

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE A-7
RESIDENTIAL SERVICE

AVAILABILITY

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

APPLICABILITY

Applicable for single-phase or multi-phase service to customers for use in a full-time family residence, a non full-time seasonal residence, and a combination farm and residence. This schedule is not applicable for service to any equipment with an initial inrush current in excess of 260 amperes unless approved by the Cooperative.

TYPE OF SERVICE

60 cycle alternating current, single-phase or multi-phase where available at Cooperative standard voltages.

MONTHLY RATE

I. Distribution Delivery Charges:

Consumer Delivery Charges:

Single Phase Service		\$16.00	per month
Multi Phase Service		\$35.00	per month

Energy Delivery Charges:

All kWh delivered	@	\$0.02815	per kWh
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II. Electricity Supply Service Charges:

All kWh sold	@	\$0.053126	per kWh
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Filed:

Effective:

MINIMUM MONTHLY CHARGES:

The minimum monthly charge for service shall never be less than the following provisions:

- (a) The Consumer Delivery Charge is established for installations where 25 kVA or less of transformer capacity is required. For services requiring more than 25 kVA of transformer capacity, the monthly Consumer Delivery Charge shall be increased at the rate of \$.75 for each additional kVA or fraction thereof required to be installed.
- (b) The minimum monthly charge as specified in the contract for service.

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule "WPCAC-2".

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE R-TOU-1
RESIDENTIAL SERVICE
(Experimental)

AVAILABILITY

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

APPLICABILITY

Applicable to customers who would otherwise be served under Schedule A-7. Net metering customers are not eligible for service under this schedule. This rate is limited to the first 300 customer applying for and receiving service.

TYPE OF SERVICE

60 cycle alternating current, single-phase or multi-phase where available at Cooperative standard voltages.

MONTHLY RATE

I. Distribution Delivery Charges:

Consumer Delivery Charges:

Single Phase Service		\$16.00	per month
Multi Phase Service		\$35.00	per month

Energy Delivery Charges:

All kWh delivered	@	\$0.02815	per kWh
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II. Electricity Supply Service Charges:

All On-peak kWh sold	@	\$0.18131	per kWh
All Off-peak kWh sold	@	\$0.01885	per kWh

DETERMINATION OF ON-PEAK AND OFF-PEAK KWH

- A. On-peak kWh in all months is defined as kWh used between the hours of 3:00 p.m. and 8:00 p.m. on weekdays excluding New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, and Christmas Day. For bills rendered in the months of November – June, on-peak kWh also includes kWh used between the hours of 6:00 a.m. and 8:00 a.m. on weekdays, excluding New Year's Day, Memorial Day, Thanksgiving Day, and Christmas Day.
- B. Off-peak kWh is defined as all kWh not included in (A) above.

MINIMUM MONTHLY CHARGES:

The minimum monthly charge for service shall never be less than the following provisions:

- (a) The Consumer Delivery Charge is established for installations where 25 kVA or less of transformer capacity is required. For services requiring more than 25 kVA of transformer capacity, the monthly Consumer Delivery Charge shall be increased at the rate of \$0.75 for each additional kVA or fraction thereof required to be installed.
- (b) The minimum monthly charge as specified in the contract for service.

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule "WPCAC-2".

Effective Date:

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE C-6
CHURCH SERVICE

AVAILABILITY

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

APPLICABILITY

Applicable for use within a church sanctuary or principal place of worship where 150 kVA or less of installed transformer capacity is required. Services requiring more than 150 kVA of installed transformer capacity will be served under Schedule LPS-7. This schedule is not applicable for service to any equipment with an initial inrush current in excess of 260 amperes unless approved by the Cooperative.

TYPE OF SERVICE

60 cycle alternating current, single-phase or multi-phase where available at Cooperative standard voltages.

MONTHLY RATE

I. Distribution Delivery Charges:

Consumer Delivery Charges:

Single Phase Service		\$16.00	per month
Multi Phase Service		\$35.00	per month

Energy Delivery Charges:

All kWh delivered	@	\$0.02815	per kWh
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II. Electricity Supply Service Charges:

All kWh sold	@	\$0.053126	per kWh
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MINIMUM MONTHLY CHARGES:

The minimum monthly charge for service shall never be less than the monthly Consumer Delivery Charge:

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule "WPCAC-2".

