



ELECTRIC RATES
LARGE POWER CONTRACT SERVICE

APPLICABILITY

This tariff is applicable for new Customer load interconnected with the Company's system and with expected capacity requirements of 13,000 kW or greater. This service is for large power users who agree to allow Company-dispatched customer-owned generation on-site for the purpose of providing back-up service for the Customer's load and maintaining reliability.

ELIGIBILITY

Customers requesting service under this tariff will be considered upon written application to the Company if one-or-more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new load;
2. The customer has unique requirements for the new load;
3. The customer intends to acquire its electric service for new load from a source other than the Company absent service under this tariff by showing:
 - a. The customer demonstrates a competitive alternative, energy source or business location, to the Company's standard tariff rates.
 - b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariff rates are material.
 - c. The alternative is demonstrated to be technologically feasible and legally permissible.
 - d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time

After a customer meets one of the above conditions, an additional requirement to be eligible under this tariff is to have back-up generators that meet certain qualifications, consistent with the Company's engineering standards. Customers will also need to provide the air permits obtained by them that outline the available run hours for the back-up generators.

Upon receipt of the customer's written application and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If the parties agree through negotiations to electric service through this tariff, a Confidential Large Power Service Agreement (Agreement) will be executed. The electric service under this tariff is not applicable to temporary, standby, supplementary, emergency, resale, shared or incidental purposes. Energy service is limited to the Billing Capacity as defined on Sheet No 21.



ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

MONTHLY RATE

Microgrid Management Fee – \$/kW-mo., formula rate based on the Billing Capacity of on-site generating equipment as defined in the Agreement. The Microgrid Management Fee is determined in accordance with the methodology set forth in Docket Number 20003-146-ET-15, and an example is provided on Sheet No. 23.

Energy Charge - \$/kWh is the energy procured or generated by the Company on behalf of the Customer billed on a monthly basis based on actual energy costs including any necessary ancillary charges. The energy procured or generated by the Company to serve these customers will be completed once all energy needs have been fulfilled for other retail customers.

Transmission Costs - \$/kW Based on the cost to use the Company's transmission system and transmission costs allocated to the customer for network service as defined in the Agreement. The cost to use the Company's transmission system will be determined in accordance with the methodology set forth in Docket Number 20003-146-ET-15, and an example is provided on Sheet No. 24.

Administrative Costs - \$/kW-mo., formula rate based on the Billing Capacity of the on-site generation equipment as defined in the Agreement. The Administrative cost is determined in accordance with the methodology set forth in Docket Number 20003-146-ET-15, and an example is provided on Sheet No. 25.

DETERMINATION OF BILLING CAPACITY

Billing Capacity as defined in the Agreement, will be the capacity of the on-site installed generating equipment. The energy service provided in this tariff will be limited to 85% of the Billing Capacity.

POWER COST ADJUSTMENT

Customers receiving service under this tariff schedule shall not participate in the Power Cost Adjustment (PCA) to the extent of service received under this tariff schedule.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the undisputed unpaid balance shall apply to delinquent accounts. Discontinuance of service can occur pursuant to the Rules and Regulations, Sheet No. R16.

CONTRACT

As a condition to be eligible for this tariff, the customer is required to enter into an Agreement for service under this tariff. The Agreement shall be filed confidentially with the Commission prior to a customer being billed under this tariff schedule.

CONTRACT TERMINATION PROVISIONS

Customers taking service under this tariff must provide a minimum of four years' notice in order to move from this tariff to service under a different tariff.



ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

DEMAND SIDE MANAGEMENT

Demand Side Management (DSM) Surcharge shall not be applicable to Large Power Contract Service Customers.

RULES AND REGULATIONS

Service supplied under this schedule is subject to the terms and conditions set forth in the Company's Rules and Regulations on file with the Public Service Commission of Wyoming unless modified by the Agreement.

CREDIT SUPPORT

The Company may require from the customer a deposit or other credit support, such as but not limited to, performance guarantee or letter of credit as determined by the Company. The credit support shall not be considered as an advance payment of bills for service to be rendered, but shall be held as security for payment of obligations incurred on behalf of the customer.

