

MAY 27 2014

RAPPAHANNOCK ELECTRIC COOPERATIVE
Fredericksburg, Virginia

CLOSED HEAVY INDUSTRIAL SERVICE
Schedule LP-2

I. AVAILABILITY

Available to any industrial Customer of the Cooperative contracting for a load of 10,000 kilowatts or more and whose load will be served from a delivery point of the Cooperative's wholesale supplier of electric power and energy devoted exclusively to the service of that Customer. This schedule for service is available only to those Customers receiving service as of January 1, 1981.

II. TYPE OF SERVICE

Multi-phase, 60 hertz at available voltage.

III. MONTHLY CHARGES

Monthly charges shall be:

- A. An amount equal to all the monthly charges levied by the wholesale power supplier on the delivery point from which the Customer is supplied, plus
- B. An amount equal to one-three hundred sixtieth (1/360) of the total cost to the Cooperative for facilities required to make electric service available to the Customer, plus
- C. An amount equal to one third (1/3) of the quarterly interest payments required to service the total debt capital required, less specific exclusions, from the Cooperative to make electric service available to the Customer, plus
- D. An amount equal to the current annual composite depreciation rate for distribution plant times the total cost, less specific exclusions, to the Cooperative for facilities required to make electric service available to the Customer (reduced to a monthly basis). In the event that the depreciation rate is to be changed, notice shall be given to the State Corporation Commission and the Customer at least sixty (60) days prior to such change, plus
- E. An amount equal to 2802 percent times the total cost to the Cooperative, less specific exclusions, for facilities required to make electric service available to the Customer. This amount shall cover operating, maintenance, administration and general expenses of the Cooperative, plus

MAY 27 2014

- F. An amount equal to the sum of all sales, use, receipts, utility, property (less specific exclusions), and any other taxes paid by the Cooperative and applicable to the service rendered hereunder for the sole benefit of the Customer.

Note: Only charges B through F apply if the Customer has an Electricity Supplier other than the Cooperative as their energy provider.

IV. PAYMENT

Bills for service and charges hereunder shall be paid at one of the offices of the Cooperative or such place that the Cooperative may specify to Customer in writing. Such payments shall be due on the tenth (10th) day following the date the bill is mailed or otherwise delivered to Customer for service furnished during the preceding monthly billing period.

V. LATE PAYMENT CHARGE

In the event Customer delays payment beyond the tenth (10th) day following the day that the bill is mailed or delivered, there shall be a late payment charge levied which shall be equal to one and one-half (1 ½) percent per month on the balance due beyond ten (10) days.

VI. SECURITY DEPOSIT

The Customer shall post with the Cooperative a security bond, letter of credit or other security in an amount and form acceptable to and approved by the State Corporation Commission which security deposit shall be used to secure payment to the Cooperative of all obligations of the Customer.

VII. DISCONNECTION OF SERVICE

If the Customer shall fail to make such payment within ten (10) days after such payment is due, the Cooperative may disconnect service to the Customer upon giving ten (10) days written receipted notice to the Customer of its intention to do so unless Customer has made such payment prior to such disconnection of service.

VIII. TERM OF CONTRACT

The term of contract for the purchase of electric power and energy shall be the term mutually agreed upon and set forth in a written contract.