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE SGS-4
SMALL GENERAL SERVICE

AVAILABILITY

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

APPLICABILITY

Applicable for single-phase or multi-phase service to customers not subject to Schedule A-7 under the following conditions:

1. The customer's load requires 50 kVA or less of transformer capacity, and
2. The customer does not use more than 2,000 kWh in any 3 out of 12 consecutive months. Customers with usage exceeding 2,000 kWh in 3 months out of 12 consecutive months shall become subject to service under Schedule GS-4.
3. This schedule is not applicable for service to any equipment with an initial inrush current in excess of 260 amperes unless approved by the Cooperative.

TYPE OF SERVICE

60 cycle alternating current, single phase, or multi-phase where available, at Cooperative standard voltages.

MONTHLY RATE

I. Distribution Delivery Charges:

Consumer Delivery Charges (based upon installed transformer capacity):

Single Phase Service:

15 kVA or less	\$16.00	per month
25 kVA	\$19.00	per month
37.5 kVA	\$19.70	per month
50 kVA or greater	\$20.25	per month

Multi Phase Service

15 kVA or less	\$35.00	per month
25 kVA	\$38.00	per month
37.5 kVA	\$38.70	per month
50 kVA or greater	\$39.25	per month

Energy Delivery Charges:

All kWh delivered	@	\$0.02780	per kWh
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II. Electricity Supply Service Charges:

All kWh sold	@	\$0.04681	per kWh
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Filed:

Effective:

MINIMUM MONTHLY CHARGES:

The minimum monthly charge for service shall never be less than the following provisions:

- (a) The Consumer Delivery Charge.
- (b) The minimum monthly charge as specified in the contract for service.

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule "WPCAC-2".

Filed:

Effective:

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE GS-4
GENERAL SERVICE

AVAILABILITY

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

APPLICABILITY

Applicable for single-phase or multi-phase service not subject to Schedule A-7 or Schedule SGS-4 where the customer's load requires 50 kVA or less of transformer capacity. This schedule is not applicable for service to any equipment with an initial inrush current in excess of 260 amperes unless approved by the Cooperative.

Customers not using more than 2,000 kWh in three months out of twelve consecutive months shall have the option of taking service on Schedule SGS-4.

TYPE OF SERVICE

60 cycle alternating current, single-phase, or multi-phase where available, at Cooperative standard voltages.

MONTHLY RATE

I. Distribution Delivery Charges:

Consumer Delivery Charges (based upon installed transformer capacity):

Single Phase Service:

15 kVA or less	\$16.00 per month
25 kVA	\$19.00 per month
37.5 kVA	\$19.70 per month
50 kVA or greater	\$20.25 per month

Multi Phase Service:

15 kVA or less	\$35.00 per month
25 kVA	\$38.00 per month
37.5 kVA	\$38.70 per month
50 kVA or greater	\$39.25 per month

Demand Delivery Charges:

All kW of demand delivered	\$4.75 per kW
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Energy Delivery Charges:

All kWh delivered	@ \$0.01400 per kWh
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MONTHLY RATE (CONT)

II. Electricity Supply Service Charges:

First 200 kWh per kW of demand sold	@ \$0.05100	per kWh
Next 200 kWh per kW of demand sold	@ \$0.03500	per kWh
Next 200 kWh per kW of demand sold	@ \$0.03200	per kWh
Over 600 kWh per kW of demand sold	@ \$0.02950	per kWh

DETERMINATION OF DEMAND

a. The demand for each component of the monthly rate shall be the maximum average kilowatt demand established by the customer for any period of thirty (30) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter and adjusted for power factor pursuant to paragraph (b).

b. The customer shall at all times maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure the power factor at any time. Should such measurement indicate that the power factor at the time of the customer's maximum demand is less than eighty-five percent (85%) the demand for billing purposes shall be the demand as determined above, multiplied by 85% and divided by the percent power factor.

