

Customer Generation Rate Information

The following information is excerpted from the Detroit Edison Company Rate Book for Electric Service.

Use the bookmarks on the left to view the information.

View the most recent copy of the complete Detroit Edison Rate Book here: http://dteenergy.com/pdfs/detroitEdisonTariff.pdf

RATE SCHEDULE NO. D1

RESIDENTIAL SERVICE RATE

AVAILABILITY OF SERVICE: Available to customers desiring service for all residential purposes through one meter to a single or double occupancy dwelling unit including farm dwellings. A dwelling unit consists of a kitchen, bathroom, and heating facilities connected on a permanent basis. Service to appurtenant buildings may be taken on the same meter.

This rate is not available for common areas of separately metered apartments and condominium complexes, nor to a separate meter which serves a garage, boat well or other non-dwelling applications.

HOURS OF SERVICE: 24 hours.

CURRENT, PHASE AND VOLTAGE: Alternating current, single-phase, nominally at 120/240 volts, three-wire. Where available, and the demand justifies, three-phase four-wire, Y connected service may be had at 208Y/120 volts nominally.

In certain city districts, alternating current is supplied from a Y connected secondary network from which 120/208 volts, three-wire service may be taken.

RATE PER DAY:

Full Service Customers:

Power Supply Charges:

Energy Charges: 6.486¢ per kWh for the first 17 kWh per day

7.896¢ per kWh for excess over 17 kWh per day

Delivery Charges:

Service Charge: \$6.00 per month

Distribution Charge: 3.547¢ per kWh for all kWh

Surcharges and Credits: As approved by the Commission. See Sections C8.5 and C9.8. Applies only to actual consumption and not to the minimum charge.

Retail Access Service Customers:

Delivery Charges:

Service Charge: \$6.00 per month

Distribution Charge: 3.547¢ per kWh for all kWh

Surcharges and Credits: As approved by the Commission. See Section C9.8. Applies only to actual consumption and not to the minimum charge.

(Continued on Sheet No. D-2.00)

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(Continued from Sheet No. D-1.00)

RATE SCHEDULE NO. D1 (CONTD)

RESIDENTIAL SERVICE RATE

BILLING FREQUENCY: Based on a nominal 30-day month. See Section C4.5.

MINIMUM CHARGE: The Service Charge

CONTRACT TERM: Open order, terminable on three days' notice by either party. Where special services are required, the term will be as specified in the applicable contract rider.

LATE PAYMENT CHARGE: See Section C4.8.

INTERRUPTIBLE SPACE-CONDITIONING PROVISION: Rate D1.1 is available on an optional basis.

SUPPLEMENTAL SPACE HEATING PROVISION: Rate D1.5 is available on an optional basis.

WATER HEATING SERVICE: Water heating service is available on an optional basis. See Schedule Designation No. D5.

INCOME ASSISTANCE SERVICE PROVISION (RIA): When service is supplied to a Principal Residence Customer, where the household receives a Home Heating Credit (HHC) in the State of Michigan, a credit shall be applied during all billing months. For an income assistance customer to qualify for this credit, the Company shall require annual evidence of the HHC energy draft or warrant. The customer may also qualify for this credit upon confirmation by an authorized State or Federal agency verifying that the customer's total household income does not exceed 110% of the Federal poverty level.

The monthly credit for the residential Income Assistance Service Provision shall be applied as follows:

Delivery Charges: These charges are applicable to Full Service and Retail Open Access customers.

Income Assistance Credit: \$(6.00) per customer per month

AUXILIARY POWER PROVISION: Residential customers desiring electric service as an auxiliary source of power for wind or solar powered generating equipment shall take service under this rate schedule under special agreement with the Company.

Parallel operation of private electric generation is not permitted except by written permission of the Company.

The customer having auxiliary power shall pay all direct costs of controlling and protective equipment necessitated by the presence of a source of power on his premises.

The customer shall pay the charges set forth above. The customer may elect to sell energy back to the Company at the rate of 3.1ϕ per kWh delivered.

Customers selling energy to the Company shall pay a service charge of 12.4ϕ per day in addition to their standard daily billing.

(Continued on Sheet No. D-3.00)

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Detroit, Michigan

(Continued from Sheet No. D-2.00)

RATE SCHEDULE NO. D1 (CONTD)

RESIDENTIAL SERVICE RATE

FARM SERVICE PROVISION: "Farm" (Residential) means a single or double occupancy dwelling unit which has produced, or would normally produce, agricultural products of a value of \$5,000 or more annually, as reported on IRS Form 1040, Schedule F.

Customers taking service under this rate schedule who, in addition to normal household requirements, use energy purchased for various farm operations may elect to take service under this provision. To qualify for this provision, a customer must certify in writing that he is an operator of a farm which utilized household electricity for agricultural purposes. Customers who qualify and elect this provision will be charged as follows:

FARM SERVICE PROVISION RATE PER DAY:

Full Service Customers:

Power Supply Charges:

Energy Charge: 7.065¢ per kWh for all kWh

Delivery Charges:

Service Charge: 12.4¢ per day for each bill issued Distribution Charge: 4.200¢ per kWh for all kWh

Surcharges and Credits: As approved by the Commission. See Sections C8.5 and C9.8. Applies only to actual consumption and not to the minimum charge.

Retail Access Service Customers:

Delivery Charges:

Service Charge: 12.4¢ per day for each bill issued Distribution Charge: 4.200¢ per kWh for all kWh

Surcharges and Credits: As approved by the Commission. See Section C9.8. Applies only to actual consumption and not to the minimum charge.

MINIMUM CHARGE: The applicable per kWh charges listed above for 60 kWh plus the service charge.

Detroit, Michigan

RATE SCHEDULE NO. D3

GENERAL SERVICE RATE

AVAILABILITY OF SERVICE: Available to customers desiring service for any purpose, except that this rate is not available for service in conjunction with the Large General Service Rate. At the Company's option, service may be available to loads in excess of 1000 kW for situations where significant modifications to service facilities are not required to serve the excess load. Effective May 27, 1981, this rate is not available to customers desiring service through one meter for residential purposes to a single or double occupancy dwelling unit.

HOURS OF SERVICE: 24 hours.

CURRENT, PHASE AND VOLTAGE: Alternating current, single-phase, nominally at 120/240 volts, three-wire; or three-phase four-wire, Y connected at 208Y/120 volts; or under certain conditions three-phase four-wire, Y connected at 480Y/277 volts.

In certain city districts, alternating current is supplied from a Y connected secondary network from which 120/208 volts, single-phase three-wire; or 208Y/120 volts, three-phase four-wire service may be taken.

RATE PER MONTH:

Full Service Customers:

Power Supply Charges:

Energy Charge: 7.135¢ per kWh for all kWh

Delivery Charges:

Service Charge: \$8.78 per month

Distribution Charge: 3.168¢ per kWh for all kWh

Surcharges and Credits: As approved by the Commission. See Sections C8.5 and C9.8.

Retail Access Service Customers:

Delivery Charges:

Service Charge: \$8.78 per month
Distribution Charge: 2.722¢ per kWh for all kWh

Surcharges and Credits: As approved by the Commission. See Section C9.8.

LATE PAYMENT CHARGE: See Section C4.8.

MINIMUM CHARGE: The Service Charge.

(Continued on Sheet No. D-19.00)

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(Continued from Sheet No. D-18.00)

RATE SCHEDULE NO. D3 (CONTD)

GENERAL SERVICE RATE

- **CONTRACT TERM:** Open order, terminable on three days' written notice by either party. Where special services are required, or where the investment to serve is out of proportion to the revenue derived therefrom, the term will be as specified in the applicable contract rider.
- **WATER HEATING SERVICE:** Water heating service is available on an optional basis. See Schedule Designation No. D5.
- **INTERRUPTIBLE SPACE-CONDITIONING PROVISION:** Rate D1.1 is available for commercial space-conditioning use. This provision is applicable to central air-conditioning and heat pump use. All other provisions of D3 shall apply.

