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JUN 28 2012

STATE OF INDIANA

INDIANA UTILITY
REGULATORY COMMISSION

BEFORE THE
INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE COMMISSION'S)
INVESTIGATION INTO ANY AND ALL)
MATTERS RELATED TO COMMISSION)
APPROVAL OF PARTICIPATION BY)
INDIANA END-USE CUSTOMERS IN)
DEMAND RESPONSE PROGRAMS)
OFFERED BY THE MIDWEST ISO AND)
PJM INTERCONNECTION)

CAUSE NO. 43566 MISO 5

INITIAL TARIFF COMPLIANCE FILING OF RESPONDENTS
CRAWFORDSVILLE, FRANKFORT, KINGSFORD HEIGHTS, KNIGHTSTOWN,
LEBANON AND TIPTON AND REQUEST FOR APPROVAL OF THEIR
RESPECTIVE RIDERS IS-MISO-DRS-EMERGENCY TARIFFS

The Cities of Crawfordsville, Frankfort, Lebanon and Tipton, Indiana and the towns of Kingsford Heights and Knightstown, Indiana, by their respective municipally owned electric utilities, Crawfordsville Electric Light & Power, Frankfort City Light & Power, Kingsford Heights Municipal Electric Utility, Knightstown Electric Utility, Lebanon Utilities and Tipton Municipal Electric Utility ("Joint Petitioners"), and by counsel, hereby make their initial filing and request Indiana Utility Regulatory Commission ("Commission") approval of their respective Riders IS-MISO-DRS-Emergency in compliance with IC § 8-1.5-3-8 and the Commission's Order in Cause No. 43566 dated July 28, 2010. In support of this request, Joint Petitioners represent and show the Commission the following:

Nature of Joint Petitioners and Regulatory Status

A. Crawfordsville, Indiana

1. The City of Crawfordsville is a municipality, owning and operating its own electric utility, known as Crawfordsville Electric Light & Power ("CEL&P"), with general offices located at 808 Lafayette Road, Crawfordsville, Indiana 47933. CEL&P is authorized to

and is engaged in the furnishing of electricity to residential, commercial and industrial and other consumers located within its assigned service area in and around the City of Crawfordsville, Indiana.

2. CEL&P's electric system consists of electric transmission, distribution, substation and related facilities, all of which are used and useful in providing adequate and efficient service to its customers.

3. CEL&P collects rates and charges for the electric services it renders, which are subject to the approval of this Commission and the Common Council of the City of Crawfordsville, Indiana, pursuant to IC § 8-1.5-3-8. CEL&P is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana, including IC § 8-1.5-3-1 et seq. and certain provisions of the Public Service Commission Act, as amended.

4. CEL&P is a member of the Indiana Municipal Power Agency ("Agency") and purchases all of its electric power and energy requirements from the Agency pursuant to the terms of a Power Sales Contract.

B. Frankfort, Indiana

5. The City of Frankfort is a municipality, owning and operating its own electric utility, known as Frankfort City Light & Power ("FCL&P"), with general offices located at 1000 Washington Avenue, Frankfort, Indiana 46041. FCL&P is authorized to and is engaged in the furnishing of electricity to residential, commercial and industrial and other consumers located within its assigned service area in and around the City of Frankfort, Indiana.

6. FCL&P's electric system consists of electric transmission, distribution, substation and related facilities, all of which are used and useful in providing adequate and efficient service

to its customers.

7. FCL&P collects rates and charges for the electric services it renders, which are subject to the approval of this Commission and the Common Council of the City of Frankfort, Indiana, pursuant to IC § 8-1.5-3-8. FCL&P is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana, including IC § 8-1.5-3-1 et seq. and certain provisions of the Public Service Commission Act, as amended.

8. FCL&P is a member of the Agency and purchases all of its electric power and energy requirements from the Agency pursuant to the terms of a Power Sales Contract.

C. Kingsford Heights, Indiana

9. The Town of Kingsford Heights, Indiana, is a municipality, owning and operating its own electric utility, known as Kingsford Heights Municipal Electric Utility (“KHMEU”), with general offices located at 504 Grayton Road, Kingsford Heights, Indiana 46346. KHMEU is authorized to and is engaged in the furnishing of electricity to residential, commercial and industrial and other consumers located within its assigned service area in and around the Town of Kingsford Heights, Indiana.

10. KHMEU’s electric system consists of electric distribution, substation and related facilities, all of which are used and useful in providing adequate and efficient service to its customers.

11. KHMEU collects rates and charges for the electric services it renders, which are subject to the approval of this Commission and the Town Council of the Town of Kingsford Heights, Indiana, pursuant to IC § 8-1.5-3-8. KHMEU is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana,

including IC § 8-1.5-3-1 et seq. and certain provisions of the Public Service Commission Act, as amended.

12. KHMEU is a member of the Agency and purchases all of its electric power and energy requirements from the Agency pursuant to the terms of a Power Sales Contract.

D. Knightstown, Indiana

13. The Town of Knightstown, Indiana is a municipality, owning and operating its own electric utility, known as Knightstown Electric Utility (“KEU”), with general offices located at 26 South Washington Street, Knightstown, Indiana 46148. KEU is authorized to and is engaged in the furnishing of electricity to residential, commercial and industrial and other consumers located within its assigned service area in and around the Town of Knightstown, Indiana.

14. KEU’s electric system consists of electric transmission, distribution, substation and related facilities, all of which are used and useful in providing adequate and efficient service to its customers.

15. KEU collects rates and charges for the electric services it renders, which are subject to the approval of this Commission and the Town Council of Knightstown, Indiana, pursuant to IC § 8-1.5-3-8. KEU is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana, including IC § 8-1.5-3-1 et seq. and certain provisions of the Public Service Commission Act, as amended.

16. KEU is a member of the Agency and purchases all of its electric power and energy requirements from the Agency pursuant to the terms of a Power Sales Contract.

E. Lebanon, Indiana

17. The City of Lebanon, Indiana is a municipality, owning and operating its own electric utility, known as Lebanon Utilities (“LU”), with general offices located at One Municipal Plaza, 401 S. Meridian Street, Lebanon, Indiana 46052. LU is authorized to and is engaged in the furnishing of electricity to residential, commercial and industrial and other consumers located within its assigned service area in and around the City of Lebanon, Indiana.

18. LU’s electric system consists of electric transmission, distribution, substation and related facilities, all of which are used and useful in providing adequate and efficient service to its customers.

19. LU collects rates and charges for the electric services it renders, which are subject to the approval of this Commission and the Common Council of the City of Lebanon, Indiana, pursuant to IC § 8-1.5-3-8. LU is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana, including IC § 8-1.5-3-1 et seq. and certain provisions of the Public Service Commission Act, as amended.

20. LU is a member of the Agency and purchases all of its electric power and energy requirements from the Agency pursuant to the terms of a Power Sales Contract.

E. Tipton, Indiana

21. The City of Tipton, Indiana is a municipality, owning and operating its own electric utility, known as Tipton Municipal Electric Utility (“TMEU”), with general offices located at 113 Court Street, Tipton, Indiana 46072-0288. TMEU is authorized to and is engaged in the furnishing of electricity to residential, commercial and industrial and other consumers located within its assigned service area in and around the City of Tipton, Indiana.

22. TMEU 's electric system consists of electric transmission, distribution, substation and related facilities, all of which are used and useful in providing adequate and efficient service to its customers.

23. TMEU collects rates and charges for the electric services it renders, which are subject to the approval of this Commission and the Common Council of the City of Tipton, Indiana, pursuant to IC § 8-1.5-3-8. TMEU is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana, including IC § 8-1.5-3-1 et seq. and certain provisions of the Public Service Commission Act, as amended.

24. TMEU is a member of the Agency and purchases all of its electric power and energy requirements from the Agency pursuant to the terms of a Power Sales Contract.

Membership in MISO

25. CEL&P, FCL&P, KEU, KHMEU, LU and TMEU are not members of MISO. However, the Agency is a member of MISO.

Background

26. On July 28, 2010, in Cause No. 43566 (the "July 2010 Order") the Commission ordered that "Indiana end-use customers shall not be enrolled or otherwise participate in RTO demand response programs directly or through curtailment service providers or other aggregators." July 2010 Order at 51. The Commission further ordered Respondent Utilities that are members of MISO to file with the Commission for approval tariffs or riders authorizing the participation of their respective retail customers in RTO demand response programs through their Respondent Utility. (Id.)

27. On December 20, 2010, the Agency made its informational filing of wholesale demand response rates for and on behalf of its member municipalities that were subject to the

jurisdiction of the Commission for the approval of rates and charges. The Agency provided its wholesale rates to the Commission as an informational filing and notified the Commission that any retail tariff or rider developed by its jurisdictional members must be approved by their respective boards and municipal legislative bodies under IC § 8-1.5-3-3 and 4, as well as the Commission pursuant to IC § 8-1.5-3-8.

28. Joint Petitioners have obtained the foregoing approvals of their municipal legislative bodies as reflected in the Ordinances attached hereto and marked as Exhibits “A,” “B,” “C,” “D,” “E” and “F,” respectively. Accordingly, Joint Petitioners now seek approval of their respective retail tariffs from this Commission under IC § 8-1.5-3-8.

Request for Approval of Rider IS-MISO-DRS Emergency

29. Through this initial filing, Joint Petitioners request Commission approval of their respective Riders, attached hereto as part of Exhibits “A,” “B,” “C,” “D,” “E” and “F,” respectively.