MINIMUM MONTHLY CHARGES:

The minimum monthly charge for service shall never be less than the following provisions:

- (a) The Consumer Delivery Charge.
- (b) The minimum monthly charge as specified in the contract for service.

MAXIMUM DEMAND AVAILABLE UNDER THIS SECTION

When demand exceeds 50 kW for two (2) consecutive months, billing will be changed to Schedule Large Power Service (LPS-7).

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule 'WPCAC-2'.

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE LPS-7
LARGE POWER SERVICE

AVAILABILITY

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

APPLICABILITY

Applicable for all services where the customer's load requires more than 50 kVa of transformer capacity. This schedule is not applicable for service to any equipment with an initial inrush current in excess of 260 amperes unless approved by the Cooperative.

TYPE OF SERVICE

60 cycle alternating current, single-phase or multi-phase where available at Cooperative standard voltages.

MONTHLY RATE:

I. Distribution Delivery Charges:

Consumer Delivery Charge:		\$100.00	per month
Demand Delivery Charges:			
All kW of billing demand delivered	@	\$2.65	per kW
Energy Delivery Charges:			
All kWh delivered	@	\$0.01360	per kWh

II. Electricity Supply Service Charges:

Power Supply Demand			
All actual demand sold	@	\$5.85	per kW
First 200 kWh per kW of actual demand sold	@	\$0.04110	per kWh
Next 200 kWh per kW of actual demand sold	@	\$0.03450	per kWh
Next 200 kWh per kW of actual demand sold	@	\$0.02805	per kWh
Over 600 kWh per kW of actual demand sold	@	\$0.02050	per kWh

Filed:

Effective:

Schedule LPS-7

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DETERMINATION OF DEMAND BILLING DETERMINANTS

(a) The Actual Demand Sold for Electricity Supply Service shall be the maximum average kilowatt demand established by the customer for any period of thirty (30) consecutive minutes during the month for which the bill is rendered as adjusted for power factor pursuant to paragraph (c).

(b) The Billing Demand Delivered for Distribution Delivery Service shall be the greater of: 1) the maximum average kilowatt demand established by the customer for any period of thirty (30) consecutive minutes during the month for which the bill is rendered as adjusted for power factor pursuant to paragraph (c); 2) twenty-five percent (25%) of the highest 30-minute demand established in the preceding eleven (11) months as adjusted for power factor pursuant to paragraph (c), or 3) the minimum kilowatt distribution billing demand as specified in the contract for service.

(c) The Customer shall at all times maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure the power factor at any time. Should such measurement indicate that the power factor at the time of the Customer's maximum demand is less than eighty-five percent (85%) both the Actual Demand Sold and Billing Demand Delivered shall be as determined above, multiplied by 85% and divided by the percent power factor.

MINIMUM MONTHLY CHARGES:

The minimum monthly charge for distribution delivery service shall be the higher of:

(a) \$100.00 per month.

(b) The minimum monthly charge as specified in the contract for service.

PRIMARY SERVICE DISCOUNT

If service is furnished at primary distribution voltage and the Customer owns the required transformation equipment, a discount of \$0.47 per kW of Billing Demand will be applied to the monthly bill for distribution delivery service. The Cooperative shall have the option of metering at primary or secondary voltage.

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule "WPCAC-2".

Filed:

Effective:

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE OL-7
OUTDOOR LIGHTING SERVICE

AVAILABILITY

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

APPLICABILITY

Available to members and/or customers of the Cooperative for outdoor lighting service except where installations are prevented by any public authority having jurisdiction.

MONTHLY RATE

<u>Lamp Type</u>	<u>Lumens</u>	<u>Watts</u>	<u>kWh</u>	<u>Monthly ESS Rate Per Unit</u>	<u>Monthly Dist. Rate Per Unit</u>
High Pressure Sodium	8,000	100	40	\$1.16	\$6.64
High Pressure Sodium	20,000	200	80	\$2.33	\$13.47
High Pressure Sodium	44,000	400	150	\$4.37	\$23.83
Mercury Vapor	7,000	175	70	\$2.04	\$5.96
Mercury Vapor	20,000	400	150	\$4.37	\$23.83

*NOTE: Only High Pressure Sodium lamps are available for new installation or replacement of existing installations.