First Revised Sheet No. D-30.00 Cancels Original Sheet No. D-30.00

RATE SCHEDULE NO. D6

PRIMARY SUPPLY RATE

AVAILABILITY OF SERVICE: Available to customers desiring service at primary, sub-transmission, or transmission voltage who contract for a specified capacity of not less than 50 kilowatts at a single location.

HOURS OF SERVICE: 24 hours, subject to interruption by agreement, or by advance notice.

CURRENT, PHASE AND VOLTAGE: Alternating current, three-phase, nominally at 4,800, 13,200, 24,000, 41,570 or 120,000 volts at the option of the Company.

CONTRACT CAPACITY: Customers shall contract for a specified capacity in kilowatts sufficient to meet normal maximum requirements but not less than 50 kilowatts. The Company undertakes to provide the necessary facilities for a supply of electric power from its primary distribution system at the contract capacity. Any single reading of the demand meter in any month that exceeds the contract capacity then in effect shall become the new contract capacity. The contract capacity for customers served at more than one voltage level shall be the sum of the contract capacities established for each voltage level.

RATE PER MONTH:

Full Service Customers:

Power Supply Charges:

Demand Charge: \$13.75 per kW of on-peak billing demand Energy Charges: 4.014¢ per kWh for all on-peak kWh 3.714¢ per kWh for all off-peak kWh

Voltage Level Discount:

0.15¢ per kWh at transmission level 0.10¢ per kWh at subtransmission level

Delivery Charges:

Service Charge: \$275 per month

Distribution Charges:

For primary service (less than 24 kV) \$2.07 per kW of maximum demand and 0.620¢ per kWh for all energy delivered.

For service at subtransmission voltage (24 to 41.6 kV) \$0.94 per kW of maximum demand and 0.620¢ per kWh for all energy delivered.

For service at transmission voltage (120 kV and above) \$0.07 per kW of maximum demand and 0.620¢ per kWh for all energy delivered.

Substation Credit: Available to customers where service at sub-transmission voltage level (24 to 41.6 kV) or higher is required, who provide the on-site substation including all necessary transforming, controlling and protective equipment. A credit of \$.30 per kW of maximum demand shall be applied to the maximum demand charge. A credit of $.040\phi$ per kWh shall be applied to the energy charge where the service is metered on the primary side of the transformer.

(Continued on Sheet No. D-31.00)

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(Continued from Sheet No. D-30.00)

RATE SCHEDULE NO. D6 (CONTD)

PRIMARY SUPPLY RATE

Surcharges and Credits: As approved by the Commission. See Sections C8.5 and C9.8.

Retail Access Service Customers:

Delivery Charges:

Service Charge: \$275 per month

Distribution Charges:

For primary service (less than 24 kV) \$2.06 per kW of maximum demand.

For service at subtransmission voltage (24 to 41.6 kV) 0.77 per kW of maximum demand. For service at transmission voltage (120 kV and above) 0.52 per kW of maximum demand.

Substation Credit: Available to customers where service at sub-transmission voltage level (24 to 41.6 kV) or higher is required, who provide the on-site substation including all necessary transforming, controlling and protective equipment. A credit of \$.30 per kW of maximum demand shall be applied to the maximum demand charge. A credit of $.040 \ensuremath{\wp}$ per kWh shall be applied to the energy charge where the service is metered on the primary side of the transformer.

Surcharges and Credits: As approved by the Commission. See Section C9.8.

LATE PAYMENT CHARGE: See Section C4.8.

DEFINITION OF CUSTOMER VOLTAGE LEVEL: See Section C13.

MONTHLY ON-PEAK BILLING DEMAND: The monthly on-peak billing demand shall be the single highest 30-minute integrated reading of the demand meter during the on-peak hours of the billing period. The monthly on-peak billing demand will not be less than 65% of the highest monthly on-peak metered billing demand during the billing months of June, July, August, September, and October of the preceding eleven billing months, nor less than 50 kilowatts.

(Continued on Sheet No. D-32.00)

(Continued from Sheet No. D-31.00)

RATE SCHEDULE NO. D6 (CONTD)

PRIMARY SUPPLY RATE

EXPERIMENTAL LOAD AGGREGATION PROVISION: The provision is available to Rate Schedule No. D4 and Rate Schedule No. D6 customers with at least 7 locations who desire for power supply billing purposes, to aggregate their power supply billing demands. The minimum load per customer is 5,000 kilowatts and the maximum allowed load is 40,000 kilowatts. The total capacity served under this provision is limited to 125,000 kilowatts in total for Rates D4 and D6, available on a first-come, first-served basis. Interval Demand Meters are required for service under this provision. Meter reading will be accomplished electronically through Customer-provided telecommunication links or other electronic data methods able to provide the Company with the metering data necessary to determine the aggregated demands for billing purposes. Customers requiring the installation of an interval demand meter and/or the communication link will be responsible for the costs associated with the required metering equipment, its installation cost, and the costs associated with the communication link.

This provision will continue until the Commission issues its final order in Company's next main electric rate case.

MAXIMUM DEMAND: The maximum demand shall be the highest 30-minute demand created during the previous 12 billing months, including the current month but not less than 50% of contract capacity. This clause is applicable to each voltage level served.

MINIMUM CHARGE: All applicable demand charges plus the service charge.

SCHEDULE OF ON-PEAK HOURS: See Section C11.

POWER FACTOR CLAUSE:

Full Service Customers:

The rates and charges under this tariff are based on the customer maintaining a power factor of not less than 85% lagging. Any power factor less than 70% will not be permitted and the customer will be required to install at his own expense such corrective equipment as may be necessary to improve power factor. A penalty will be applied to the total amount of the monthly billing for electric energy for power factor below 85% lagging in accordance with the table in Power Factor Determination, Section C12. The Power Factor Clause shall not be applied to the on-peak billing demand ratchet nor to the minimum contract demand, but will be applied to metered quantities.

Retail Access Service Customers:

A power factor of less than 70% is not permitted and necessary corrective equipment must be installed by the Customer to correct to a minimum level of 70%. Power factor and excess Reactive Demand charges will be calculated at each Customer location at the time of the Location's single highest 30-minute integrated kW reading of the Interval Demand Meter during the on-peak hours of the billing period, which are those hours from 7 a.m. until 11 p.m. consistent with the ITC Open Access Transmission Tariff. Excess Reactive Demand is any Reactive Demand resulting from operations below 80% power factor. A monthly charge of \$3.50/kVAR will be applied to excess Reactive Demand.

(Continued on Sheet No. D-33.00)

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Effective for service rendered on and after October 10, 2007

(Continued from Sheet No. D-32.00)

RATE SCHEDULE NO. D6 (CONTD)

PRIMARY SUPPLY RATE

SPECIAL TERMS AND CONDITIONS: The contract capacity however established shall not be decreased during the term of the contract and subsequent renewal periods as long as service is required unless there is a specific reduction in connected load.

Customer-owned equipment must be operated so that voltage fluctuations on the primary distribution system of the Company shall not exceed permissible limits.

Customers will be permitted to transfer from this rate to a secondary commercial rate, provided they can meet the availability requirements, if the load characteristic changes sufficiently so that the customer would benefit by the change for the foreseeable future even thought metering was continued at primary voltage. Frequent changes, however, from on rate to another for a period less than one full year will not be permitted in accordance with Section C4.4 - Choice of Rates.

