

**RAPPAHANNOCK ELECTRIC COOPERATIVE
Fredericksburg, VA**

**LARGE POWER SUBSTATION DIRECT SERVICE
SCHEDULE LP-3-RA**

I. AVAILABILITY

Available in all territory served by the Cooperative, subject to the Terms and Conditions of the Cooperative on file with the Virginia State Corporation Commission.

II. APPLICABILITY

Applicable to Customers whose delivery point is at the low voltage side of a substation where high side delivery is from transmission facilities of at least 34,500 volts.

III. TYPE OF SERVICE

Multi-phase, 60 hertz, at available voltage.

IV. MONTHLY RATE

A. Distribution Delivery Charges:

1. Applicable to qualifying Customers taking service from the Cooperative as of (November 1, 2009).

Access Charge: @ \$315.00 per month

Demand Delivery Charge: @ \$1.10 per kW

Energy Delivery Charge: @ \$0.00250 per kWh

2. Applicable to qualifying Customers initiating service after (November 1, 2009) and to any Section IV-A-1 Customer upon the upgrade or replacement of existing substation and related facilities serving the Customer, excluding routine maintenance:

Access Charge: @ \$315.00 per month

Demand Delivery Charge: @ \$0.18 per kW

Facilities Charge: A facilities charge equal to the installed costs of dedicated local facilities times the applicable factor as follows:

Without a contribution-in-aid of construction:

Standard Utility Plant (Normal Depreciation) 1.37%

Non-Standard Utility Plant (10-yr Depreciation) 2.22%

IV. MONTHLY RATE (CONT.)

Non-Standard Utility Plant (5-yr Depreciation) 3.50%

With a contribution-in-aid of construction:

Standard Utility Plant (Normal Depreciation)	.81%
Non-Standard Utility Plant (10-yr Depreciation)	1.11%
Non-Standard Utility Plant (5-yr Depreciation)	1.54%

Dedicated local facilities may include an allocated portion of joint use facilities.

V. MINIMUM MONTHLY DELIVERY CHARGE

The minimum monthly delivery charge under the above rate shall be the greater of the amount determined in accordance with Section IV-A or the amount specified in any contract currently in force.

VI. DETERMINATION OF BILLING DEMANDS

- A. Distribution Delivery Demand - The greater of: a) the highest average kW of demand measured in any 15 minute interval during the current billing month, or b) 500 kW.
- B. CP Demand - The hour of the CP (CP hour) is the hour of each month in which the Old Dominion Monthly Delivered Demand is determined for the "VE Area" pursuant to Old Dominion's Wholesale rate, Rate Schedule OD. The CP Demand shall be the Customer's maximum hourly integrated demand occurring in the CP Hour.
- C. Excess Demand – The highest average kW of demand measured in any 15 minute interval during the current billing month less the CP Demand.

VII. POWER FACTOR

The Customer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of the maximum demand is less than 90 percent (90%) lagging, the demand for billing purposes may be the demand as indicated or recorded by the demand meter multiplied by 90 percent (90%), and divided by the percent power factor.

VIII. TERM OF CONTRACT

The term of contract for purchase of electricity under section IV-A-2 of this schedule shall be the term mutually agreed upon and set forth in a written contract, if such is required, but in no case shall the term of contract be less than one (1) year.

All facilities needed to be installed, upgraded, replaced, or added to in order for service to be delivered under section IV-A-2 of this schedule shall be supplied under a written contract with a mutually agreed upon term, but in no case, shall the term of the contract be less than seven (7) years.

Consumers supplied under section IV-A-2 of this schedule may terminate the associated contract at any time by: 1) notifying the Cooperative of their intent to terminate the contract; and 2) making a one-time payment equal to the un-amortized value of the facilities supplied under the contract, plus, if applicable, the cost to remove the facilities.