The customer shall pay to the Cooperative, in advance of installation the equivalent of one yearly charge per lamp installed.

WHOLESALE POWER COST ADJUSTMENT CLAUSE

The amount of charges calculated at the above rate is subject to any increase or decrease under provisions of the Cooperative's Wholesale Power Cost Adjustment Clause, Schedule "WPCAC-2".

Effective Date:

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

NET ENERGY METERING RIDER
SCHEDULE NEM-1

I. AVAILABILITY

This rider applies to any distribution Customer in the utility's service area owning and operating, or contracting with other persons to own, operate, or both a renewable fuel generator that (i) uses as its total fuel source sunlight, wind, falling water, sustainable biomass, energy from waste, wave motion, tides, or geothermal power; (ii) is located on his premises and is connected to the Customer's wiring on the Customer's side of its interconnection with the distributor; (iii) is interconnected and operated in parallel with an electric company's transmission and distribution facilities; and (iv) is primarily intended to offset part or all of the member/Customer's own electricity requirements.

For residential Customers, the renewable fuel generator capacity may not exceed ten (10) kilowatts (AC) and for non-residential Customers the renewable fuel generator capacity may not exceed five hundred (500) kilowatts (AC). The interconnection shall be through a single meter, or as provided in 20 VAC 5-315-70, additional meters. The total connected capacity of all generators shall not exceed 1.0% of the Cooperative's Virginia peak-load forecast for the previous year.

II. MONTHLY CHARGES

The tariff for a net energy metering Customer shall be that tariff under which the Customer would be served if the Customer were not a net energy metering Customer (the Customer's standard tariff), with the exception that time of use metering is not permitted.

III. OPTION FOR PURCHASE OF POWER

If the Cooperative is also the energy service provider of the net metering Customer, the Cooperative, upon written request of the net metering Customer, shall enter into an agreement to purchase excess generation for the requested net metering periods at a price equal to the simple average of the cooperative electric distribution company's hourly avoidable cost of energy, including fuel, based on the energy and energy-related charges of its primary wholesale power supplier for the net metering period, unless the cooperative and the net metering Customer mutually agree to a higher price or unless, after notice and opportunity for hearing, the commission establishes a different price or pricing methodology.

IV. MINIMUM MONTHLY CHARGES

For any billing period in which generation exceeds consumption producing a billing period credit, the monthly charge shall be based only on the fixed charges of the

IV. MINIMUM MONTHLY CHARGES (CONT)

Customer's standard tariff. Billing period credits will be carried forward and applied to offset future consumption charges as provided in Rule 20 VAC 5-315-50.

V. OPERATING REQUIREMENTS

Prior to interconnecting the renewable fuel generator the net energy metering Customer must comply with all requirements of the Regulations Governing Net Energy Metering, Title 20, Agency 5, Chapter 315, Virginia Administrative Code, pursuant to provision of Section 56-594 of the Virginia Electric Utility Restructuring Act, as amended. These regulations specify insurance requirements, interconnection requirements, and govern the metering, billing and contract requirements between net energy metering Customers, electric distribution companies, and energy service providers.

VI. CONTACT INFORMATION

If the prospective net energy metering Customer has contracted with another person to own, operate, or both, the renewable fuel generator, the cooperative must have detailed, current and accurate contact information for the owner, operator, or both, including without limitation, the name and title of one or more individuals responsible for the interconnection and operation of the generator, a telephone number, a physical street address other than a post office box, a fax number, and an e-mail address for each person or persons.

The net energy metering Customer shall immediately notify the electric distribution company of any changes in the ownership of, operational responsibility for, or contact information for the generator.

The net energy metering Customer shall have installed a lockable, load breaking manual disconnect switch, which can be easily located and accessed by the electric distribution company.