For example, during the period that a building is under construction, primary service may be supplied and metered at primary voltage and billed on a secondary rate while the building is under the jurisdiction of the contractor.

Also, for the convenience of the utility, service to a large school complex or a high rise building where, as a matter of design, primary voltage is furnished with Company owned transformers at remote locations fed by customer owned primary cables, the account can be billed on a secondary rate though metered at one central primary voltage location at or near the termination of the utility-owned cables.

At the option of the Company, service may be supplied at the primary voltage and metered at a secondary voltage when the customer transfers from a secondary rate. For loads metered at a secondary voltage (less than 600V), all measured quantities shall be increased by 2%.

CONTRACT TERM: For new primary installations over 1000 kW the term is for not less than five years, extending thereafter from month-to-month until terminated by mutual consent or on twelve months' written notice by either party, which may be given at any time after the end of the fourth year. For new primary installations of 1000 kW or less and for new customers at existing installations, the term is for one year which under special circumstances may be increased or reduced at the discretion of the Company, extending thereafter from month-to-month until terminated by mutual consent or on one month written notice by either party. Where special services are required, the term will be as specified in the applicable contract rider.

First Revised Sheet No. D-67.00 Cancels Original Sheet No. D-67.00

STANDARD CONTRACT RIDER NO. 3 PARALLEL OPERATION AND STANDBY SERVICE

APPLICABLE TO: General Service Rate Schedule Designation D3

Interruptible General Service Rate
Large General Service Rate
Primary Supply Rate
Alternative Primary Supply Rate
Special Manufacturing Supply Rate
Interruptible Supply Rate
Secondary Pumping
Schedule Designation D6
Schedule Designation D7
Schedule Designation D8
Schedule Designation D8
Schedule Designation D8

PARALLEL OPERATION: The customer must meet the interconnection requirements of Detroit Edison specified in "The Michigan Electric Utility Generator Interconnection Requirements" as approved by the Michigan Public Service Commission, and must enter into an Interconnection and Operating Agreement with

the Company before parallel operation will be permitted. Operating in parallel with the Company's system without written approval by the Company of the interconnection and any subsequent changes to the

interconnection will make the customer subject to disconnection.

INDEMNIFICATION AND INSURANCE: Except for the acts or omissions of the Company's employees or agents which occur on the Customer's side of the point of interconnection the customer shall indemnify, defend and hold the Company and its officers, agents and employees harmless from any liabilities, claims, losses, demands, costs, damages or damage which (i) occur on the Customer's side of the point of interconnection resulting from the installation, maintenance, possession or operation of the Facility, or (ii) occur on the Company's side of the point of interconnection up to the first point of the Company's General Facility Protection if at the time of the injury or damage, the Company is not providing electric energy to the customer and the injury or damage was caused by the customer's intentional defeat of the protective relays.

The Company shall indemnify, defend and hold the Customer and its officers, agents and employees harmless from any liabilities, claims, losses, demands, costs, damages or judgments, including reasonable attorneys' fees, arising out of all personal injuries or property damages which occur on the Company's side of the point of interconnection resulting from the installation, maintenance, possession or operation of the Company's General Facilities; (i) except for the acts or omissions of the Customer's employees or agents which occur on the Company's side of the point of interconnection; and (ii)except for those injuries or damages for which the Customer is to indemnify the Company pursuant to the preceding paragraph.

The Customer taking service under this rider shall maintain and furnish current evidence of comprehensive general liability insurance in the amount of \$2,500,000 per occurrence. This insurance can be a combination of primary and excess insurance. The Company shall be named as an additional insured under the customer's policy. The customer need not provide insurance if it can demonstrate that its Tangible Net Worth as defined by GAAP is \$8,000,000 or more and provides an affidavit to that effect signed by an authorized agent of the Company. If the customer fails to provide insurance or does not meet the requirements of the preceding sentence for waiver of insurance, then the Company will purchase insurance in the amount of \$2,500,000 to protect the Company (but not the customer). The cost of such insurance will be paid by the customer. The customer's insurance, its waiver, or insurance purchased by the Company shall not limit the Customer's indemnity obligations. Parallel operation will not be permitted (or will be terminated) if the Customer fails to provide insurance, meet the waiver requirements or pay the cost of insurance obtained by the Company.

(Continued on Sheet No. D-68.00)

Issued January 14, 2009 D. G. Brudzynski Vice President Regulatory Affairs

(Continued from Sheet No. D-67.00)

STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

STANDBY SERVICE: Customers who desire the Company to serve the power supply requirements of load that is normally served by the customer's generator or prime mover must take standby service under the provisions of this rider unless otherwise exempted by order of the Michigan Public Service Commission or by the provisions set fourth below and must take supplemental service on one of the applicable filed rates listed above.

Customers purchasing their entire energy requirements from the Company with generators or prime movers installed for use only in emergency will not be considered as taking standby service.

Customers with generators or prime movers installed solely for use to provide a load for testing equipment such as regenerative dynamometers may elect not to purchase standby energy service for that equipment under this rider, must meet the applicable parallel operation requirements, must purchase power that would, absent this provision, be considered standby on another rate schedule and must take standby for any additional generating equipment normally serving site load.

METERING REQUIREMENTS: All customers taking service under this rider must install the necessary equipment to permit metering. The Company will supply the metering equipment. The output of customer generation or, if appropriate, the load served by another source of power or the customer's prime mover, inflow from Detroit Edison and outflow to Detroit Edison if applicable will all be metered with demand-recording equipment by Detroit Edison.

STANDBY CONTRACT CAPACITY: Standby contract capacity in kW will be established for electric capacity sufficient to meet the customer's standby load. Unit sizes, number of units, site demands, operating characteristics and other factors impact the amount of electric capacity that is sufficient to meet the customer's standby load. Standby contract capacity will be established according to one of the following methods with the intent to use the method which best determines the electric capacity sufficient to meet the customer's standby load.

- (a) If the customer's generating units are electrically base loaded during peak hours the standby contract capacity for billing months that include periods from calendar months June through October will be set at the 1001st highest half-hourly kW output toward internal load during billing months that include periods from calendar months June through October over the latest 12-month period. The standby contract capacity for remaining billing months will be set at the 1001st highest half-hourly kW output during those months over the latest 12-month period. The standby contract capacity will be adjusted on an ongoing basis reflecting the current month and preceding eleven months.
 - "output toward internal load" means the simultaneous output of all units less excess generation flowing back through the interconnection to Detroit Edison's system.
- (b) If the customer's generating units are operated with the intent to provide energy to the system and standby is only required for site load during outages the standby contract capacity will be set at the maximum half-hourly demand provided to the facility.

(Continued on Sheet No. D-69.00)

Issued January 14, 2009 D. G. Brudzynski Vice President Regulatory Affairs

(Continue from Sheet No. D-68.00)

STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

- (c) For customers with units that do not operate in parallel with the system but have the ability to connect load normally served by unmetered on site generation to the system during generation outages, (throw over standby), the standby contract capacity will be set at the maximum metered half-hourly demand thrown over to the system and supplemental demand will the metered inflow less the metered throw over load.
- (d) For customers demonstrating unusual operating conditions, including but not limited to initial unit operation, unpredictable generation from renewable resource units or generation that follows thermal load and prolonged periods with no generation, standby contract capacity may be set by mutual agreement of the Company and the customer to levels sufficient to meet the customer's standby load.
- STANDBY POWER: Standby energy is electric energy provided by Detroit Edison to serve the customer's total internal load which would have been provided by the customer's generation had it operated at its contract capacity. Standby demand is electric capacity provided by Detroit Edison to serve the customer's total internal load which would have been provided by the customer's generation had it operated at its contract capacity less any reduction the customer can accomplish by reducing the supplemental demand at the time of the daily on-peak standby demand below the maximum monthly on peak supplemental demand but not less than zero.
- **SUPPLEMENTAL POWER:** Supplemental power is electric energy and capacity provided by Detroit Edison to serve the customer's total internal load which is in addition to that portion of the customer's total internal load equal to the standby contract capacity. For each point of service, total internal load equals the output toward internal load of the customer's generation plus the power supplied by the Company. Supplemental demand equals total internal load less standby contract capacity, but not less than zero. Supplemental high on-peak demand used to establish Power Supply Demand will be highest supplemental demand from the dates and times at which the daily on-peak standby demands are set. Supplemental power will be billed under the applicable rate schedule for supplemental service ("supplemental rate schedule").