Joint Petitioners’ Authorized Representatives

30. The names and address of Joint Petitioners’ attorneys who are duly authorized to accept service of papers in this Cause on behalf of CEL&P, FCL&P, KEU, KHMEU, LU and TMEU are:

Michael B. Cracraft (Atty. No. 3416-49)
Steven W. Krohne (Atty. No. 20969-49)
Hackman Hulett & Cracraft, LLP
111 Monument Circle, Suite 3500
Indianapolis, IN 46204-2030
Telephone: (317) 636-5401
Facsimile: (317) 686-3288
E-mail: mcracraft@hhclaw.com
skrohne@hhclaw.com

Procedural Matters

30. Joint Petitioners have discussed a potential procedural schedule with the Indiana Office of Utility Consumer Counselor and are working on an agreement covering the procedural schedule for the review of Riders IS-MISO-DRS Emergency. In the absence of such a stipulation, Joint Petitioners request the Commission promptly conduct a prehearing conference for the purpose of establishing a procedural schedule for this subdocket.

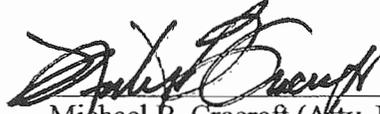
WHEREFORE, Joint Petitioners request the Commission to make such other investigation as is necessary or advisable in this subdocket and, thereafter, make and enter appropriate orders in this Cause:

- (i) approving the attached Riders IS-MISO-DRS Emergency; and
- (ii) granting to Joint Petitioners such other and further relief in the premises as the Commission may deem appropriate and proper.

DATED this 25th day of June, 2012.

[Signature on following page]

THE CITIES OF CRAWFORDSVILLE, FRANKFORT,
LEBANON AND TIPTON, INDIANA AND THE
TOWNS OF KINGSFORD HEIGHTS, AND
KNIGHTSTOWN, INDIANA



Michael B. Cracraft (Atty. No. 3416-49)

Steven W. Krohne (Atty. No. 20969-49)

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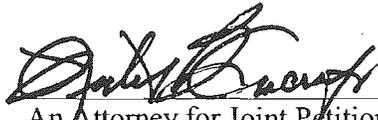
skrohne@hhclaw.com

Attorneys for Joint Petitioners, the Cities of
Crawfordsville, Frankfort, Lebanon and Tipton, Indiana
and the Towns of Kingsford Heights and Knightstown,
Indiana

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of June, 2012 a copy of the foregoing has been served by U.S. Mail, electronic mail or personal delivery to:

Robert Mork
Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204
infomgt@oucc.in.gov
rmork@oucc.in.gov


An Attorney for Joint Petitioners

Michael B. Cracraft (#3416-49)
Steven W. Krohne (#20969-49)
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111 Monument Circle, Suite 3500
Indianapolis, IN 46204-2030
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Attorneys for Joint Petitioners,
the Cities of Crawfordsville, Frankfort,
Lebanon and Tipton, and the Town of
Kingsford Heights, Indiana

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**AN ORDINANCE AUTHORIZING
PARTICIPATION IN [MISO/PJM] DEMAND RESPONSE PROGRAMS
FOR CRAWFORDSVILLE ELECTRIC LIGHT AND POWER COMPANY**

WHEREAS, the City of Crawfordsville, Indiana owns and operates a municipal electric utility known as Crawfordsville Electric Light and Power Company ("CEL&P") operated by and through the Crawfordsville Utility Service Board ("Board") pursuant to IC 8-1.5-3-3, et seq. and

WHEREAS, the City of Crawfordsville is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency (IMPA); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission (Commission) on December 20, 2010 an "Interruptible Rate Schedule - MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. (MISO) provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file, for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO or PJM Interconnection, LLC demand response programs, as the case may be; and

WHEREAS, the Board has recommended to the Council that it authorize by Ordinance the participation through CEL&P of its eligible electric utility customers in certain demand response programs offered by MISO and the adoption of demand response rates for customers participating in such programs. Based upon the Board's recommendation, and, being duly advised, the Council has determined to authorize eligible electric utility customers to participate

Charles Glou

Presiding Officer

Attest

Terré Bada

Clerk-Treasurer

months May through September and between 2 p.m. and 10 p.m. Eastern Standard Time, for the months of October through April.

7. The Utility and/or IMPA will inform the customer regarding the communication process for notices to curtail. The customer is ultimately responsible for receiving and acting upon a curtailment notification from the Utility or IMPA.

8. During each delivery year, the Utility or IMPA will conduct a test and verify the customer's ability to curtail. However, if a curtailment event is called by MISO prior to the test, then the event shall be considered the test for the delivery year. The Utility and IMPA reserve the right to re-test the customer if IMPA does not achieve the minimum 80% compliance testing standards for all of IMPA's DRS customers. These tests must be conducted for one hour on a weekday between noon and 8 p.m. Eastern Standard Time, from June 1 through September 30 during the delivery year.

9. If the customer fails to comply with the provisions of curtailment under this Rider, the Utility, IMPA and the customer will discuss methods to comply during future events. However, the Utility and IMPA reserve the right to discontinue service to the customer under this Rider if the problem cannot be resolved to their satisfaction.

10. The minimum DRS capacity contracted for under this Rider will be 500 kW. Customers with multiple electric service accounts with the Utility may aggregate those individual accounts to meet the 500 kW minimum DRS capacity requirement under this Rider, however, the DRS capacity committed for each individual account shall not be less than 100 kW. Customer may not aggregate DRS capacity with its accounts with other electric utilities.

11. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load when, in the sole judgment of the Utility or IMPA, an emergency condition exists on the system. The Utility shall determine that an emergency condition exists and if curtailment of load served under this Rider is necessary in order to maintain service to the Utility's other firm service customers.

12. If not already installed, the customer will provide space, facilities and cost reimbursement to the Utility for a Utility-provided recording demand meter to measure the customer's integrated demand. The Utility and IMPA shall have the right to obtain meter readings and inspect and test meters at all times.

13. NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE UTILITY OR IMPA FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR

The FSL is the demand to which the customer agrees to reduce load to or below for each hour during a curtailment event.

- c) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider, then the Non-Compliance Charge shall apply. If a customer is operating at or below their designated FSL during an event, it will be understood that they have no DRS capacity available with which to comply and will not be charged a non-compliance penalty. If the metered demand during the curtailment event is above the FSL, the Event Non-Compliance Demand shall be equal to the maximum difference between the customer's metered demand and the FSL during the hours of the curtailment event. Otherwise the Event Non-Compliance Demand shall be zero (0).

Curtailed Energy

The Curtailed Energy shall be determined for each curtailment event hour, defined as the difference between the customer's CBL for that hour and the customer's metered load for that hour.

Curtailment Credits

The Curtailment Energy Credit shall be 95% of the appropriate MISO IMPA Load Zone hourly Real-Time Locational Marginal Price (LMP) established by MISO (including congestion and marginal losses) for each curtailment event hour.

The Curtailment Demand Credit shall be 95% of the settled MISO monthly resource adequacy auction price.

Monthly Demand Credit

The Monthly Demand Credit shall be applicable to each month the customer is served under this Rider, regardless of whether or not there are any curtailment events during the month.

Guaranteed Load Drop Method – The Monthly Demand Credit shall be equal to the product of the GLD and the Curtailment Demand Credit.

Firm Service Level (FSL) Method – The Monthly Demand Credit shall be equal to the product of the ACD and the Curtailment Demand Credit.

Monthly Event Credit

An Event Credit shall be calculated for each event hour equal to the product of the Curtailed Energy for that hour and the Curtailment Energy Credit for that hour. The Monthly Event Credit shall be the sum of the hourly Event Credits for all events occurring in the calendar month. The customer shall not receive Event Credit for any curtailment events to the extent that the customer's DRS capacity is already reduced due to a planned or unplanned outage as a result of

Special Terms and Conditions

Customer specific information, including but not limited to, DRS contract capacity, shall remain confidential.

ORDINANCE NO. 11-14

**AN ORDINANCE AUTHORIZING PARTICIPATION IN
MISO/PJM DEMAND RESPONSE PROGRAMS
FOR FRANKFORT MUNICIPAL UTILITIES**

WHEREAS, the City of Frankfort, Indiana owns and operates a municipal electric utility known as Frankfort City Light & Power under the supervision and control of the Frankfort Utility Service Board (Board) pursuant to IC 8-1.5-3-4; and

WHEREAS, the City of Frankfort is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency (IMPA); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission (Commission) on December 20, 2010 an "Interruptible Rate Schedule – MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. (MISO) provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file, for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO or PJM Interconnection, LLC demand response programs, as the case may be; and

WHEREAS, the Board has recommended to the Common Council of the City of Frankfort that this Council authorize by Ordinance the participation through Frankfort City Light & Power of its eligible electric utility customers in certain demand response programs offered by MISO and the adoption of demand response rates for customers participating in such programs. Based upon the Board's recommendation, and being duly advised, the Council has determined to authorize eligible

electric utility customers to participate through Frankfort City Light & Power in certain demand response programs offered by MISO and to adopt demand response rates for customers participating in such programs.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FRANKFORT, INDIANA, as follows;

Section 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

Section 2. The City of Frankfort hereby authorizes eligible customers of Frankfort City Light & Power to participate through such utility in the MISO Emergency Demand Response Initiative.

Section 3. The City of Frankfort hereby adopts and establishes for the use and service rendered by Frankfort City Light & Power the demand response rates set forth in "Rider IS — MISO-DRS-Emergency", attached hereto as "Exhibit A" and hereby incorporated by reference into this ordinance.