VII. CHARGES FOR INSPECTION BY UTILITY PERSONNEL

Static inverter-connected generators in excess of 10 kW - Inverter settings:	\$ 50.00
Non-static inverter-connected generators – All protective equipment:	\$ 50.00

VIII. TERMS OF SERVICE

The contract term shall be the same as that under the Customer's applicable service classification. A separate agreement with the Customer is required for service provided under this Rider.

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

EXCESS FACILITIES
SCHEDULE EF

I. AVAILABILITY

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

II. APPLICABILITY

The provisions of this schedule are applicable whenever Excess Facilities, as described herein, are provided after the initial effective date of this tariff. This schedule is not applicable to Excess Facilities installed prior to the initial effective date of this tariff. This tariff is applicable to Excess Facilities installed after the initial effective date as necessary replacements of facilities installed prior to the initial effective date.

III. CONDITIONS

Whenever a Customer requests the Cooperative to supply electricity in a manner that requires equipment and facilities in excess of those which the Cooperative would normally provide and the Cooperative finds it practicable, such equipment and facilities will be Excess Facilities and may be provided under the following conditions:

- A. Electricity will be provided only to a single Customer, served at one or more bona fide permanent delivery points in such a manner that all facilities are located on a contiguous property owned or leased by the Customer.
- B. All standard utility plant facilities supplied shall be of a kind and type of transmission or distribution line or substation equipment normally used by or acceptable to the Cooperative, and shall be installed in a place and manner satisfactory to the Cooperative. All other facilities supplied shall be of the type and kind approved by the Cooperative. All equipment furnished and installed by the Cooperative shall be the property of the Cooperative and shall be accessible to and maintained only by the Cooperative and its authorized representatives.
- C. Whenever a Customer requests the Cooperative to furnish an alternative source of supply that the Cooperative would not normally furnish, the Excess Facilities charge for the alternative supply facilities shall be calculated as provided for under IV. When the facilities used to provide alternate service to a Customer are also used to serve other Customers, the cost of such facilities shall be included in the calculation of the Excess Facilities charge only in the proportion that the capacity reserved for alternate service to the Customer bears to the operating capacity of such facilities.

SCHEDULE EF
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III. CONDITIONS (CONT.)

- D. The Cooperative shall not be required to make such installations of Excess Facilities until the Customer has signed such agreements and fulfilled such other conditions as may be required by the Cooperative.
- E. The Cooperative may change facilities at its convenience so long as equivalent service is rendered and the charge to the Customer is unaffected. Upon request of the Customer due to a change in the Customer's requirements, the Cooperative will change or remove Excess Facilities, provided that the estimated new installed cost of any additions, or if applicable, the cost of removal less any salvage value of any removed Excess Facilities, shall be added to the original cost used in the calculations under IV.
- F. When the estimated cost of Excess Facilities exceeds the Customer's estimated annual electric billing, the Cooperative will require financial security in the form of a surety bond, a certificate of deposit, or an irrevocable letter of credit, or will require billing under IV. (B).

IV. RATE

- A. The Customer will pay (1) a one-time charge for Excess Facilities equal to the estimated new installed cost of all Excess Facilities provided by the Cooperative; plus (2) a monthly charge for Excess Facilities equal to the specified percent based on the type of Excess Facility as shown below times the estimated new installed cost of all Excess Facilities provided by the Cooperative:

Type of Excess Facility

Standard Utility Plant (Normal Depreciation)	0.99%
Non-Standard Utility Plant (10-yr Depreciation)	1.29%
Non-Standard Utility Plant (5-yr Depreciation)	1.72%

- B. As an alternative to A above and at the discretion of the Cooperative, the Cooperative may allow the Customer to not pay a one-time charge for Excess Facilities and pay the Cooperative a monthly charge for Excess Facilities equal to the specified percent based on the type of Excess Facility as shown below times the estimated new installed cost of all Excess Facilities provided by the Cooperative:

Type of Excess Facility

Standard Utility Plant (Normal Depreciation)	1.55%
Non-Standard Utility Plant (10-yr Depreciation)	2.40%
Non-Standard Utility Plant (5-yr Depreciation)	3.68%

SCHEDULE EF
Page 3

V. TERM OF CONTRACT

As mutually agreed upon and specified in a written contract, but normally not less than ten (10) years.