RATES:

Power Supply Charges:

Monthly Generation Reservation Fee:

\$1.00 times the standby contract capacity in kW, per month.

Demand Charges:

A daily on-peak standby demand charge will be charged based on the determination of standby power coincident with the daily highest 30-minute integrated reading during on-peak hours of the demand meters which measure the total load served by Detroit Edison. Standby demand equals standby contract capacity minus the 30-minute output toward internal load of the customer's generator less any reduction the customer can accomplish by reducing the supplemental demand below the maximum monthly on peak supplemental demand, but not less than zero, and not greater than the total load served by the Company.

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First Revised Sheet No. D-70.00 Cancels Original Sheet No. D-70.00

(Continued from Sheet No. D-69.00)

STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

The daily on-peak backup demand charge is \$2.39 per kW per day during periods other than maintenance periods as defined below.

The daily on-peak backup demand charge is \$1.31 per kW per day during maintenance periods as defined below.

Energy Charge:

An energy charge for back-up and maintenance power will be charged based on standby contract capacity less the output toward internal load of the customer's generator, but not less than zero. For customers served on supplemental rate schedules D4, D6, D6.1, D7, and D8 the energy charge will be the D6 on-peak power supply energy charge, 4.014¢ per kWh, plus appropriate power supply credits, including but not limited to off-peak credit, and voltage level credit. For customers served on supplemental rate schedules D3, D3.3, and E5, the energy charge will be the applicable power supply energy charge specified in the customer's supplemental rate.

The energy as stated herein, is also subject to provisions of the PSCR clause and other Surcharges and Credits Applicable to Power Supply as approved by the Commission. See Section C8.5.

Waivers and limits for demand/energy rates:

For customers taking supplemental service at demand/energy rates schedules D4, D6, D6.1 and D8, and customers switching from energy only rates to demand/energy/rates, the following applies.

If the total of daily demand charges for the month is less than the monthly generation reservation fee, then the daily demand charges will be waived for that month.

If the total of daily demand charges for the month is greater than the monthly generation reservation fee, then the generation reservation fee will be waived for that month.

If the total of daily demand charges for the month is greater than the Rider 3 Daily Demand Cap the customer will pay the Daily Demand Cap. For customers served on supplemental rates schedule D4, The Daily Demand Cap will be determined as the D6 Power Supply Demand Charge times the maximum standby contract capacity utilized plus the Rider 3 Generation Reservation Charge times the difference between the total standby contract capacity and the maximum standby utilized. For customers served on supplemental rates schedules D6, D6.1, D8, and E4, The Daily Demand Cap will be determined as the D6 Power Supply Demand Charge times the maximum standby contract capacity utilized plus the difference between the product of the D6 Distribution Demand Charge times the standby contract capacity utilized and the standby Distribution Charge times the standby contract capacity utilized plus the voltage specific D6 Delivery Charge energy component applied to all standby energy delivered plus the Rider 3 Generation Reservation charge times the difference between the total standby contract capacity and the maximum standby utilized.

(Continued on Sheet No. D-71.00)

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(Continued from Sheet No. D-70.00)

STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

Waivers and limits for energy-only rates:

For customers taking supplemental service on energy-only rates for the entire billing cycle, schedules D3, D3.3, and E5, the following applies.

If the total of daily demand charges for the month is less than the monthly generation reservation fee, then the daily demand charges will be waived for that month.

If the total of daily demand charges for the month is greater than the monthly generation reservation fee, then the daily demand charges will be waived for that month provided that the supplemental rate continues as an energy-only rate. If not, then paragraphs (6)(b) and (6)(c) above will apply.

MAINTENANCE PERIODS: A customer may specify, subject to conditions below set by the Company, up to 20 on-peak days during a year as maintenance days. In addition standby daily demands on the day after Thanksgiving and on-peak days occurring during the period from December 24 through January 1 will be priced at the maintenance day rate specified above. A maintenance day is a calendar 24-hour day. Conditions for setting maintenance days:

- (a) The customer must request maintenance days in writing.
- (b) The Company must receive the request at least 45 days before the first requested maintenance day.
- (c) Requests will be honored according to the date received.
- (d) Requests may be refused by the Company if they conflict with the Company's own schedule of maintenance and expected demands. The Company will permit the customer to select alternative maintenance days.
- (e) If there is a substantial change in circumstances which make the agreed upon schedule impractical for either party, the other party upon request shall make reasonable efforts to adjust the schedule in a manner that is mutually agreeable.

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(Continued from Sheet No. D-71.00)

STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

Power Supply Pricing Option:

This option is available to customers desiring to have power supply standby energy service priced on the basis of the real time MISO locational hourly marginal energy price for the Detroit Edison-appropriate load node. Service under this provision must be taken in 12 month increments. Service taken under this option replaces all standard power supply charges. Standby energy service is limited to unforeseen generator outages, deviations from standby contract capacity and maintenance. In addition to the MISO locational hourly marginal energy price the following charges will also apply:

0.52¢/kWh for MISO network transmission costs and MISO energy market costs plus,

An administrative charge of 0.20¢/kWh plus,

A voltage level service adder of 1% for transmission, 2% for subtransmission, 7% for primary, and 12% for secondary.

Surcharges and Credits Applicable to Power Supply, excluding PSCR, as approved by the Commission. See Section C8.5.

Delivery Charges:

Service Charge:

\$210.00 per customer per month for customers served at primary voltages and above.

\$ 70.00 per customer per month for customers served at secondary voltages.

Distribution Charge:

Distribution charges will be as follows:

\$2.34 per kW at transmission voltage applied to the standby contract capacity

\$1.36 per kW at subtransmission voltage applied to the standby contract capacity

\$1.16 per kW at primary voltage applied to the standby contract capacity

For service provided in conjunction with a secondary voltage base rate the Delivery Charge will be the greater of \$7.92 per kW applied to standby contract capacity or 3.168¢/kWh applied to all standby energy delivered.

Substation Credit: Available to customers served at subtransmission voltage level (24 to 41.6 kW) or higher who provide the on-site substation including all necessary transforming, controlling, and protective equipment. A credit of \$.30 per kW shall be applied to the distribution demand charge per kW of standby capacity. An additional credit of 0.040ϕ per kWh of standby delivered will be given where the service is metered on the high voltage side of the transformer.

Surcharges and Credits Applicable to Delivery Service: As approved by the Commission. See Section C9.8.