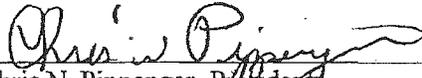
Section 4. The attached Ride IS – MISO-DRS-Emergency shall be adopted as the terms and conditions under which customers of Frankfort City Light & Power may be eligible to participate in the demand response programs offered by MISO.

Section 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

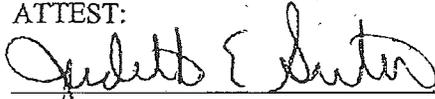
This ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

Adopted this 24 day of October, 2011.

CITY OF FRANKFORT
COMMON COUNCIL


Chris N. Pippenger, President

ATTEST:


Judith E. Suter
Clerk-Treasurer

Presented by me to the Mayor of the City of Frankfort, Indiana, on the 24 day of
October, 2011.


Judith E. Suter, Clerk-Treasurer

Presented to and approved by me, the Mayor of the City of Frankfort, Indiana, and signed this
24 day of October, 2011.


Chris N. Pippenger, Mayor

FRANKFORT CITY LIGHT & POWER
City of Frankfort
Rider IS - MISO-DRS-Emergency

Applicability

This Rider is available for demand response service (DRS) to any retail customer of Frankfort City Light & Power (Utility) capable of meeting the terms and conditions listed below. The retail customer shall enter into a contract with the Utility and its wholesale electricity supplier the Indiana Municipal Power Agency (IMPA) for an interruptible load of at least 500 kW.

The customer's DRS capacity under this Rider will be utilized by IMPA on behalf of the Utility in the MISO Emergency Demand Response Initiative. Unless contracted directly with IMPA and the Utility, or through a curtailment service provider contracted with IMPA, the customer's DRS capacity is not eligible for enrollment in any MISO demand response program.

Conditions of Service

1. The retail customer shall enter into a contract with the Utility and IMPA for an interruptible load of at least 500 kW.
2. The provisions of this Rider qualify under the MISO Emergency Demand Response Initiative as of the approval date of this Rider. The Utility IMPA and reserve the right to make changes to this Rider in order to continue to qualify under the MISO Emergency Demand Response Initiative, or otherwise, as appropriate.
3. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load during a MISO-initiated Energy Emergency Alert.
4. The Utility and/or IMPA will endeavor to provide customer as much advance notice as reasonably possible of curtailments under this Rider, including an estimate of the duration of such curtailments. However, the customer's DRS load shall be curtailed within one (1) hour if so requested.
5. All curtailments will apply for the delivery year which is defined by MISO as June 1 through May 31 of the following year. Contracts will apply for multiple delivery years.
6. In no event shall the customer be subject to DRS load curtailment under the provisions of this Rider for more than sixty (60) hours or ten (10) interruptions during any delivery year. The customer must agree to be subject to DRS curtailments of up to six (6) consecutive hours' duration for each curtailment event, on weekdays between noon and 8 p.m., Eastern Standard Time, for the

months May through September and between 2 p.m. and 10 p.m., Eastern Standard Time, for the months of October through April.

7. The Utility and/or IMPA will inform the customer regarding the communication process for notices to curtail. The customer is ultimately responsible for receiving and acting upon a curtailment notification from the Utility or IMPA.
8. During each delivery year, the Utility or IMPA will conduct a test and verify the customer's ability to curtail. However, if a curtailment event is called by MISO prior to the test, then the event shall be considered the test for the delivery year. The Utility and IMPA reserve the right to re-test the customer if IMPA does not achieve the minimum 80% compliance testing standards for all of IMPA's DRS customers. These tests must be conducted for one hour on a weekday between noon and 8 p.m., Eastern Standard Time, from June 1 through September 30 during the delivery year.
9. If the customer fails to comply with the provisions of curtailment under this Rider, the Utility, IMPA and the customer will discuss methods to comply during future events. However, the Utility and IMPA reserve the right to discontinue service to the customer under this Rider if the problem cannot be resolved to their satisfaction.
10. The minimum DRS capacity contracted for under this Rider will be 500 kW. Customers with multiple electric service accounts with the Utility may aggregate those individual accounts to meet the 500 kW minimum DRS capacity requirement under this Rider; however, the DRS capacity committed for each individual account shall not be less than 100 kW. Customer may not aggregate DRS capacity with its accounts with other electric utilities.
11. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load when, in the sole judgment of the Utility or IMPA, an emergency condition exists on the system. The Utility shall determine that an emergency condition exists and if curtailment of load served under this Rider is necessary in order to maintain service to the Utility's other firm service customers.
12. If not already installed, the customer will provide space, facilities and cost reimbursement to the Utility for a Utility-provided recording demand meter to measure the customer's integrated demand. The Utility and IMPA shall have the right to obtain meter readings and inspect and test meters at all times.
13. **NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE UTILITY OR IMPA FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR**

INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF THIS RIDER.

Customer Baseline Load Calculation

A Customer Baseline Load (CBL) will be calculated for each hour corresponding to each curtailment event hour. Normally, the CBL will be calculated for each hour as the average corresponding hourly demands from the highest four (4) out of the five (5) most recent similar non-event days in the period preceding the relevant curtailment event. The highest load days are defined as the similar days (Weekday, Saturday, Sunday/Holiday) with the highest energy consumption spanning the curtailment event hours. In cases where the normal calculation does not provide a reasonable representation of normal load conditions, the Utility, IMPA and the customer may develop an alternative CBL calculation that more accurately reflects the customer's normal consumption pattern.

Curtailed Demand

The customer's Curtailed Demand shall be determined based upon the method of measurement chosen by the customer. The customer may choose one of two methods to measure the curtailed demand: 1) Guaranteed Load Drop (GLD) or 2) Firm Service Level (FSL). The method chosen shall remain in effect for the entire contract period.

1) Guaranteed Load Drop Method

- a) Each customer must designate a Guaranteed Load Drop (GLD), which amount shall be the minimum demand reduction that the customer will provide for each hour during a curtailment event or during a curtailment test.
- b) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider or does not reduce load by the full GLD, a non-compliance charge shall apply. For this purpose, Actual Load Drop (ALD) is defined as the difference between the customer's CBL and their actual hourly load. If the ALD is less than the GLD, the Event Non-Compliance Demand shall be equal to the maximum difference between the GLD and the ALD occurring during the hours of the curtailment event. Otherwise, the Event Non-Compliance Demand shall be zero (0).

2) Firm Service Level (FSL) Method

- a) Firm Service Level Peak Load Contribution (PLC) – The customer's PLC will be calculated each year as the average of its load during IMPA's (5) highest peak loads during the twelve month period ended October 31 of the previous year.
- b) Available Curtailable Demand (ACD) - The customer must designate an ACD, defined as the difference between the PLC and the Firm Service Level (FSL).

The FSL is the demand to which the customer agrees to reduce load to or below for each hour during a curtailment event.

- c) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider, then the Non-Compliance Charge shall apply. If a customer is operating at or below their designated FSL during an event, it will be understood that they have no DRS capacity available with which to comply and will not be charged a non-compliance penalty. If the metered demand during the curtailment event is above the FSL, the Event Non-Compliance Demand shall be equal to the maximum difference between the customer's metered demand and the FSL during the hours of the curtailment event. Otherwise the Event Non-Compliance Demand shall be zero (0).

Curtailed Energy

The Curtailed Energy shall be determined for each curtailment event hour, defined as the difference between the customer's CBL for that hour and the customer's metered load for that hour.

Curtailment Credits

The Curtailment Energy Credit shall be 95% of the appropriate MISO IMPA Load Zone hourly Real-Time Locational Marginal Price (LMP) established by MISO (including congestion and marginal losses) for each curtailment event hour.

The Curtailment Demand Credit shall be 95% of the settled MISO monthly resource adequacy auction price.

Monthly Demand Credit

The Monthly Demand Credit shall be applicable to each month the customer is served under this Rider, regardless of whether or not there are any curtailment events during the month.

Guaranteed Load Drop Method – The Monthly Demand Credit shall be equal to the product of the GLD and the Curtailment Demand Credit.

Firm Service Level (FSL) Method – The Monthly Demand Credit shall be equal to the product of the ACD and the Curtailment Demand Credit.

Monthly Event Credit

An Event Credit shall be calculated for each event hour equal to the product of the Curtailed Energy for that hour and the Curtailment Energy Credit for that hour. The Monthly Event Credit shall be the sum of the hourly Event Credits for all events occurring in the calendar month. The customer shall not receive Event Credit for any curtailment events to the extent that the customer's DRS capacity is already reduced due to a planned or unplanned outage as a result of

vacation, renovation, repair, refurbishment, force majeure, strike, economic conditions, or any situation other than the customer's normal operating conditions.

Annual Non-Compliance Charge

Charges for non-compliance will be based on the customer's Non-Compliance Demand which reflects any failure by the customer to fully comply with requests for curtailment under the provisions of this Rider. The Annual Non-Compliance Charge will be computed on an estimated basis at the completion of the September delivery month and on an actual basis at the completion of the delivery year. The Annual Non-Compliance Charge shall be equal to the average Non-Compliance Demand times the Curtailment Demand Credit times 12.

