

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
(SANTEE COOPER)
LARGE LIGHT AND POWER
STANDBY SERVICE
RIDER L-09-SB

Section 1. Availability

(A) Service hereunder, "Standby Power", is available to those customers meeting the availability requirements of the Authority's Large Light and Power Rate Schedule L-09 or its successor (hereinafter, "Schedule L"), to which this Rider L-09-SB is attached and made a part of. In addition, service hereunder shall be available only to specified Delivery Points upon a prior written agreement between the Authority and the Customer with respect to each such Delivery Point, in the form of an appropriate Delivery Point Specification Sheet attached to the Service Agreement between the Customer and the Authority.

(B) In order to receive service under this Rider L-09-SB, the sum of the Customer's Firm Contract Demand and Interruptible Contract Demand must equal or exceed 1,000 kW.

(C) Standby Power shall be that power used to provide standby or replacement service which, in the opinion of the Authority, the Authority has available at any location, to a Customer having another source of electrical power not held solely for emergency use, or another source of electrical power for peak-shaving purposes, both for which the Authority's service may be substituted directly or indirectly.

Section 2. Character of Service

(A) Standby Power hereunder shall be electrical power and energy of the same general characteristics as described in Schedule L that (i) is in excess of Firm Power purchased by the Customer under Schedule L; Supplemental Power, if any, purchased by the Customer under Rider L-09-SP; Interruptible Power, if any, purchased by the Customer under Rider L-09-I; and Economy Power, if any, purchased by the Customer under Schedule L-09-EP, and (ii) is deemed, in the opinion of the Authority, to be available for use by the Customer.

(B) The Customer shall use its best reasonable efforts to coordinate its requirements for Standby Service with the Authority, including (but not limited to) scheduling maintenance outages of Customer-owned generation to occur at times agreeable to the Authority. In no event shall the Authority be required to supply Standby Service at times when it shall have interrupted or curtailed service to any other retail customer. In no event shall the Authority be required to supply Standby Service on more than sixty (60) days out of any twenty-four (24) consecutive months.

Section 3. Monthly Rates and Charges

The monthly charge for Standby Power shall consist of the following charges:

(A) Monthly Standby Reservation Charge

The Monthly Standby Reservation Charge hereunder shall be equal to the Customer's Standby Power Contract Demand for such Billing Month, in kilowatts, times \$2.90 per kilowatt.

(B) Monthly Standby Demand Charge

All kW of Standby Billing Demand @ \$11.59 /kW

(C) Monthly Energy Charge

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

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

$$F = 100 * (Fm/Gm) * (1/(1-K)) * (1/(1-L))$$

where:

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

Fm = 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 for economy energy purchases and the charges as a result of scheduled outage, 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 cost 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 sales and other energy sold on an economic dispatch basis.

Gm = 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 Fm(d) above.

K = the Authority's allowance for capital improvements, which, for the 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.

The Authority's Non-Fuel Energy Cost shall be the rate, in cents/kWh, obtained by subtracting (a) the product of (i) $1/(1-K)$, where "K" is defined above, and (ii) the base fuel cost (Fb/Sb) contained in the Authority's then applicable Fuel Adjustment Clause (FAC) from (b) the Energy Charge set forth in the Authority's then applicable Large Light and Power Rate Schedule (Schedule L).

Section 4. Determination of Demands

(A) Standby Power Billing Demand

The Customer's Standby Power Billing Demand for each Billing Month shall be the amount, if any, by which the Customer's Measured Demand for such month, determined pursuant to Section 4(B) of Schedule L, exceeds the sum of (i) the Customer's then-current Firm Contract Demand, under Schedule L, (ii) the Customer's then-current Supplemental Power Contract Demand, if any, under rider L-09-SP, and (iii) the Customer's Economy Power Contract Demand, if any, under Rider L-09-EP; provided however, that in no event shall such Standby Billing Demand be greater than the Customer's Standby Power Contract Demand. Any Measured Demand exceeding the Customer's total Contract Demand for such month shall be Excess Demand in accordance with Section 4(D) of Schedule L.

If a Customer fails to satisfy the requirements of Section 2(B) above, the Authority may, at its sole option, require the Customer to pay for all Standby Billing Demand at the rate specified in Section 3(A)(2)(a) of Schedule L, until such time as the Customer satisfies the constraints of Section 2(B) above.

(B) Standby Power Contract Demand

(1) Except as otherwise provided herein, the Customer's Standby Power Contract Demand shall be the maximum amount of Standby Power, in kilowatts, that the Customer has requested and the Authority has agreed to supply, as evidenced in the Delivery Point Specification Sheet for which the Delivery Point that is attached to, and a part of, the Service Agreement between the Customer and the Authority.

(2) The Customer may reduce its Standby Power Contract Demand for a Delivery Point, for any twelve month period and subsequent twelve month periods, by providing prior written notice of such reduction to the Authority at least one year prior to the beginning of the first period to which the notice applies; provided, however, that (i) no such reduction shall become effective before the fifth anniversary of the Service Agreement between the Customer and the Authority, and provided further that (ii) the greatest amounts of such reductions shall be as follows:

- (a) For the first twelve month period to which such notice applies, the maximum reduction shall be the greater of 5,000 kW or 25% of the Standby Power Contract Demand for such year.
- (b) For the second succeeding twelve month period, the maximum reduction shall be the greater of 10,000 kW or 50% of the Standby Power Contract Demand for such year.
- (c) For the third succeeding twelve month period, the maximum reduction shall be the greater of 15,000 kW or 75% of the Standby Power Contract Demand for such year.
- (d) For the fourth and subsequent twelve month periods, the maximum reduction shall be 100% of the respective Standby Power Contract Demand(s) for such years.

Notices of such reductions in the Customer's Standby Power Contract Demand shall be irrevocable once given.

(3) The Customer's Standby Power Contract Demand, once established or reduced, may be increased only by mutual agreement between the Authority and the Customer evidenced by the execution of a new, revised Delivery Point Specification Sheet for the Delivery Point to which the increase is to apply. The Authority shall be under no obligation to agree to any such increase but shall give good faith consideration to each such request. In such an event, the Authority may require additional special terms and conditions applicable to service to the Customer be included in the aforementioned new Delivery Point Specification Sheet.

(4) The total amount of Standby Power available for sale to all customers changes from time to time. In initially determining the amount of Standby Power, if any, to provide a Customer and/or in determining the amount, if any, by which a Customer's Standby Power Contract Demand may be increased, the Authority shall take into account the total amount of such Standby Power it reasonably expects to be available and its prior commitments for sales of such power. If, and to the extent that, the Authority thus determines it can make additional Standby Power available to new Customers and to existing Customers, the Authority shall do so on a first-come, first-served basis.

Section 5. Other Terms and Conditions

Service under this Rider L-09-SB, is subject to the terms of the currently effective Schedule L, the currently effective General Terms and Conditions attached thereto, and the Service Agreement between the Customer and the Authority.

Adopted August 24, 2009
Effective for service rendered on and after November 1, 2009

Supersedes:
Schedule L-96-SB, Effective April 1, 1996