(Continued on Sheet No. D-73.00)

Issued January 14, 2009 D. G. Brudzynski Vice President Regulatory Affairs

(Continued from Sheet No. D-72.00)

STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

ADJUSTMENT OF PRIOR RATCHETS: When a customer takes standby service under Rider No. 3, the setting or the increasing or decreasing of standby contract capacity will affect the existing ratchet levels on the supplemental rate as follows:

- (a) An amount in kW equal to the initial standby contract capacity (or to the increase or decrease) will be subtracted from (or subtracted from or added to) the existing ratcheted maximum demand level for customers on supplemental rates D6, D6.1, D7 and D8.
- (b) An amount in kW equal to 65% of the initial standby contract capacity (or of the increase or decrease) will be subtracted from (or subtracted from or added to) the existing ratcheted on-peak billing demand level for customers on supplemental rates D4, D6, D6.1, D7, and D8.

LATE PAYMENT CHARGE: See Section C4.8.

SCHEDULE OF ON-PEAK HOURS: See Section C11.

POWER FACTOR CLAUSE: The rates and charges under this tariff are based on the customer maintaining a power factor of not less than 85% lagging. Customers are responsible for correcting power factors less than 70% at their own expense. The size, type and location of any power factor correction equipment must be approved by the Company. Such approval will not be unreasonably withheld. A penalty will be applied to the total amount of the monthly billing for supplemental and standby service for power factor below 85% lagging in accordance with the table in Power Factor Determination, Section C12. The penalty will not be applied to the on-peak billing demand ratchet nor to the minimum contract demand of the supplemental rate, but will be applied to metered quantities.

INTERRUPTIBLE STANDBY SERVICE:

- (a) Interruptible standby service is supplied in conjunction with supplemental rates D8 and D3.3, provided that the customer qualifies for D8 or D3.3 under the provisions of the respective rates.
- (b) For customers taking service on supplemental rate D8, the daily demand charge for back-up power and maintenance power will be waived on a day that the Company requests interruption, provided that the customer is assessed neither a non-interruption fee nor a non-interruption penalty under the terms of the D8 rates.
- (c) For customers taking service on supplemental rate D3.3, the customer's generator, prime mover, or other source of energy must be connected only to the interruptible circuit. The energy charge for back-up power and maintenance power will be the same as the energy charge for the D3.3 rate. The daily demand charge will be waived on a day that the Company interrupts the circuit.
- (d) Interruptible standby service will also be supplied in conjunction with any new interruptible supplemental rates approved by the Michigan Public Service Commission after January 1, 1989, under terms to be incorporated in this section.

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First Revised Sheet No. D-74.00 Cancels Original Sheet No. D-74.00

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STANDARD CONTRACT RIDER NO. 3 (CONTD) PARALLEL OPERATION AND STANDBY SERVICE

LATE PAYMENT CHARGE: See Section C4.8.

SCHEDULE OF ON-PEAK HOURS: See Section C11.

POWER FACTOR CLAUSE: The rates and charges under this tariff are based on the customer maintaining a power factor of not less than 85% lagging. Customers are responsible for correcting power factors less than 70% at their own expense. The size, type and location of any power factor correction equipment must be approved by the Company. Such approval will not be unreasonably withheld. A penalty will be applied to the total amount of the monthly billing for supplemental and standby service for power factor below 85% lagging in accordance with the table in Power Factor Determination, Section C12. The penalty will not be applied to the on-peak billing demand ratchet nor to the minimum contract demand of the supplemental rate, but will be applied to metered quantities.

SPECIAL TERMS AND CONDITIONS: Customer-owned equipment must be operated so that voltage fluctuations on the Company's system shall not exceed permissible limits.

Upon the request of a customer, the Company will provide monthly reports of the data from the meters measuring the load served by the Company and the output of the customer's generators, for a charge of \$10.00 per report per month. Each report contains data from one meter.

Application of Rider No. 2 for redundant service for customers served under this rider will be the same as for customers without generating equipment.

Service under this rider will not be affected by ownership of the generation facility provided that: (1) the generation facility is located on the customer's site, (2) the load served by the generation facility is on the same site, and (3) the total output of the generation facility is utilized by the customer or sold to the Company.

CONTRACT TERM: The contract term is for a five-year period unless terminated by mutual consent and extending thereafter from month to month until terminated by mutual consent or by thirty day's written notice by either party.

DISPUTE RESOLUTION PROCEDURE: Any customer who disputes a determination or interpretation made by the Company under this rider may deliver a written notice of such dispute to the customer's service representative at the Company. The Company will respond to the notice in writing within 20 working days.

Disputes between the Company and the customer may be presented to the Michigan Public Service Commission for informal resolution.

Any customer who disputes a determination made by the Company under this rider may at any time file a formal complaint with the Office of the Secretary of the Michigan Public Service Commission.

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HOLD FOR FUTURE USE

STANDARD CONTRACT RIDER NO. 6

SMALL POWER PRODUCING FACILITIES

AVAILABILITY: Customers who develop small power producing facilities and sell electric output from their facility to the Company may receive service under the filed rates and applicable riders:

Residential Service Rate Schedule Designation D1 Schedule Designation D2 Residential Space Heating Rate Schedule Designation D3 General Service Rate Interruptible General Service Rate Schedule Designation D3.3 Large General Service Rate Schedule Designation D4 Primary Supply Rate Schedule Designation D6 Alternative Primary Supply Rate Schedule Designation D6.1 Interruptible Supply Rate Schedule Designation D8

This rate is available only to customers who obtain qualifying status from the Federal Energy Regulatory Commission. Prior to interconnection, the customer shall provide a copy of such notification to the Company.

CHARACTER OF SERVICE:

- A Sales to Customers:
 - 1. As specified under the applicable rate.
- B Sales by the Customer to the Company:
 - 1. As specified under contractual agreement.
- C The customer shall install, at his expense, the necessary controlling, additional metering and protective equipment according to specifications of the Company. The Company shall not be liable for damage to customer-owned equipment caused by the interconnection.
- D Billing for both sales to and sales from the customer will be calculated by the Company.

RATE:

- A Sales to Customers:
 - 1. As specified under the applicable filed rate.
- B Sales by the Customer to the Company:
 - 1. New Facilities:
 - a. Energy Sales: The rate will be based on the forecasted average incremental cost of energy. The rates will recognize time-of-day price variations based on a weekly forecast.

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Issued July 14, 2008 D. G. Brudzynski Vice President Regulatory Affairs Effective for service rendered on and after October 10, 2007

(Continued from Sheet No. D-81.00)

STANDARD CONTRACT RIDER NO. 6 (CONTD) SMALL POWER PRODUCING FACILITIES

b. Capacity and Energy Sales: The rate will be based on the combined capacity and energy costs of the Belle River Power Plant adjusted to reflect the effects of inflation between the in-service date of the cogeneration facility and the in-service date of the Belle River Power Plant. The rate so determined will be adjusted to be reflective of the forecasted capacity, availability, operating schedule and the ability of the Company to dispatch the said small power producing facility. The rate so determined will apply to facilities with a capacity of 100 kW or less. The rate for facilities having a capacity of over 100 kW will be made under negotiated agreement.

2. Old Facilities:

- a. Energy Sales: The rate will be based on the forecasted average incremental cost of energy. The rate will recognize time-of-day variations based on a weekly forecast.
- b. Capacity and Energy Sales: No recognition will be made in payment for capacity installed before November 1978 unless substantial proof is shown that the generator and protective equipment is new or equivalent to new. Refurbishing old equipment will not qualify the facility as new capacity.
- 3. A one mill per kilowatthour charge shall be assessed to all customers on this rate to offset the Company's additional administrative expenses associated with these transactions.

SPECIAL PROVISIONS AND CONDITIONS:

- A Small Power Producing Facility Capacity Sales to the Company:
 - 1. Small Power Producing Facility Planned Maintenance: Annually the customer shall supply the Company with a schedule of all planned outages for the year in question. The customer and the Company shall agree to a maintenance schedule of mutual benefit.
 - 2. Contract Capacity: The contract must specify the minimum and maximum kW capacity available to the utility from the small power producing facility under normal operating conditions.
 - 3. Availability: The customer shall supply the Company with a statement of the projected annual availability of the capacity stated in the Contract Capacity.