PRINCE GEORGE ELECTRIC COOPERATIVE
Waverly, Virginia

SCHEDULE WPCAC-2

WHOLESALE POWER COST ADJUSTMENT CLAUSE

When the Cooperative's cost of power at wholesale is increased or decreased by (1) a change in the price of power allowed to go into effect, or (2) a change in the charge under a Fuel Cost Adjustment Clause or contracted energy allocation change, the rates of the Cooperative shall be increased or decreased as set forth in Paragraphs A and B below.

A. Wholesale Rate Changes. When a wholesale supplier is permitted to put an increase or decrease in rates into effect in conformance with a rate filed with a regulatory commission, the Cooperative may file a rider which will be applicable to all rate schedules. Each kWh of energy sold by the Cooperative shall be increased or decreased by an amount equal to the net revenue change which the wholesale supplier would have received during the base year divided by the Cooperative's sales for the same period. Since the adjustment in the charges per kWh under the rider is not subject to month-to-month variation, the charges under the rider will be included in the basic charge for energy on the Consumers' bills. Each Consumer will be notified of the amount of the adjustment, either on the first bill applying the adjustment or by prior direct mail notice. The rider shall become effective in the first billing period after the new wholesale rates become effective. The rider will remain in effect no longer than twelve months subsequent to the final adjudication of the wholesale rate or such earlier date as may be determined by the Virginia State Corporation Commission. In the event refunds are made to the Cooperative as a result of a final decision of the applicable regulatory commission related to increase rates which have been adjusted in accordance with this paragraph, the Cooperative shall, within sixty days after receipt of such funds, make refunds to each Consumer. The refund factor will be calculated by dividing the amount of the refund and interest by the kWh sold during the period covered by the refund. The credit for each Consumer will be determined by multiplying the number of kWh used by the Consumer during the refund period by the refund factor. The refund will be issued to each Consumer in the form of a credit on his bill or by check. In cases where it is impractical to refund in this manner, adjustments will be made in the Cooperative's rates such that the refund is estimated to be returned to Consumers within 12 months.

B. Fuel Cost Adjustment. When the Cooperative receives charges or credits on its wholesale power bill under the provisions of a fuel adjustment clause or changes in energy allocations included in a rate or contract filed with a regulatory commission, a fuel adjustment will be calculated and applied to each kWh of energy sold by the Cooperative. A differential make-up factor will be calculated each month based upon the over or under recovery of the fuel adjustment clause or energy allocation change in the last six months. The billing factor the Cooperative will use for the upcoming month will be the sum of these two factors as calculated below:

Schedule WPCAC-2

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1. **Monthly Fuel Factor.** This factor will be calculated by dividing the total dollar amount of wholesale fuel cost adjustment and/or net dollar change in energy allocation received by the Cooperative from its wholesale suppliers for the three preceding months by the Cooperative's kWh sales for the same three-month period.
2. **Differential Factor.** This factor will be calculated by determining the net difference occurring between the actual dollar amount of fuel cost paid and the fuel revenue collected under the monthly fuel factor as calculated in Section 1, above, for the preceding six months. This difference will be divided by the Cooperative's kWh sales during those six months to arrive at a differential factor.

The billing factor will be the sum of the factors calculated in Items 1 and 2 above. This recurring factor shall be applied to all kWh sold by the Cooperative. Since this fuel billing factor (monthly fuel factor plus differential fuel factor) is subject to monthly change, the factors and the supporting calculations will be furnished to the Commission staff prior to application on Consumers' bills.

Definition of Terms. As used above, the base year means the most recent twelve consecutive months for which actual data are available to the Cooperative, giving the effect of the wholesale rate change or such other twelve-month period as may be approved by the Virginia State Corporation Commission.

The monthly fuel revenue recovery shall be calculated by multiplying the kilowatt-hours sold within that month by the monthly fuel factor as calculated in Section B, Item 1.

The adjustment factors as used in A and B above shall be calculated to the nearest 1/1000 of a cent.