereunder, "Supplemental Power Service," shall be available to those customers meeting the availability requirements of the Authority's Large Light and Power Rate Schedule ("Schedule L"), to which this Rider is attached and made a part of; provided, however, that in order to receive service hereunder, each such customer (hereinafter, the "Customer") shall have (i) requirements for service hereunder of at least 10,000 kW, and (ii) a Firm Power Contract Demand that is at least 30,000 kW and at least twenty-five percent (25%) of the sum of all of that Customer's contract demands under Schedule L. In addition, service hereunder shall be available only upon prior written agreement between the Authority and the Customer. The total amount of additional Supplemental Power available to all customers of the Authority changes from time to time; the Authority will allocate such amount to individual customers on a first-come, first-served basis.

SECTION 2. Character of Service:

(A) Supplemental Power Service hereunder shall be electric power and energy of the same general characteristics as described in the Authority's Large Light and Power Rate Schedule which (i) are in excess of the Customer's Firm Contract Demand and (ii) are curtailable by the Authority and the Customer in accordance with the provisions of this Rider L-09-SP.

(B) Subject to the provisions of Section 4 hereof, the Authority shall undertake to serve the Customer's Supplemental Power requirements, up to the then-current level of the Customer's Supplemental Power Contract Demand, with the same level of reliability it provides to its other non-interruptible customers. In no event, however, shall the Authority have any obligation whatsoever to supply power and energy in an amount exceeding the sum of the Customer's then-current Firm Contract Demand pursuant to the Authority's Large Light and Power Rate Schedule, the Customer's contract demands under other applicable riders thereto, if any, and the Customers' Supplemental Power Contract Demand. If, at any time, the Customer allows its total load to exceed the sum of such contract demands, the Authority shall have the right, at the Authority's sole discretion, to either (a) serve such excess and, pursuant to Section 5 hereof, charge the Customer for such service under the Authority's then-applicable Large Light and Power Rate Schedule, or (b) take whatever steps as may be reasonably necessary, including discontinuing all service to the Customer, to effect a reduction in service to the Customer to a level not exceeding such sum of the Customer's contract demands.

SECTION 3. Monthly Billing Rates:

The charges for service hereunder shall consist of the following:

(A) Demand Charge:

The monthly Demand Charge for Supplemental Power Service shall be calculated by multiplying the Customer's then-current Supplemental Power Billing Demand by the Monthly Supplemental Power Demand Rate of:

\$7.00 per kilowatt of the Customer's Supplemental Power Billing Demand

(B) Energy Charge:

The monthly Energy Charge for Supplemental Power Service shall be calculated by multiplying the total amount of kilowatt-hours of Supplemental Power delivered to the Customer during the current Billing Month by the Monthly Supplemental Power Energy Rate for such month. The Monthly Supplemental Power Energy Rate for a month shall be the sum of (i) the Authority's Average Monthly Fossil Fuel Cost Rate, as hereinafter defined, and (ii) a Non-Fuel Energy Rate of 0.228 cents/kWh.

The Authority's Average Monthly Fossil Fuel Cost Rate for each month shall be determined by the following formula:

$$F = 100 * (F_m/G_m) * (1/(1-K)) * (1/(1-L))$$

where:

F = Average Monthly Fossil Fuel Cost Rate in cents per kilowatt-hour, rounded to the nearest one-thousandth of a cent.

F_m = the Authority's total dollar fossil fuel cost for the current month, which shall be equal to the sum of:

- (a) the cost of fossil fuel burned or used in the Authority's own plants and the Authority's share of fossil fuel burned or used in jointly owned or leased plants as such costs are recorded in Accounts 501, 509, and 547; plus
- (b) the net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction), when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges or economy energy purchases and the charges as a result of scheduled outages, all such kinds of energy being purchased by the Authority to substitute for its own higher cost energy; plus
- (c) the actual identifiable fossil fuel costs associated with energy purchased for reasons other than identified in (b) above; less
- (d) the cost of fossil fuel recovered through inter-system sales including, without limitation, the fuel cost related to economy energy sales and other energy sold on an economic dispatch basis.

G_m = the Authority's fossil net generation, in kilowatt-hours, for the current month, which shall be equated to the sum of:

- (a) the net generation of the Authority's own fossil-fueled plants and the Authority's shares of jointly owned or leased fossil-fueled plants; plus
- (b) interchange in; plus
- (c) the fossil-generated energy purchased by the Authority other than interchange; less
- (d) the net fossil-fueled generation associated with inter-system sales referred to in F_m(d) above.