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(Continued from Sheet No. D-82.00)

STANDARD CONTRACT RIDER NO. 6 (CONTD) SMALL POWER PRODUCING FACILITIES

- 4. Capacity Factor: The customer shall supply the Company with a statement of the projected capacity factor and operating schedule for the small power producing facility in question.
- 5. Failure of the small power producing facility to operate at the level of performance forecasted by the customer shall result in the Company adjusting the Capacity purchase price to reflect the demonstrated performance of the small power producing facility in question.
- B Maintenance or Back-Up Capacity: Small power producing customers desiring standby capacity for equipment failure or planned maintenance may contract with the Company the amount of standby capacity desired. The charge for the standby capacity will be calculated at the approved Standard Contract Rider No. 3 Provision.

Optional Standby Rate: The customer may elect to pay for standby service at the following rate:

- 1. \$0.60 per kW per day, plus
- 2. The incremental energy cost associated with the energy to service the capacity, plus
- 3. Full payment of the maximum demand charge in the rate the customer takes service.

DEFINITIONS:

- 1. Small Power Producing Facility: Produces electric energy solely by the use, as a primary energy source of biomass, waste, renewable resources, or any combination thereof and has a power production capability which together with any other facilities located at the same site is not greater than 80 MW.
- 2. New Facility: Construction of new or additional capacity which commenced on or after November 9, 1978.
- 3. Old Facility: Construction of capacity which commenced before November 9, 1978.
- 4. Average Incremental Energy Cost: The cost of a block of energy of varying size which is normally made up of the most expensive resources, either purchased or generated, to serve firm customer load. The size of the varying block depends upon the amount of energy available from qualified facilities.

STANDARD CONTRACT RIDER NO. 13

DISPERSED GENERATION

- **AVAILABILITY OF SERVICE:** Available to customers which have on-site generators desiring a voluntary dispersed generation payment for operating their generation at the request of the Company. The customer must have on-site generation of at least 250 kW capacity at a single location.
- **TERMS OF SERVICE:** Customers will be requested to operate generation upon notice from the Company. The customer shall be provided, whenever possible, notice in advance of such probable requests and estimated duration of the request. Such requests are at the discretion of the Company.
- **PAYMENT TERMS**: The Company and the customer will mutually agree on the prices, terms, and conditions for dispersed generation power. Such payment terms will reflect the type of service including, but not limited to energy only, capacity, seasonal, hourly, daily, monthly, etc.

The amount of generator output will be verified by metered quantities whenever possible. Where the amount of generator output is not directly metered, the Company and the customer will mutually agree on calculation methods. The customer shall agree to provide information in order to make such calculations.

No payment will be made for load reduction required by Emergency Electrical Procedures as defined under Section C3.

SPECIAL TERMS AND CONDITIONS: Special metering is at the option and expense of the customer. The customer is required to provide the Company with notification methods to be used and provide the Company with current customer personnel responsible for such notification of load transfer requests. Customers desiring to operate generators in parallel with the Company's system must comply with the requirements of the Company's Interconnection Guidelines.

M.P.S.C. No. 10 - Electric The Detroit Edison Company (Reformatted Rate Book)

STANDARD CONTRACT RIDER NO. DG

DISTRIBUTED GENERATION

APPLICABLE TO: Residential Service Rate Schedule Designation D1

General Service Rate Schedule Designation D3
Large General Service Rate Schedule Designation D4

AVAILABILITY OF SERVICE: Available to customers with on-site distributed generation desiring to operate in parallel with the Company's system and take service for their supplemental needs under one of the applicable tariffs listed above. The on-site generation capacity shall be no greater than 100 kW at a single location. Distributed generation resources include reciprocating engine generator sets, small turbine-generators, fuel cells, regenerative dynamometers and renewable resources.

PARALLEL OPERATION: The customer must meet the interconnection requirements of the Company specified in "The Michigan Electric Utility Generator Interconnection Requirements" as approved by the Michigan Public Service Commission, and must enter into an Interconnection and Operating Agreement with the Company before parallel operation will be permitted. Operating in parallel with the Company's system without written approval by the Company of the interconnection and any subsequent changes to the interconnection will make the customer subject to disconnection.

The customer is advised to consult its insurers and insurance policies regarding the existence of coverage for on-site distributed generation resources. Homeowners' policies and insurers may afford varying degrees of coverage for this exposure, or may exclude it altogether. This statement is not to be viewed as the rendering of advice regarding the customer's insurance coverage.

RATES: The customer shall pay all direct costs of controlling and protective equipment necessitated by the presence of a source of power on his premises and costs to comply with the Guidelines.

Sell-Back Energy Rate:

For customers with a standard energy meter, the Company's monthly average top incremental cost of power will be applied to all kilowatt-hours delivered to the Company's system.

For customers with a time-of-day meter, the Company's average monthly top incremental cost of power for each time-of-day period will be applied to all kilowatt-hours delivered to the Company's system during that time-of-day period.

For customers with an interval meter, the Company's top incremental cost for each hour will be applied to all kilowatt-hours delivered to the Company's system during that hour.

METERING REQUIREMENTS: The Company will install separate metering for energy sold by the Company to the customer and for energy sold-back to the Company by the customer. The Company will, at the customer's request, upgrade the sell-back meter to either a time-of-day or interval meter, but the incremental cost of such upgrade is the responsibility of the customer.

CONTRACT TERM: Open order, terminable on three day's written notice by either party. Where special services are required, the term will be as specified in the applicable contract rider.

Issued July 14, 2008 D. G. Brudzynski Vice President Regulatory Affairs Effective for service rendered on and after October 10. 2007

STANDARD CONTRACT RIDER NO. 16

NET METERING FOR RENEWABLE RESOURCE ON-SITE POWER PRODUCING FACILITIES

AVAILABILITY:

This rider is available on a first-generating first-served basis to electric customers operating on-site generation which satisfies the Renewable Resource eligibility requirements set forth below. This rider attaches to any metered tariff excluding riders. The total capacity contracted under this rider from systems with nameplate capacities of 20 kW or less shall be limited to 0.005 (0.5%) of the Company's system peak for the previous year as defined on page 401b of MPSC Form P-521. The total capacity contracted under this rider from systems with nameplate capacities greater than 20 kW but not greater than 150 kW shall be limited to 0.0025 (.25%) of the Company's system peak for the previous year as defined on page 401b of MPSC Form P-521. The total capacity contracted under this rider from systems with nameplate capacities greater than 150 kW but not greater than 550 kW shall be limited to 0.0025 (.25%) of the Company's system peak for the previous year as defined on page 401b of MPSC Form P-521.

CHARACTER OF SERVICE:

As specified under the applicable Base Rate. The term Base Rate refers to the Rate Schedule under which the Customer takes service and that this Rider is associated with.