In the event that the estimated Annual Non-Compliance Charge is greater than zero, such charge shall be assessed as a uniform offset to the Customer Credits for remaining months of the delivery year, September through May. In the event the actual Annual Non-Compliance Charge is greater than zero, the customer will be invoiced for any amount greater than the Customer Credit for the last month of the delivery year. In no event shall the Annual Non-Compliance Demand Charge exceed the sum of the Customer Credits, excluding the Annual Non-Compliance Charge, for the delivery year.

Customer Credit

The net amount of the Monthly Demand Credit, Monthly Energy Event Credit and Annual Non-Compliance Charge will be provided to the Utility within two (2) billing months after the end of the delivery month. A customer may request the aggregation of individual customer account credits into a single credit.

Adjustments to Customer Billing Units

During months when the customer's interruptible load is interrupted and customer is paid the Curtailment Energy Credits discussed above, the customer's Metered Energy shall be increased by the verified curtailed energy.

If the customer is billed on a coincident peak basis, during months when the customer's interruptible load is interrupted during the hour of the Utility's Billing Demand from IMPA, the Customer's metered demand shall be increased by the verified GLD or ACD.

Term

Contracts under this Rider shall be made for an initial period of four (4) delivery years and shall remain in effect until either party provides three (3) years' written notice prior to March 1 of its intention to discontinue service under the terms of this Rider for the fourth delivery year beginning after the notice is provided.

Special Terms and Conditions

Customer specific information, including, but not limited to, DRS contract capacity, shall remain confidential.

ORDINANCE NO. 2011- 8

**COMMON COUNCIL OF THE CITY OF LEBANON, INDIANA,
AUTHORIZING PARTICIPATION IN MISO DEMAND
RESPONSE PROGRAMS FOR LEBANON UTILITIES**

WHEREAS, the City of Lebanon, Indiana, owns and operates a municipal electric utility known as Lebanon Utilities [under the supervision and control of the Board pursuant to IC 8-1.5-3-4]; and

WHEREAS, the City of Lebanon is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency (IMPA); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission (Commission) on December 20, 2010 an "Interruptible Rate Schedule – MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. (MISO) provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file, for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO Interconnection, LLC demand response programs, as the case may be; and

WHEREAS, the Board has recommended to the Council that it authorize by Ordinance the participation through Lebanon Utilities of its eligible electric utility customers in certain demand response programs offered by MISO and the adoption of demand response rates for customers participating in such programs. Based upon the Board's recommendation, and, being

duly advised, the Council has determined to authorize eligible electric utility customers to participate through Lebanon Utilities in certain demand response programs offered by MISO and to adopt demand response rates for customers participating in such programs.

NOW THEREFORE BE IT ORDAINED BY THE COMMON OF THE CITY OF THE LEBANON:

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. The City of Lebanon hereby authorizes eligible customers of Lebanon Utilities to participate through such utility in the MISO Emergency Demand Response Initiative.

SECTION 3. The City of Lebanon hereby adopts and establishes for the use and service rendered by Lebanon Utilities the demand response rates set forth in "Rider IS – MISO-DRS-Emergency," attached hereto as "Exhibit A" and hereby incorporated by reference into this ordinance.

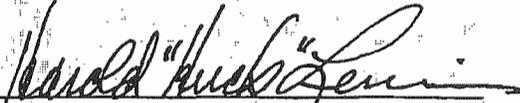
SECTION 4. The attached Rider IS – MISO-DRS-Emergency shall be adopted as the terms and conditions under which customers of Lebanon Utilities may be eligible to participate in the demand response programs offered by MISO. [The attached Rider IS – MISO-DRS-Emergency shall be filed with and become effective upon approval by the Commission.]

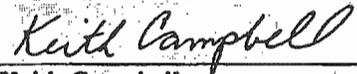
SECTION 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

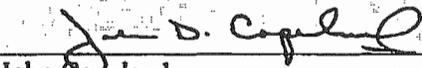
This ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

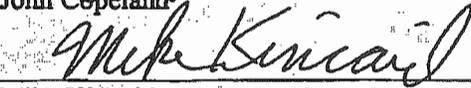
Adopted this 9 day of May, 2011.

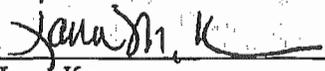
CITY OF LEBANON
COMMON COUNCIL

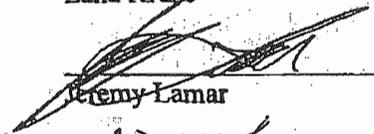

Harold "Huck" Lewis, Mayor

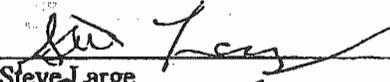

Keith Campbell


John Copeland


Mike Kincaid


Lana Kruse


Jeremy Lamar


Steve Large


Richard Robertson

Attest:


Clerk-Treasurer

LEBANON UTILITIES
City of Lebanon
Rider IS - MISO-DRS-Emergency

Applicability

This Rider is available for demand response service (DRS) to any retail customer of Lebanon Utilities (Utility) capable of meeting the terms and conditions listed below. The retail customer shall enter into a contract with the Utility and its wholesale electricity supplier the Indiana Municipal Power Agency (IMPA) for an interruptible load of at least 500 kW.

The customer's DRS capacity under this Rider will be utilized by IMPA on behalf of the Utility in the MISO Emergency Demand Response Initiative. Unless contracted directly with IMPA and the Utility, or through a curtailment service provider contracted with IMPA, the customer's DRS capacity is not eligible for enrollment in any MISO demand response program.

Conditions of Service

1. The retail customer shall enter into a contract with the Utility and IMPA for an interruptible load of at least 500 kW.
2. The provisions of this Rider qualify under the MISO Emergency Demand Response Initiative as of the approval date of this Rider. The Utility IMPA and reserve the right to make changes to this Rider in order to continue to qualify under the MISO Emergency Demand Response Initiative, or otherwise, as appropriate.
3. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load during a MISO-initiated Energy Emergency Alert.
4. The Utility and/or IMPA will endeavor to provide customer as much advance notice as reasonably possible of curtailments under this Rider, including an estimate of the duration of such curtailments. However, the customer's DRS load shall be curtailed within one (1) hour if so requested.
5. All curtailments will apply for the delivery year which is defined by MISO as June 1 through May 31 of the following year. Contracts will apply for multiple delivery years.
6. In no event shall the customer be subject to DRS load curtailment under the provisions of this Rider for more than sixty (60) hours or ten (10) interruptions during any delivery year. The customer must agree to be subject to DRS curtailments of up to six (6) consecutive hours' duration for each curtailment event, on weekdays between noon and 8 p.m., Eastern Standard Time, for the

months May through September and between 2 p.m. and 10 p.m., Eastern Standard Time, for the months of October through April.

7. The Utility and/or IMPA will inform the customer regarding the communication process for notices to curtail. The customer is ultimately responsible for receiving and acting upon a curtailment notification from the Utility or IMPA.
8. During each delivery year, the Utility or IMPA will conduct a test and verify the customer's ability to curtail. However, if a curtailment event is called by MISO prior to the test, then the event shall be considered the test for the delivery year. The Utility and IMPA reserve the right to re-test the customer if IMPA does not achieve the minimum 80% compliance testing standards for all of IMPA's DRS customers. These tests must be conducted for one hour on a weekday between noon and 8 p.m., Eastern Standard Time, from June 1 through September 30 during the delivery year.
9. If the customer fails to comply with the provisions of curtailment under this Rider, the Utility, IMPA and the customer will discuss methods to comply during future events. However, the Utility and IMPA reserve the right to discontinue service to the customer under this Rider if the problem cannot be resolved to their satisfaction.
10. The minimum DRS capacity contracted for under this Rider will be 500 kW. Customers with multiple electric service accounts with the Utility may aggregate those individual accounts to meet the 500 kW minimum DRS capacity requirement under this Rider; however, the DRS capacity committed for each individual account shall not be less than 100 kW. Customer may not aggregate DRS capacity with its accounts with other electric utilities.
11. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load when, in the sole judgment of the Utility or IMPA, an emergency condition exists on the system. The Utility shall determine that an emergency condition exists and if curtailment of load served under this Rider is necessary in order to maintain service to the Utility's other firm service customers.
12. If not already installed, the customer will provide space, facilities and cost reimbursement to the Utility for a Utility-provided recording demand meter to measure the customer's integrated demand. The Utility and IMPA shall have the right to obtain meter readings and inspect and test meters at all times.
13. **NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE UTILITY OR IMPA FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR**

INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF THIS RIDER.

Customer Baseline Load Calculation

A Customer Baseline Load (CBL) will be calculated for each hour corresponding to each curtailment event hour. Normally, the CBL will be calculated for each hour as the average corresponding hourly demands from the highest four (4) out of the five (5) most recent similar non-event days in the period preceding the relevant curtailment event. The highest load days are defined as the similar days (Weekday, Saturday, Sunday/Holiday) with the highest energy consumption spanning the curtailment event hours. In cases where the normal calculation does not provide a reasonable representation of normal load conditions, the Utility, IMPA and the customer may develop an alternative CBL calculation that more accurately reflects the customer's normal consumption pattern.

Curtailed Demand

The customer's Curtailed Demand shall be determined based upon the method of measurement chosen by the customer. The customer may choose one of two methods to measure the curtailed demand: 1) Guaranteed Load Drop (GLD) or 2) Firm Service Level (FSL). The method chosen shall remain in effect for the entire contract period.