K = the Authority's allowance for capital improvements, which, for purposes of this Rider, shall be eight and one-half percent (8.5%), expressed as a decimal fraction.

L = the Authority's allowance for transmission and distribution system losses applicable to service to the Customer, expressed as a decimal fraction.

(C) Other Costs:

The Customer shall also pay the Authority monthly for such other costs as the Customer is responsible in accordance with the provisions of Section 4 hereof.

SECTION 4. Supplemental Power Contract Demand:

(A) General

The Customer's Supplemental Power Contract Demand shall be the maximum amount of Supplemental Power, in kilowatts, which the Customer has requested and the Authority has agreed to supply. The Customer's Supplemental Power Contract Demand initially shall be specified in the Customer's Service Agreement and, thereafter, may be changed from time to time in accordance with the provisions of this Section 4.

(B) Curtailment by Authority

(1) The Authority shall, upon not less than one hundred twenty (120) days' prior written notice to the Customer, have the right to interrupt or call for curtailment of either all or a portion of the Customer's use of Supplemental Power Service, either permanently or for a period of not less than six (6) months in duration. Any such notice of curtailment by the Authority hereunder shall set forth the amount and time period of the curtailment and shall also set forth a price or prices at which the Authority would be willing to continue serving the Customer hereunder in lieu of the noticed curtailment.

The Authority may call for curtailment hereunder whenever, in the Authority's sole reasonable judgment, an event occurs or a circumstance arises, or is expected to occur or arise, that adversely affects, or is expected to adversely affect, the adequacy of the Authority's generating resources (including purchases) to meet known and expected requirements of its customers, including the adequacy of reserves, at a reasonable cost. Such events and circumstances shall include (but shall not be limited to) unplanned outages and reductions in capabilities of generating resources; failures of third parties to supply power for which the Authority has contracted; significant increases in prices of purchased power and fuel; unplanned or unanticipated transmission limitations; interruptions in, and other limitations on, fuel supplies; and larger than anticipated customer requirements.

(2) In the event that the Authority shall have given such a notice of curtailment to the Customer:

- (a) The Customer's Supplemental Power Contract Demand shall, during the period of the noticed curtailment, be deemed to be reduced to the level set forth in Authority's notice, which may be zero.
- (b) The Authority may extend the period of a curtailment in increments of at least one month, in each case by giving the Customer at least sixty (60) days' prior written notice; provided, however, that such extensions in the aggregate shall not extend the originally noticed period of curtailment by more than twelve (12) months.
- (c) Notwithstanding any provision of Schedule L to the contrary, the Customer shall have the right, within the time periods specified in this subparagraph, to request

that the Customer's Firm Power Contract Demand under Schedule L be increased, beginning on the noticed date of curtailment and continuing for a period of not less than twenty-four months, by an amount up to the amount of curtailment called for by the Authority hereunder, in order that some or all of the power and energy that the Customer would have purchased hereunder as Supplemental Power but for the curtailment instead be purchased from the Authority as Firm Power under Schedule L. During the portion of the period specified in such a request, if any, which extends beyond the noticed period of curtailment, the Customer's Supplemental Power Contract Demand shall be reduced in an amount equal to the amount of the requested increase in the Customer's Firm Power Contract Demand. The time by which such a request must be given shall be thirty (30) days from receipt by the Customer of the Authority's notice; provided, however, that in no event shall such request be required to be given more than twenty-two (22) calendar months' prior to the beginning of the noticed curtailment period. Each such increase in Firm Power Contract Demands hereunder shall be only for the months set forth in the Customer's request and, notwithstanding any provision of Schedule L to the contrary, the Customer's Firm Power Contract Demand for all other months shall not be increased as a result of such notice and such notice shall not cause the Customer to pay any increased demand charge or any other increased billing charge for any months other than the months in the Customer's notice that would not have been payable absent such notice.