ELIGIBLE ELECTRIC GENERATING UNITS:

A. Eligible Technologies:

A methane digester or any renewable energy system as defined in section 11(k) of 2008 PA 295, MCL 460.1011(k) is an eligible technology. "Renewable energy system" means a facility, electricity generation system, or set of electricity generation systems that use 1 or more of the following renewable energy resources to generate electricity. Renewable energy resources include biomass, solar and solar thermal energy, wind energy, kinetic energy of moving water, including all of the following: waves, tides, or currents, water released through a dam, geothermal energy, municipal solid waste and landfill gas produced by municipal solid waste. Renewable energy system does not include any of the following:

- 1. A hydroelectric pumped storage facility.
- 2. A hydroelectric facility that uses a dam constructed after October 6, 2008 unless the dam is a repair or replacement of a dam in existence on October 6, 2008 or an upgrade of a dam in existence on October 6, 2008 that increases its energy efficiency.
- 3. An incinerator unless the incinerator is a municipal solid waste incinerator as defined in section 11504 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11504, that was brought into service before October 6, 2008, including any of the following:
 - a. Any upgrade of such an incinerator that increases energy efficiency.
 - b. Any expansion of such an incinerator before the effective date of this act.
 - c. Any expansion of such an incinerator on or after October 6, 2008 to an approximate design rated capacity of not more than 950 tons per day pursuant to the terms of a final request for proposals issued on or before October 1, 1986.

B. Generating Unit(s) Size Limitations:

1. The maximum size of a methane digester system at a single site is limited to 550 kW and the maximum size of an individual unit or combination of units utilizing another renewable technology is 150 kW.

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Issued September 16, 2009 D. G. Brudzynski Vice President Regulatory Affairs

Detroit, Michigan

(Continued from Sheet No. D-101.00)

STANDARD CONTRACT RIDER NO. 16 (CONTD) NET METERING FOR RENEWABLE RESOURCE ON-SITE POWER PRODUCING FACILITIES

ELIGIBLE ELECTRIC GENERATING UNITS (CONTD):

- Systems will be limited in size, not to exceed the Customer's Base Rate self-service needs.
 At the Customer's option, the Customer's electric needs shall be determined by one of the following methods:
 - a. The Customer's annual energy usage, measured in kWh, during the previous 12-month period.
 - b. For a Customer with metered demand data available, the maximum integrated hourly demand measured in kW during the previous 12-month period.
 - c. In cases where there is no data, incomplete data, or incorrect data for the Customer's energy usage or the Customer has, is or will be making changes on-site that will affect total usage, the Company or alternative electric supplier and the Customer shall mutually agree on a method to determine the Customer's electric needs.

GENERATOR INTERCONNECTION REQUIREMENTS:

- A. The rules for interconnecting customer on-site electric generating equipment with the Company are contained in the Michigan Public Service Commission's Electric Interconnection and Net Metering Standards (R 460.601a–460.656). Additional technical requirements for interconnecting customer on-site electric generating equipment with the Company are contained in Michigan Electric Utility Generator Interconnection Requirements and the Company's Generator Interconnection Supplement to Michigan Electric Utility Generator Interconnection Requirements (or their replacements).
- B. All interconnection requirements must be met and the Customer must fulfill all requirements in and sign an Interconnection and Parallel Operating Agreement with the Company prior to commencing operation of onsite generation.
- C. The Company must approve in writing any subsequent changes in the interconnection configuration before such changes are allowed. Operating in parallel with the Company's system without the Company's written approval of the interconnection and written approval of any subsequent changes to the interconnection will subject the Customer's equipment to disconnection.

METERING:

Inflow and Outflow metering at the interface between the Customer and the Company will be specified by the Company and will be capable of recording all parameters metered on the Base Rate for deliveries to the Customer and for deliveries from the Customer to the Company. The Company will specify a single meter to measure and record inflow and outflow where practical. The Customer shall install and connect all meter enclosures and other equipment necessary to mount all metering. In addition to the inflow and outflow metering, customers with aggregated capacity of 20 kW or less may, and customers with aggregated capacity greater than 20 kW shall make provisions for generation metering. The Company will mount metering on the generator output capable of recording any parameters metered on the Base Rate. Customers with aggregated capacity of 20 kW or less are responsible for the cost of a generation meter if installed. Any unpaid cost for the generation meter will be waived for customers with aggregated capacity of 20 kW or less that enter into an agreement to sell renewable energy credits (RECs) to the Company. The Company will not charge customers with aggregated capacity of 150 kW or less for any meter(s) required to measure and record inflow and outflow. The Company will not charge customers with aggregated capacity greater than 20 kW but not more than 150 kW for generation meters. Any and all costs associated with metering that are incurred to participate in the Net

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(Continued from Sheet No. D-102.00)

STANDARD CONTRACT RIDER NO. 16 (CONTD) NET METERING FOR RENEWABLE RESOURCE ON-SITE POWER PRODUCING FACILITIES

METERING (CONTD):

Metering Program for customers with aggregated capacity greater than 150 kW are the responsibility of the Customer. The metering costs associated with metering for customers with aggregated capacity greater than 150 kW and customers with aggregated capacity of 20 kW or less opting to install a generation meter without entering into an agreement to sell (RECs) to the Company will be divided into 12 equal monthly payments and added to the Customer's electric bill.

NET METERING BILLING PROVISIONS:

- A. Customers with Aggregated Capacity of 20 kW or Less: (Category 1 as defined in MPSC Rule R 460.601a)
 - 1. <u>Power Supply; Full-Service Customers Only:</u>
 - The Customer will be billed all power supply components and power supply surcharges of the retail rate to which this rider is attached for any positive value resulting from subtracting the outflow from the facility to the utility from the inflow from the utility to the Customer.
 - 2. <u>Distribution</u>; Full-Service and Choice Customers:
 - The Customer will be billed all distribution components and distribution surcharges of the retail rate to which this rider is attached for any positive value resulting from subtracting the outflow from the facility to the utility from the inflow from the utility to the Customer.
 - 3. <u>Standby Power Supply</u>; Full-Service Customers Only:
 - Net metering customers with aggregated capacity of 20 kW or less will not be charged for power supply standby service.
 - 4. Power Supply Credit for Excess Generation; Full-Service Customers Only:
 - If the quantity of electricity generated and delivered to the utility distribution system by an eligible electric generator during a billing period exceeds the quantity of electricity supplied from the electric utility during the billing period, that difference (positive values of outflow-inflow) is excess generation and will be carried forward to provide a credit in subsequent months.
 - a. The maximum credit for power supply will be determined by applying the retail power supply components of the tariff, to which this rider is attached, to any energy that can offset net inflow in the current billing period from the unutilized energy carried forward from previous months.
 - b. The credits shall appear on the bill for the following billing period and shall, in combination with any Distribution Credit for Excess Generation provided by the utility be limited to the total energy charges on that bill.
 - c. Any excess kilowatt-hours (kWh) not used to offset charges in the next billing period will be carried forward to subsequent billing periods.
 - 5. <u>Distribution Credit on Excess Generation; Full-Service and Choice Customers:</u>
 - a. The distribution credit for excess generation will be determined by applying the retail distribution components of the tariff, to which this rider is attached, to any energy that can be utilized in the current billing period from the unutilized energy carried forward from previous months.
 - b The distribution credits shall appear on the bill for the following billing period and shall in combination with any Power Supply Credit for Excess Generation provided by the utility be limited to the total utility energy charges on that bill.
 - c. Any excess kilowatt-hours (kWh) not used to offset charges in the next billing period will be carried forward to subsequent billing periods.

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STANDARD CONTRACT RIDER NO. 16 (CONTD) NET METERING FOR RENEWABLE RESOURCE ON-SITE POWER PRODUCING FACILITIES

NET METERING BILLING PROVISIONS (CONTD):

- B. Customers With Aggregated Capacity Greater Than 20 kW But Not Larger Than 150 kW: (Category 2 as defined in MPSC Rule R 460.601a)
 - 1. Power Supply; Full-Service Customers Only:

The Customer will be billed the applicable power supply demand and energy components of the retail rate to which this rider is attached for any positive value resulting from subtracting the outflow from the facility to the utility from the inflow from the utility to the Customer. Power supply surcharges will be charged for total metered inflow to the Customer from the utility.