1) Guaranteed Load Drop Method

- a) Each customer must designate a Guaranteed Load Drop (GLD), which amount shall be the minimum demand reduction that the customer will provide for each hour during a curtailment event or during a curtailment test.
- b) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider or does not reduce load by the full GLD, a non-compliance charge shall apply. For this purpose, Actual Load Drop (ALD) is defined as the difference between the customer's CBL and their actual hourly load. If the ALD is less than the GLD, the Event Non-Compliance Demand shall be equal to the maximum difference between the GLD and the ALD occurring during the hours of the curtailment event. Otherwise, the Event Non-Compliance Demand shall be zero (0).

2) Firm Service Level (FSL) Method

- a) Firm Service Level Peak Load Contribution (PLC) – The customer's PLC will be calculated each year as the average of its load during IMPA's (5) highest peak loads during the twelve month period ended October 31 of the previous year.
- b) Available Curtailable Demand (ACD) - The customer must designate an ACD, defined as the difference between the PLC and the Firm Service Level (FSL).

The FSL is the demand to which the customer agrees to reduce load to or below for each hour during a curtailment event.

- c) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider, then the Non-Compliance Charge shall apply. If a customer is operating at or below their designated FSL during an event, it will be understood that they have no DRS capacity available with which to comply and will not be charged a non-compliance penalty. If the metered demand during the curtailment event is above the FSL, the Event Non-Compliance Demand shall be equal to the maximum difference between the customer's metered demand and the FSL during the hours of the curtailment event. Otherwise the Event Non-Compliance Demand shall be zero (0).

Curtailed Energy

The Curtailed Energy shall be determined for each curtailment event hour, defined as the difference between the customer's CBL for that hour and the customer's metered load for that hour.

Curtailment Credits

The Curtailment Energy Credit shall be 95% of the appropriate MISO IMPA Load Zone hourly Real-Time Locational Marginal Price (LMP) established by MISO (including congestion and marginal losses) for each curtailment event hour.

The Curtailment Demand Credit shall be 95% of the settled MISO monthly resource adequacy auction price.

Monthly Demand Credit

The Monthly Demand Credit shall be applicable to each month the customer is served under this Rider, regardless of whether or not there are any curtailment events during the month.

Guaranteed Load Drop Method – The Monthly Demand Credit shall be equal to the product of the GLD and the Curtailment Demand Credit.

Firm Service Level (FSL) Method – The Monthly Demand Credit shall be equal to the product of the ACD and the Curtailment Demand Credit.

Monthly Event Credit

An Event Credit shall be calculated for each event hour equal to the product of the Curtailed Energy for that hour and the Curtailment Energy Credit for that hour. The Monthly Event Credit shall be the sum of the hourly Event Credits for all events occurring in the calendar month. The customer shall not receive Event Credit for any curtailment events to the extent that the customer's DRS capacity is already reduced due to a planned or unplanned outage as a result of

vacation, renovation, repair, refurbishment, force majeure, strike, economic conditions, or any situation other than the customer's normal operating conditions.

Annual Non-Compliance Charge

Charges for non-compliance will be based on the customer's Non-Compliance Demand which reflects any failure by the customer to fully comply with requests for curtailment under the provisions of this Rider. The Annual Non-Compliance Charge will be computed on an estimated basis at the completion of the September delivery month and on an actual basis at the completion of the delivery year. The Annual Non-Compliance Charge shall be equal to the average Non-Compliance Demand times the Curtailment Demand Credit times 12.

In the event that the estimated Annual Non-Compliance Charge is greater than zero, such charge shall be assessed as a uniform offset to the Customer Credits for remaining months of the delivery year, September through May. In the event the actual Annual Non-Compliance Charge is greater than zero, the customer will be invoiced for any amount greater than the Customer Credit for the last month of the delivery year. In no event shall the Annual Non-Compliance Demand Charge exceed the sum of the Customer Credits, excluding the Annual Non-Compliance Charge, for the delivery year.

Customer Credit

The net amount of the Monthly Demand Credit, Monthly Energy Event Credit and Annual Non-Compliance Charge will be provided to the Utility within two (2) billing months after the end of the delivery month. A customer may request the aggregation of individual customer account credits into a single credit.

Adjustments to Customer Billing Units

During months when the customer's interruptible load is interrupted and customer is paid the Curtailment Energy Credits discussed above, the customer's Metered Energy shall be increased by the verified curtailed energy.

If the customer is billed on a coincident peak basis, during months when the customer's interruptible load is interrupted during the hour of the Utility's Billing Demand from IMPA, the Customer's metered demand shall be increased by the verified GLD or ACD.

Term

Contracts under this Rider shall be made for an initial period of four (4) delivery years and shall remain in effect until either party provides three (3) years' written notice prior to March 1 of its intention to discontinue service under the terms of this Rider for the fourth delivery year beginning after the notice is provided.

Special Terms and Conditions

Customer specific information, including, but not limited to, DRS contract capacity, shall remain confidential.

COMMON COUNCIL
CITY OF TIPTON, INDIANA

ORDINANCE NO. 2011-08

AN ORDINANCE OF THE COMMON COUNCIL OF THE
CITY OF TIPTON, INDIANA, AUTHORIZING THE TIPTON MUNICIPAL
ELECTRIC UTILITY TO PARTICIPATE IN THE MISO DEMAND RESPONSE
PROGRAMS

WHEREAS, the City of Tipton, Indiana owns and operates a municipal electric utility known as the Tipton Municipal Electric Utility under the supervision and control of the Tipton Utility Service Board pursuant to IC 8-1.5-3-4; and

WHEREAS, the City of Tipton is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency (IMPA); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission (Commission) on December 20, 2010 an "Interruptible Rate Schedule -- MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. (MISO) provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file, for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO or-PJM Interconnection, LLC demand response programs, as the case may be; and

EXHIBIT "D"

WHEREAS, the Tipton Utility Service Board has recommended to the Common Council that it authorize by Ordinance the participation through the Tipton Municipal Electric Utility of its eligible electric utility customers in certain demand response programs offered by MISO and the adoption of demand response rates for customers participating in such programs. Based upon the Tipton Utility Service Board's recommendation, and being duly advised, the Common Council has determined to authorize eligible electric utility customers to participate through the Tipton Municipal Electric Utility in certain demand response programs offered by MISO and to adopt demand response rates for customers participating in such programs.

NOW THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF TIPTON:

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. The City of Tipton hereby authorizes eligible customers of Tipton Municipal Electric Utility to participate through such utility in the MISO Emergency Demand Response Initiative.

SECTION 3. The City of Tipton hereby adopts and establishes for the use and service rendered by Tipton Municipal Electric Utility the demand response rates set forth in "Rider IS – MISO-DRS-Emergency," attached hereto as "Exhibit A" and hereby incorporated by reference into this ordinance.

SECTION 4. The attached Rider IS – MISO-DRS-Emergency shall be adopted as the terms and conditions under which customers of Tipton Municipal Electric Utility may be eligible to participate in the demand response programs offered by MISO. The attached Rider IS –

~~MISO-DRS-Emergency~~ shall be filed with and become effective upon approval by the Commission.

SECTION 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

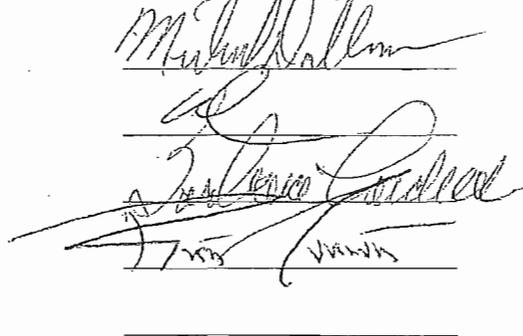
NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF TIPTON, INDIANA THAT THE IS-MISO-DRS-EMERGENCY RIDER AS ATTACHED TO THIS ORDINANCE BE APPROVED AS PROPOSED BY THE TIPTON UTILITY SERVICE BOARD.

This Ordinance shall be in full force and effective upon its passage by the Common Council of the City of Tipton and its publications as provided by law.

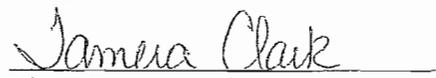
Approved this 10 day of OCTOBER, 2011 on the first reading by the City of Tipton Common Council, Tipton, Indiana.

Passed and adopted this 10 day of OCTOBER, 2011 on second and final reading by the City of Tipton Common Council, Tipton, Indiana.

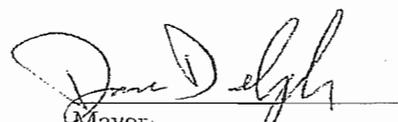
COMMON COUNCIL
CITY OF TIPTON, INDIANA



ATTEST:



Clerk-Treasurer



Mayor

Presented by me to the Mayor of the City of Tipton, on the 10 day of OCTOBER, 2011, at the hour of 6:00 p.m.



Clerk-Treasurer, City of Tipton

This ordinance is hereby approved by me on the 10 day of OCTOBER, 2011 at the hour
of 6:00 p.m.



Mayor, City of Tipton

TIPTON MUNICIPAL UTILITIES
City of Tipton
Rider IS - MISO-DRS-Emergency

Applicability

This Rider is available for demand response service (DRS) to any retail customer of Tipton Municipal Utilities (Utility) capable of meeting the terms and conditions listed below. The retail customer shall enter into a contract with the Utility and its wholesale electricity supplier the Indiana Municipal Power Agency (IMPA) for an interruptible load of at least 500 kW.

The customer's DRS capacity under this Rider will be utilized by IMPA on behalf of the Utility in the MISO Emergency Demand Response Initiative. Unless contracted directly with IMPA and the Utility, or through a curtailment service provider contracted with IMPA, the customer's DRS capacity is not eligible for enrollment in any MISO demand response program.