- (d) By providing prior written notice to the Authority within thirty (30) days of receiving the Authority's notice of curtailment, the Customer may elect to purchase replacement power from the Authority to replace some or all of the Supplemental Power that the Customer otherwise would have purchased from the Authority hereunder but for the noticed curtailment elect to continue purchasing Supplemental Power and pay for such replacement power at the aforementioned alternative price or prices set forth in the Authority's notice during the period of the curtailment. Each such notice by the Customer shall set forth (i) the maximum amount of such replacement power, in kW, the Customer desires to purchase from the Authority during the period of curtailment, and (ii) the Customer's agreement to pay for such replacement power at the aforementioned alternative price or prices set forth in the Authority's notice of the curtailment.
- (e) By providing prior written notice to the Authority within thirty (30) days of receiving the Authority's notice of curtailment, the Customer may elect to have the Authority purchase for the Customer's account replacement power from another source selected by the Customer and deliver such replacement power to the Customer over the Authority's transmission system, provided that (i) sufficient transmission capacity is available and (ii) the terms and conditions of such purchase are not unreasonable to the Authority. Each such notice by the Customer shall set forth (i) the maximum amount of such replacement power, in kW, the Customer to purchase during the period of curtailment, and (ii) the Customer's agreement to pay the Authority for (a) all costs of purchasing such replacement power, and (b) any applicable charges for associated transmission services (including ancillary services) and any applicable stand-by services pursuant to then-effective rate schedules of the Authority for such services.
- (f) The Customer may replace some or all of the Supplemental Power that the Customer otherwise would have purchased from the Authority hereunder but for the noticed curtailment with generation located on the Customer's side of the Delivery Point; provided, however, that such generation shall not be operated

electrically in parallel with the Authority's system except in accordance with the applicable provisions of Schedule L.

- (g) The options provided to the Customer in the foregoing subparagraphs (c) through (f) are not mutually exclusive, and may be used in combination; provided, however, that in no event shall the Authority be required to deliver to the Customer at any time an amount of replacement power hereunder (including replacement provided as Firm Power under Schedule L and Economy Power under Rider EP) that in the aggregate exceeds the amount of the reduction in the Customer's Supplemental Power Contract Demand.

(C) Curtailement and Increase by Customer

(1) Upon not less than one hundred twenty (120) days' prior written notice to the Authority, the Customer shall be able to reduce or increase its Supplemental Power Contract Demand by any amount, either permanently or for a period of not less than six (6) months in duration; provided, however, that no such increase in the Customer's Supplemental Power Contract Demand shall become effective without the Authority's approval, which approval shall not be unreasonably withheld.

(2) In the event that the Customer shall have given a notice for such a reduction:

- (a) The Customer's Supplemental Power Contract Demand shall, during the period of the noticed reduction, be deemed to be reduced to the level set forth in Customer's notice, which may be zero.
- (b) The Customer may extend the noticed period of reduction in Supplemental Contract Demand in increments of at least one month, in each case by giving the Authority at least sixty (60) days' prior written notice; provided, however, that such extensions in the aggregate shall not extend the originally noticed period of reduction by more than twelve (12) months.
- (c) The Customer may replace the power that the Customer otherwise would have purchased from the Authority hereunder but for the noticed reduction by the Customer in the Customer's Supplemental Power Contract Demand through generation located on the Customer's side of the Delivery Point; provided, however, that such generation shall not be operated electrically in parallel with the Authority's system except in accordance with the applicable provisions of Schedule L and all Riders thereto.

SECTION 5. Supplemental Power Billing Demand:

(A) The Customer's Supplemental Power Billing Demand hereunder shall be equal to the Customer's Supplemental Power Contract Demand.

(B) In the event the Customer's Measured Demand exceeds the sum of the Customer's Firm Contract Demand pursuant to the Large Light and Power Rate Schedule, the Customer's contract demands under other applicable riders thereto, if any, and the Customer's Supplemental Power Billing Demand hereunder, such excess shall be treated as "Excess Demand" in accordance with Section 4(D) of the Large Light and Power Rate Schedule.

SECTION 6. Other Terms and Conditions:

(A) This Rider L-09-SP may be amended or revised by the Authority from time to time, in whole or in part, to reflect changed conditions, and when so amended or revised shall become effective as to all customers receiving service hereunder.

(B) Except as otherwise provided in this Rider, service hereunder shall be subject to all terms and conditions of the then-applicable Large Light and Power Rate Schedule.

Adopted August 24, 2009

Effective for bills rendered on and after November 1, 2009

Supersedes:

Schedule L-03-SP, Effective March 1, 2003