- 2. <u>Distribution; Full-Service and Choice Customers:</u>
 - a. <u>Customers on energy-only rates</u>

The Customer will be billed the applicable distribution components and distribution surcharges of the retail rate to which this rider is attached for total metered inflow to the Customer from the utility.

b. Customers on demand rates

The Customer will be billed for all distribution demand components and all energy-based distribution energy components and distribution surcharges of the retail rate to which this rider is attached for total metered inflow.

3. Standby Power Supply; Full-Service Customers Only

Net metering customers with aggregated capacity greater than 20 kW but no greater than 150 kW will not be charged for power supply standby service.

4. Credit for Excess Generation; Full-Service Customers Only:

If the quantity of electricity generated and delivered to the utility distribution system by an eligible electric generator during a billing period exceeds the quantity of electricity supplied from the electric utility during the billing period, that difference (positive values of outflow minus inflow) is excess generation and will be carried forward to provide a credit in subsequent months.

- a. The maximum credit will be determined by applying the retail power supply energy components of the tariff, to which this rider is attached, to any energy carried forward from previous months that can be utilized to offset net inflow in the current billing period.
- b. The credit shall appear on the bill for the following billing period and shall be limited to the total power supply charges on that bill.
- c. Any excess kilowatt-hours (kWh) not used to offset power supply charges in the next billing period will be carried forward to subsequent billing periods.

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Issued September 16, 2009 D. G. Brudzynski Vice President Regulatory Affairs

(Continued from Sheet No. D-104.00)

STANDARD CONTRACT RIDER NO. 16 (CONTD) NET METERING FOR RENEWABLE RESOURCE ON-SITE POWER PRODUCING FACILITIES

NET METERING BILLING PROVISIONS (CONTD):

- C. Customers With Methane Digester Aggregated Capacity Greater Than 150 kW but no Larger Than 550 kW: (Category 3 as defined in MPSC Rule R 460.601a).
 - 1. Power Supply; Full-Service Customers Only:

The Customer will be billed all power supply demand and energy components of the retail rate to which this rider is attached for any positive value resulting from subtracting the outflow from the facility to the utility from the inflow from the utility to the Customer. Power supply surcharges will be charged for total metered inflow to the Customer from the utility.

- 2. <u>Distribution; Full-Service and Choice Customers:</u>
 - Customer total site electric requirements will be determined as the sum of the Company supply (inflow meter) and generation supply (generation meter) minus any outflow to the Company (outflow meter), i.e. [inflow plus generation minus outflow] for both energy and demand if applicable. The Customer will be billed all distribution demand and energy components and distribution surcharges of the retail rate to which this rider is attached for total site electric requirements.
- 3. Standby Power Supply; Full-Service Customers Only:
 - Systems capable of generating more than 150 kW will be charged for Power Supply Standby Service by applying the applicable power supply charges in Standard Contract Rider No. 3 unless the Customer opts out of standby through the following procedure.
 - To opt out of standby the Customer must provide a written notice indicating they fully understand that opting out makes them subject to any ratchet provisions included in the base rate and are refusing Power Supply Standby Service.
- 4. Credit for Excess Generation; Full-Service Customers Only:
 - If the quantity of electricity generated and delivered to the utility distribution system by an eligible electric generator during a billing period exceeds the quantity of electricity supplied from the electric utility during the billing period, that difference (positive values of outflow minus inflow) is excess generation and will be carried forward to provide a credit in subsequent months.
 - a. The maximum credit will be determined by applying the retail power supply energy components of the tariff, to which this rider is attached, to any energy that can be utilized in the current billing period to offset net inflow from the energy carried forward from previous months.
 - b. The credit shall appear on the bill for the following billing period and shall be limited to the total power supply charges on that bill.
 - c. Any excess kilowatthours (kWh) not used to offset power supply charges in the next billing period will be carried forward to subsequent billing periods.

ADDITIONAL CREDITS:

The Company may purchase renewable energy credits under a separate agreement from net metering customers using generation metering supplied by the Company. Provisions of this rider neither obligate the Company to purchase renewable energy credits nor obligate the Customer to sell renewable energy credits.

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STANDARD CONTRACT RIDER NO. 16 (CONTD) NET METERING FOR RENEWABLE RESOURCE ON-SITE POWER PRODUCING FACILITIES

ADDITIONAL CHARGES:

The Customer is responsible for a net metering application fee of \$25.00 and interconnection application review fee of \$75.00. Projects larger than 20kW are responsible for distribution study costs and the cost of distribution upgrades if required.

CONTRACT TERM:

Customers who enroll shall be eligible to participate for a single continuous period up to 10 years. A customer may discontinue taking service under this rider at any time. The Company may terminate service under this rider to Customers with an aggregated capacity greater than 20 kW if it can be established that the facility has not produced energy for a continuous period exceeding eleven (11) billing months. The Company may terminate a customer's service under this rider if the Customer fails to satisfy the eligibility requirements or the terms of the Interconnection and Parallel Operating Agreement. A customer that elects to discontinue taking service under this rider or whose net metering service is terminated for any reason and subsequently wishes to reenroll must reapply as a new customer subject to program size limitations and outstanding applications.

SPECIAL PROVISIONS AND CONDITIONS:

- A. Generation facilities covered by this rider that have an aggregated capacity at a single site of 150 kW or less are exempt from all charges associated with the Company's Standard Contract Rider No. 3 Parallel Operation and Standby Service.
- B. Net excess generation carried forward will be accounted for by the applicable time-of-use pricing period existing in the Customer's Base Rate e.g. On-Peak and Off-Peak. Energy carried forward from one time-of-use pricing period will not be utilized to offset energy in a different time-of-use pricing period.
- C. Full retail power supply as used in this tariff refers to those components of a rate schedule utilized to collect the cost of service for power supply, and full retail distribution as used in this tariff refers to those demand and energy components of a rate schedule utilized to collect the cost of service for distribution service. Full retail rates do not include surcharges, service charges or other charges that are assessed on a per-meter basis
- D. Generation Units covered by this rider are exempt from the Auxiliary Power Provisions contained in Residential Service Rate (D1) and Residential Space Heating Rate (D2).
- E. By applying for service under this rider the Customer agrees to provide to the Company and allow the Company to provide to the Commission Staff the information about their onsite power producing facilities required for the Company to comply with its reporting requirements and verify continued eligibility for service under this rider. The Company will not release the name, address or other identifying information without prior written permission of the Customer.
- F. The Company will allow generator metering supplied by the Company to be used by the Customer for the purpose of accounting for renewable energy credits (REC's) the Customer may wish to sell.
- G. The terms, conditions, charges and credits provided under this rider are subject to revision under order of the Michigan Public Service Commission.

Issued September 16, 2009 D. G. Brudzynski Vice President Regulatory Affairs

(Continued from Sheet No. D-104.00)

STANDARD CONTRACT RIDER NO. 16 (CONTD)

NET METERING FOR RENEWABLE RESOURCE AND INNOVATIVE TECHNOLOGY ON-SITE POWER PRODUCING FACILITIES

H. The Company shall be authorized to recover all costs associated with the Net Metering Program as those costs are defined and explained in the "MREP Consensus Agreement on Statewide Net Metering Program" approved by the Commission in its March 29, 2005 Order in Case No. U-14346. At a minimum, analyses of program costs for the Net Metering program will occur at the end of the second Net Metering Program year and every two years thereafter. Since all customers may ultimately benefit from the availability of the Net Metering Program, some or all Net Metering Program costs may be recovered from all of its retail electric customers. The Company may, at its sole discretion, file a request to apply a charge or charges to all of its retail electric customers, all Net Metering Program participants, or both, to collect underrecovered Net Metering Program costs.