Conditions of Service

1. The retail customer shall enter into a contract with the Utility and IMPA for an interruptible load of at least 500 kW.
2. The provisions of this Rider qualify under the MISO Emergency Demand Response Initiative as of the approval date of this Rider. The Utility IMPA and reserve the right to make changes to this Rider in order to continue to qualify under the MISO Emergency Demand Response Initiative, or otherwise, as appropriate.
3. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load during a MISO-initiated Energy Emergency Alert.
4. The Utility and/or IMPA will endeavor to provide customer as much advance notice as reasonably possible of curtailments under this Rider, including an estimate of the duration of such curtailments. However, the customer's DRS load shall be curtailed within one (1) hour if so requested.
5. All curtailments will apply for the delivery year which is defined by MISO as June 1 through May 31 of the following year. Contracts will apply for multiple delivery years.
6. In no event shall the customer be subject to DRS load curtailment under the provisions of this Rider for more than sixty (60) hours or ten (10) interruptions during any delivery year. The customer must agree to be subject to DRS curtailments of up to six (6) consecutive hours' duration for each curtailment

event, on weekdays between noon and 8 p.m., Eastern Standard Time, for the months May through September and between 2 p.m. and 10 p.m., Eastern Standard Time, for the months of October through April.

7. The Utility and/or IMPA will inform the customer regarding the communication process for notices to curtail. The customer is ultimately responsible for receiving and acting upon a curtailment notification from the Utility or IMPA.
8. During each delivery year, the Utility or IMPA will conduct a test and verify the customer's ability to curtail. However, if a curtailment event is called by MISO prior to the test, then the event shall be considered the test for the delivery year. The Utility and IMPA reserve the right to re-test the customer if IMPA does not achieve the minimum 80% compliance testing standards for all of IMPA's DRS customers. These tests must be conducted for one hour on a weekday between noon and 8 p.m., Eastern Standard Time, from June 1 through September 30 during the delivery year.
9. If the customer fails to comply with the provisions of curtailment under this Rider, the Utility, IMPA and the customer will discuss methods to comply during future events. However, the Utility and IMPA reserve the right to discontinue service to the customer under this Rider if the problem cannot be resolved to their satisfaction.
10. The minimum DRS capacity contracted for under this Rider will be 500 kW. Customers with multiple electric service accounts with the Utility may aggregate those individual accounts to meet the 500 kW minimum DRS capacity requirement under this Rider; however, the DRS capacity committed for each individual account shall not be less than 100 kW. Customer may not aggregate DRS capacity with its accounts with other electric utilities.
11. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load when, in the sole judgment of the Utility or IMPA, an emergency condition exists on the system. The Utility shall determine that an emergency condition exists and if curtailment of load served under this Rider is necessary in order to maintain service to the Utility's other firm service customers.
12. If not already installed, the customer will provide space, facilities and cost reimbursement to the Utility for a Utility-provided recording demand meter to measure the customer's integrated demand. The Utility and IMPA shall have the right to obtain meter readings and inspect and test meters at all times.

13. NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE UTILITY OR IMPA FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF THIS RIDER.

Customer Baseline Load Calculation

A Customer Baseline Load (CBL) will be calculated for each hour corresponding to each curtailment event hour. Normally, the CBL will be calculated for each hour as the average corresponding hourly demands from the highest four (4) out of the five (5) most recent similar non-event days in the period preceding the relevant curtailment event. The highest load days are defined as the similar days (Weekday, Saturday, Sunday/Holiday) with the highest energy consumption spanning the curtailment event hours. In cases where the normal calculation does not provide a reasonable representation of normal load conditions, the Utility, IMPA and the customer may develop an alternative CBL calculation that more accurately reflects the customer's normal consumption pattern.

Curtailed Demand

The customer's Curtailed Demand shall be determined based upon the method of measurement chosen by the customer. The customer may choose one of two methods to measure the curtailed demand: 1) Guaranteed Load Drop (GLD) or 2) Firm Service Level (FSL). The method chosen shall remain in effect for the entire contract period.

1) Guaranteed Load Drop Method

- a) Each customer must designate a Guaranteed Load Drop (GLD), which amount shall be the minimum demand reduction that the customer will provide for each hour during a curtailment event or during a curtailment test.
- b) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider or does not reduce load by the full GLD, a non-compliance charge shall apply. For this purpose, Actual Load Drop (ALD) is defined as the difference between the customer's CBL and their actual hourly load. If the ALD is less than the GLD, the Event Non-Compliance Demand shall be equal to the maximum difference between the GLD and the ALD occurring during the hours of the curtailment event. Otherwise, the Event Non-Compliance Demand shall be zero (0).

2) Firm Service Level (FSL) Method

- a) Firm Service Level Peak Load Contribution (PLC) – The customer's PLC will be calculated each year as the average of its load during IMPA's (5) highest peak loads during the twelve month period ended October 31 of the previous year.
- b) Available Curtailable Demand (ACD) - The customer must designate an ACD, defined as the difference between the PLC and the Firm Service Level (FSL). The FSL is the demand to which the customer agrees to reduce load to or below for each hour during a curtailment event.
- c) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider, then the Non-Compliance Charge shall apply. If a customer is operating at or below their designated FSL during an event, it will be understood that they have no DRS capacity available with which to comply and will not be charged a non-compliance penalty. If the metered demand during the curtailment event is above the FSL, the Event Non-Compliance Demand shall be equal to the maximum difference between the customer's metered demand and the FSL during the hours of the curtailment event. Otherwise the Event Non-Compliance Demand shall be zero (0).

Curtailed Energy

The Curtailed Energy shall be determined for each curtailment event hour, defined as the difference between the customer's CBL for that hour and the customer's metered load for that hour.

Curtailment Credits

The **Curtailment Energy Credit** shall be 95% of the appropriate MISO IMPA Load Zone hourly Real-Time Locational Marginal Price (LMP) established by MISO (including congestion and marginal losses) for each curtailment event hour.

The **Curtailment Demand Credit** shall be 95% of the settled MISO monthly resource adequacy auction price.

Monthly Demand Credit

The Monthly Demand Credit shall be applicable to each month the customer is served under this Rider, regardless of whether or not there are any curtailment events during the month.

Guaranteed Load Drop Method -- The Monthly Demand Credit shall be equal to the product of the GLD and the Curtailment Demand Credit.

Firm Service Level (FSL) Method -- The Monthly Demand Credit shall be equal to the product of the ACD and the Curtailment Demand Credit.

Monthly Event Credit

An Event Credit shall be calculated for each event hour equal to the product of the Curtailed Energy for that hour and the Curtailment Energy Credit for that hour. The Monthly Event Credit shall be the sum of the hourly Event Credits for all events occurring in the calendar month. The customer shall not receive Event Credit for any curtailment events to the extent that the customer's DRS capacity is already reduced due to a planned or unplanned outage as a result of vacation, renovation, repair, refurbishment, force majeure, strike, economic conditions, or any situation other than the customer's normal operating conditions.

Annual Non-Compliance Charge

Charges for non-compliance will be based on the customer's Non-Compliance Demand which reflects any failure by the customer to fully comply with requests for curtailment under the provisions of this Rider. The Annual Non-Compliance Charge will be computed on an estimated basis at the completion of the September delivery month and on an actual basis at the completion of the delivery year. The Annual Non-Compliance Charge shall be equal to the average Non-Compliance Demand times the Curtailment Demand Credit times 12.

In the event that the estimated Annual Non-Compliance Charge is greater than zero, such charge shall be assessed as a uniform offset to the Customer Credits for remaining months of the delivery year, September through May. In the event the actual Annual Non-Compliance Charge is greater than zero, the customer will be invoiced for any amount greater than the Customer Credit for the last month of the delivery year. In no event shall the Annual Non-Compliance Demand Charge exceed the sum of the Customer Credits, excluding the Annual Non-Compliance Charge, for the delivery year.

Customer Credit

The net amount of the Monthly Demand Credit, Monthly Energy Event Credit and Annual Non-Compliance Charge will be provided to the Utility within two (2) billing months after the end of the delivery month. A customer may request the aggregation of individual customer account credits into a single credit.

Adjustments to Customer Billing Units

During months when the customer's interruptible load is interrupted and customer is paid the Curtailment Energy Credits discussed above, the customer's Metered Energy shall be increased by the verified curtailed energy.

If the customer is billed on a coincident peak basis, during months when the customer's interruptible load is interrupted during the hour of the Utility's Billing Demand from IMPA, the Customer's metered demand shall be increased by the verified GLD or ACD.

Term

Contracts under this Rider shall be made for an initial period of four (4) delivery years and shall remain in effect until either party provides three (3) years' written notice prior to March 1 of its intention to discontinue service under the terms of this Rider for the fourth delivery year beginning after the notice is provided.

Special Terms and Conditions

Customer specific information, including, but not limited to, DRS contract capacity, shall remain confidential.

RESOLUTION 2011-06

A RESOLUTION RECOMMENDING THE COMMON COUNCIL OF THE CITY OF TIPTON, INDIANA AUTHORIZE THE TIPTON MUNICIPAL ELECTRIC UTILITY TO PARTICIPATE IN THE MISO DEMAND RESPONSE PROGRAMS

**TIPTON UTILITY SERVICE BOARD
CITY OF TIPTON, INDIANA**

WHEREAS, the City of Tipton, Indiana owns and operates the Tipton Municipal Electric Utility ("Electric Utility") under the supervision and control of the Tipton Utility Service Board pursuant to IC 8-1.5-3-4; and

WHEREAS, the City of Tipton is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency ("IMPA"); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission ("Commission") on December 20, 2010 an "Interruptible Rate Schedule – MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. ("MISO") provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file, for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO or PJM Interconnection, LLC demand response programs, as the case may be; and

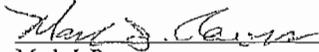
WHEREAS, the Tipton Municipal Electric Utility is subject to the jurisdiction of the Commission; and

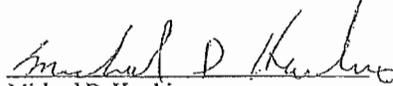
WHEREAS, the Tipton Utility Service Board recommends the Common Council authorize by Ordinance the participation through the Electric Utility of its eligible electric utility customers in certain demand response programs offered by MISO and the adoption of demand response rates for customers participating in such programs.

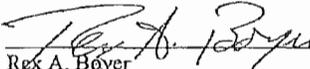
BE IT FUTHER RESOLVED, THE UTILITY SERVICE BOARD OF THE CITY OF TIPTON, INDIANA REQUESTS THAT THE COMMON COUNCIL OF THE CITY OF TIPTON CONSIDERS THE ADOPTION OF RIDER IS-MISO-DRS EMERGENCY (EXHIBIT A) AS ATTACHED.

Adopted by vote of a majority of the Utility Service Board on the 3rd day of October 2011, with all Board Members casting an affirmative vote affixing their signatures hereon.

UTILITY SERVICE BOARD
CITY OF TIPTON, INDIANA

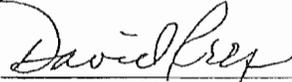

Mark J. Raver


Michael D. Hawkins


Rex A. Boyer


Steve Raber


George R. Klein

ATTEST: 
David Reep, Utility Manager

Ordinance No. 2011-03

**ORDINANCE AUTHORIZING
PARTICIPATION IN MISO DEMAND RESPONSE PROGRAMS
FOR KINGSFORD HEIGHTS MUNICIPAL ELECTRIC UTILITY**

WHEREAS, the Town of Kingsford Heights, Indiana owns and operates a municipal electric utility known as the Kingsford Heights Municipal Electric Utility; and

WHEREAS, the Town of Kingsford Heights is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency (IMPA); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission (Commission) on December 20, 2010 an "Interruptible Rate Schedule – MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. (MISO) provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file, for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO or PJM Interconnection, LLC demand response programs, as the case may be; and

WHEREAS, being duly advised, the Council has determined to authorize eligible electric utility customers to participate through the Kingsford Heights Municipal Electric Utility in certain demand response programs offered by MISO and to adopt demand response rates for customers participating in such programs.

EXHIBIT "E"

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF
KINGSFORD HEIGHTS:

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. The Town of Kingsford Heights hereby authorizes eligible customers of the Kingsford Heights Municipal Electric Utility to participate through such utility in the MISO Emergency Demand Response Initiative.

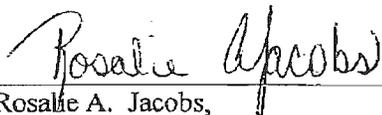
SECTION 3. The Town of Kingsford Heights hereby adopts and establishes for the use and service rendered by the Kingsford Heights Municipal Electric Utility the demand response rates set forth in "Rider IS - MISO-DRS-Emergency," attached hereto as "Exhibit A" and hereby incorporated by reference into this ordinance.

SECTION 4. The attached Rider IS - MISO-DRS-Emergency shall be adopted as the terms and conditions under which customers of the Kingsford Heights Municipal Electric Utility may be eligible to participate in the demand response programs offered by MISO. [The attached Rider IS - MISO-DRS-Emergency shall be filed with and become effective upon approval by the Commission.]

SECTION 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

This ordinance shall be in full force and effect from and after its passage.

SUBMITTED FOR CONSIDERATION of the Town Council of the Town of Kingsford Heights, Indiana, this 25th day of April, 2011.



Rosalie A. Jacobs,
Clerk-Treasurer

PASSED AND ADOPTED by the Town Council of the Town of Kingsford Heights,

Indiana, this th 16 day of May, 2011.

TOWN COUNCIL OF THE TOWN OF
KINGSFORD HEIGHTS, INDIANA

(Absent)

President

Jeanne Blake

David Encke

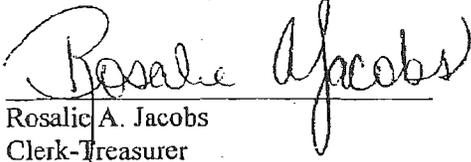
Van Wilks

Monica Best

ATTEST:

Paul Jacobs
Clerk-Treasurer

I, Rosalie A. Jacobs, Clerk-Treasurer of the Civil Town of Kingsford Heights,
LaPorte County, State of Indiana, hereby certify that the above and foregoing Ordinance
(Ordinance #2011-03) was duly posted in each of the five (5) wards of the Town of
Kingsford Heights, State of Indiana, this 20th day of May, 2011.



Rosalie A. Jacobs
Clerk-Treasurer

ORDINANCE NO. / -2012

**AN ORDINANCE AUTHORIZING PARTICIPATION IN
MISO DEMAND RESPONSE PROGRAMS FOR
KNIGHTSTOWN ELECTRIC MUNICIPAL UTILITY**

WHEREAS, the Town of Knightstown, Indiana, owns and operates a municipal electric utility as Knightstown Electric Municipal Utility under the supervision and control of the Board pursuant to IC 8-1.5-3-4; and

WHEREAS, the Town of Knightstown, Indiana, is a member of and purchases all of its power and energy from the Indiana Municipal Power Agency (IMPA); and

WHEREAS, IMPA has adopted and filed with the Indiana Utility Regulatory Commission (Commission) on December 23, 2010 an "Interruptible Rate Schedule - MISO-DRS-Emergency" setting forth IMPA's wholesale demand response rates; and

WHEREAS, certain demand response programs offered by the Midwest Transmission Operator, Inc. (MISO) provide for a reduction in the consumption of electric energy by customers from their expected consumption in response to an energy emergency alert initiated by MISO; and

WHEREAS, the Commission, has ordered electric utilities subject to the jurisdiction of the Commission to file for approval by the Commission, tariffs or riders authorizing the participation of their respective retail customers in MISO or PJM Interconnection, LLC demand response programs, as the case may be; and

WHEREAS, the Board has recommended to the Council that it authorize by Ordinance the participation through Knightstown Electric Municipal Utility of its eligible electric utility customers in certain demand response programs offered by MISO and the adoption of demand response rates for customers participating in such programs. Based upon the Board's recommendation, and being duly advised, the Council has determined to authorize eligible electric utility customers to participate through Knightstown Electric Municipal Utility in certain demand response programs offered by MISO and to adopt demand response rates for customers participating in such programs.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF KNIGHTSTOWN, INDIANA, AS FOLLOWS:

SECTION I

The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION II

The Town of Knightstown, Indiana, hereby authorizes eligible customers of Knightstown Electric Municipal Utility to participate through such utility in the MISO Emergency Demand Response Initiative.

SECTION III

The Town of Knightstown, Indiana, hereby adopts and establishes for the use and service rendered by Knightstown Electric Municipal Utility the demand response rates set forth in "Rider IS - MISO-DRS-Emergency," attached hereto as Exhibit A and hereby incorporated by reference into this ordinance.

SECTION IV

The attached Rider IS - MISO-DRS-Emergency shall be adopted as the terms and conditions under which customers of Knightstown Electric Municipal Utility may be eligible to participate in the demand response programs offered by MISO. The attached Rider IS - MISO-DRS-Emergency shall be filed with and become effective upon approval by the Commission.

SECTION V

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION VI

The ordinance shall be in full force and effect from and after its approval and due publication according to law.

SECTION VII

Introduced and filed on the 16th day of February, 2012. A motion to consider on first reading on the day of introduction was offered and sustained by a vote of 5 in favor and 0 opposed pursuant to I.C. 36-5-2-9.8.

Duly ordained and passed this 15th day of MARCH, 2012 by the Town Council of the Town of Knightstown, Henry County, Indiana, having been passed by a vote of 5 in favor and 0 opposed.

TOWN OF KNIGHTSTOWN, INDIANA, BY ITS TOWN COUNCIL

Voting Affirmative:

Cassandra Steele
Cassandra Steele

Tony True
Tony True

Clyde South
Clyde South

Cort Swincher
Cort Swincher

Mitchell Roland
Mitchell Roland

Voting Opposed:

Cassandra Steele

Tony True

Clyde South

Cort Swincher

Mitchell Roland

ATTEST:

Judy Haines
Judy Haines, Clerk-Treasurer

This instrument was prepared by Gregg H. Morelock, BRAND & MORELOCK, P.O.
Box 6, 6 West South Street, Greenfield, IN 46140.

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each
Social Security number in this document, unless required by law. Gregg H. Morelock.

F:\Gregg\MUNICIPAL\Knightstown\Ordinances\ord authorizing participation in MISO demand response program - 02-06-
12.wpd

**Knightstown Electric Utility
Town of Knightstown
Rider IS - MISO-DRS-Emergency**

Applicability

This Rider is available for demand response service (DRS) to any retail customer of Knightstown Electric Utility (Utility) capable of meeting the terms and conditions listed below. The retail customer shall enter into a contract with the Utility and its wholesale electricity supplier the Indiana Municipal Power Agency (IMPA) for an interruptible load of at least 500 kW.

The customer's DRS capacity under this Rider will be utilized by IMPA on behalf of the Utility in the MISO Emergency Demand Response Initiative. Unless contracted directly with IMPA and the Utility, or through a curtailment service provider contracted with IMPA, the customer's DRS capacity is not eligible for enrollment in any MISO demand response program.

Conditions of Service

1. The retail customer shall enter into a contract with the Utility and IMPA for an interruptible load of at least 500 kW.
2. The provisions of this Rider qualify under the MISO Emergency Demand Response Initiative as of the approval date of this Rider. The Utility and IMPA and reserve the right to make changes to this Rider in order to continue to qualify under the MISO Emergency Demand Response Initiative, or otherwise, as appropriate.
3. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load during a MISO-initiated Energy Emergency Alert.
4. The Utility and/or IMPA will endeavor to provide customer as much advance notice as reasonably possible of curtailments under this Rider, including an estimate of the duration of such curtailments. However, the customer's DRS load shall be curtailed within one (1) hour if so requested.
5. All curtailments will apply for the delivery year which is defined by MISO as June 1 through May 31 of the following year. Contracts will apply for multiple delivery years.
6. In no event shall the customer be subject to DRS load curtailment under the provisions of this Rider for more than sixty (60) hours or ten (10) interruptions during any delivery year. The customer must agree to be subject to DRS curtailments of up to six (6) consecutive hours' duration for each curtailment event, on weekdays between noon and 8 p.m., Eastern Standard Time, for the

months May through September and between 2 p.m. and 10 p.m., Eastern Standard Time, for the months of October through April.

7. The Utility and/or IMPA will inform the customer regarding the communication process for notices to curtail. The customer is ultimately responsible for receiving and acting upon a curtailment notification from the Utility or IMPA.
8. During each delivery year, the Utility or IMPA will conduct a test and verify the customer's ability to curtail. However, if a curtailment event is called by MISO prior to the test, then the event shall be considered the test for the delivery year. The Utility and IMPA reserve the right to re-test the customer if IMPA does not achieve the minimum 80% compliance testing standards for all of IMPA's DRS customers. These tests must be conducted for one hour on a weekday between noon and 8 p.m., Eastern Standard Time, from June 1 through September 30 during the delivery year.
9. If the customer fails to comply with the provisions of curtailment under this Rider, the Utility, IMPA and the customer will discuss methods to comply during future events. However, the Utility and IMPA reserve the right to discontinue service to the customer under this Rider if the problem cannot be resolved to their satisfaction.
10. The minimum DRS capacity contracted for under this Rider will be 500 kW. Customers with multiple electric service accounts with the Utility may aggregate those individual accounts to meet the 500 kW minimum DRS capacity requirement under this Rider; however, the DRS capacity committed for each individual account shall not be less than 100 kW. Customer may not aggregate DRS capacity with its accounts with other electric utilities.
11. The Utility and/or IMPA reserve the right to call for (request) customers to curtail their DRS load when, in the sole judgment of the Utility or IMPA, an emergency condition exists on the system. The Utility shall determine that an emergency condition exists and if curtailment of load served under this Rider is necessary in order to maintain service to the Utility's other firm service customers.
12. If not already installed, the customer will provide space, facilities and cost reimbursement to the Utility for a Utility-provided recording demand meter to measure the customer's integrated demand. The Utility and IMPA shall have the right to obtain meter readings and inspect and test meters at all times.
13. **NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE UTILITY OR IMPA FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR**

INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF THIS RIDER.

Customer Baseline Load Calculation

A Customer Baseline Load (CBL) will be calculated for each hour corresponding to each curtailment event hour. Normally, the CBL will be calculated for each hour as the average corresponding hourly demands from the highest four (4) out of the five (5) most recent similar non-event days in the period preceding the relevant curtailment event. The highest load days are defined as the similar days (Weekday, Saturday, Sunday/Holiday) with the highest energy consumption spanning the curtailment event hours. In cases where the normal calculation does not provide a reasonable representation of normal load conditions, the Utility, IMPA and the customer may develop an alternative CBL calculation that more accurately reflects the customer's normal consumption pattern.

Curtailed Demand

The customer's Curtailed Demand shall be determined based upon the method of measurement chosen by the customer. The customer may choose one of two methods to measure the curtailed demand: 1) Guaranteed Load Drop (GLD) or 2) Firm Service Level (FSL). The method chosen shall remain in effect for the entire contract period.

1) Guaranteed Load Drop Method

- a) Each customer must designate a Guaranteed Load Drop (GLD), which amount shall be the minimum demand reduction that the customer will provide for each hour during a curtailment event or during a curtailment test.
- b) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider or does not reduce load by the full GLD, a non-compliance charge shall apply. For this purpose, Actual Load Drop (ALD) is defined as the difference between the customer's CBL and their actual hourly load. If the ALD is less than the GLD, the Event Non-Compliance Demand shall be equal to the maximum difference between the GLD and the ALD occurring during the hours of the curtailment event. Otherwise, the Event Non-Compliance Demand shall be zero (0).

2) Firm Service Level (FSL) Method

- a) Firm Service Level Peak Load Contribution (PLC) – The customer's PLC will be calculated each year as the average of its load during IMPA's (5) highest peak loads during the twelve month period ended October 31 of the previous year.
- b) Available Curtailable Demand (ACD) - The customer must designate an ACD, defined as the difference between the PLC and the Firm Service Level (FSL).

The FSL is the demand to which the customer agrees to reduce load to or below for each hour during a curtailment event.

- c) If the customer fails to fully comply with a request for curtailment under the provisions of this Rider, then the Non-Compliance Charge shall apply. If a customer is operating at or below their designated FSL during an event, it will be understood that they have no DRS capacity available with which to comply and will not be charged a non-compliance penalty. If the metered demand during the curtailment event is above the FSL, the Event Non-Compliance Demand shall be equal to the maximum difference between the customer's metered demand and the FSL during the hours of the curtailment event. Otherwise the Event Non-Compliance Demand shall be zero (0).

Curtailed Energy

The Curtailed Energy shall be determined for each curtailment event hour, defined as the difference between the customer's CBL for that hour and the customer's metered load for that hour.

Curtailment Credits

The **Curtailment Energy Credit** shall be 95% of the appropriate MISO IMPA Load Zone hourly Real-Time Locational Marginal Price (LMP) established by MISO (including congestion and marginal losses) for each curtailment event hour.

The **Curtailment Demand Credit** shall be 95% of the settled MISO monthly resource adequacy auction price.

Monthly Demand Credit

The Monthly Demand Credit shall be applicable to each month the customer is served under this Rider, regardless of whether or not there are any curtailment events during the month.

Guaranteed Load Drop Method – The Monthly Demand Credit shall be equal to the product of the GLD and the Curtailment Demand Credit.

Firm Service Level (FSL) Method – The Monthly Demand Credit shall be equal to the product of the ACD and the Curtailment Demand Credit.

Monthly Event Credit

An Event Credit shall be calculated for each event hour equal to the product of the Curtailed Energy for that hour and the Curtailment Energy Credit for that hour. The Monthly Event Credit shall be the sum of the hourly Event Credits for all events occurring in the calendar month. The customer shall not receive Event Credit for any curtailment events to the extent that the customer's DRS capacity is already reduced due to a planned or unplanned outage as a result of

vacation, renovation, repair, refurbishment, force majeure, strike, economic conditions, or any situation other than the customer's normal operating conditions.

Annual Non-Compliance Charge

Charges for non-compliance will be based on the customer's Non-Compliance Demand which reflects any failure by the customer to fully comply with requests for curtailment under the provisions of this Rider. The Annual Non-Compliance Charge will be computed on an estimated basis at the completion of the September delivery month and on an actual basis at the completion of the delivery year. The Annual Non-Compliance Charge shall be equal to the average Non-Compliance Demand times the Curtailment Demand Credit times 12.

In the event that the estimated Annual Non-Compliance Charge is greater than zero, such charge shall be assessed as a uniform offset to the Customer Credits for remaining months of the delivery year, September through May. In the event the actual Annual Non-Compliance Charge is greater than zero, the customer will be invoiced for any amount greater than the Customer Credit for the last month of the delivery year. In no event shall the Annual Non-Compliance Demand Charge exceed the sum of the Customer Credits, excluding the Annual Non-Compliance Charge, for the delivery year.

Customer Credit

The net amount of the Monthly Demand Credit, Monthly Energy Event Credit and Annual Non-Compliance Charge will be provided to the Utility within two (2) billing months after the end of the delivery month. A customer may request the aggregation of individual customer account credits into a single credit.

Adjustments to Customer Billing Units

During months when the customer's interruptible load is interrupted and customer is paid the Curtailment Energy Credits discussed above, the customer's Metered Energy shall be increased by the verified curtailed energy.

If the customer is billed on a coincident peak basis, during months when the customer's interruptible load is interrupted during the hour of the Utility's Billing Demand from IMPA, the Customer's metered demand shall be increased by the verified GLD or ACD.

Term

Contracts under this Rider shall be made for an initial period of four (4) delivery years and shall remain in effect until either party provides three (3) years' written notice prior to March 1 of its intention to discontinue service under the terms of this Rider for the fourth delivery year beginning after the notice is provided.

Special Terms and Conditions

Customer specific information, including, but not limited to, DRS contract capacity, shall remain confidential.