RING FENCING PROVISIONS

Customers taking service under this schedule will not be combined with other retail customers for purposes of class cost of service studies. Customers served upon the provisions of this rate schedule will have costs assigned to them individually based upon cost causation principles and the characteristics of the electric service that has been contracted for by the customer.



Large Power Contract Service

Original Sheet No. 23

ELECTRIC RATES
LARGE POWER CONTRACT SERVICE - CONTINUED

Microgrid Management Fee Formula
Example for Tariff Purposes

Line No		Year 1			
1	Capital Cost				\$40,000,000
2					
3	Other Rate Base Reduction (Fed Tax)				\$300,000
4	Rate Base Amount (line 1-3)				\$39,700,000
5					
6	Interest Expense	46.00%	5.72%	2.63%	\$1,044,110
7	Return on Equity	54.00%	9.90%	5.35%	\$2,123,950
8					
9	Depreciation Expense				\$1,142,857
10					
11	Fed/State Income Tax Expense (ln7 x (1÷ (1–federal tax rate)))				\$1,143,662
12					
13	Revenue to Cover Only ROE & Income Tax (ln7 + ln11)				\$3,267,612
14	Monthly Rate per kW of Capacity (ln13/12/37000)				\$ 7.36
15	15 year average (per kW-mo)				\$ 5.11

The information above illustrates the formula that will be used in establishing the starting point for negotiation of the Microgrid Management Fee as shown on Sheet No. 21. The inputs to the formula will be changed based on the facts in existence at the time of the negotiation. Key assumptions of capacity, cost per kW of new generation, taxes and depreciable life will be identified in conjunction with the LPCS customer. Capital structure, ROE and cost of debt will be based on the last base rate case. These assumptions and inputs will be components to the formula rate, which is intended to compensate the Company for the lost earnings opportunity associated with not serving the customer under its other existing tariffs. As noted, the formula provides the starting point for negotiation of the Microgrid Management Fee. Additional factors that may impact the final negotiated Microgrid Management Fee, include, but may not be limited to, customer credit quality, contract term, and size of load. The cost \$/kW-mo will be negotiated based on facts and circumstances at the time of the negotiations with the new LPCS customer and will be defined in the Agreement.



Large Power Contract Service

Original Sheet No. 24

ELECTRIC RATES
LARGE POWER CONTRACT SERVICE - CONTINUED

Transmission Rate Formula
Example for Tariff Purposes

All Information is from the settlement rate case Docket 20003-132-ER-13
The Reference column is from the Class Cost of Service model for the Schedules

Line No.	Description	Reference	ICS Customer Class Only
1	Transmission Plant in Service	Sch D-2, In 32	\$7,202,496
2			
3	Transmission Plant Accum Depr	Sch E, In 5	\$(674,264)
4	Net Transmission Plant		\$6,528,232
5			
6	ICS Class Other Rate Base Reductions	Sch F, In 12	\$(9,274,394)
7	(FERC Model allocated based on net plant)		
8	Total Net Plant (ICS Class Only)	Sch E, In 17	\$69,155,534
9			
10	ICS Class Transmission Allocated Rate Base Reduction	((In 4/In 8)*In 6)	\$(875,496)
11			
12	ICS Class Plant in Service	Sch D-2, In 116	\$77,042,957
13	ICS Class Total Property Taxes	Sch L, In 12	\$312,133
14			
15	Transmission Rate Base	(In 4 + In 10)	\$5,652,736
16			
17	Return on Equity	(In 15 * 54% * 9.90%)	\$302,195
18	Debt Costs	(In 15 * 46% * 5.72%)	\$148,735
19	Federal Income Tax Exp	((In 17/(1-0.35))-In 17)	\$162,721
20	Depreciation Expense	Sch J, In 5	\$143,489
21	Transmission Property Taxes (Allocated)	((In 1/In 12)*In 13)	\$29,180
22	(WY Rate Case allocated on Total Gross Plant)		
23	Transmission O&M (FERC Accts 560; 561 and 566)	Sch H, In 64, 65 & 67	\$161,778
24			
25	Total ICS Class Revenue Requirement for Transmission	sum Ins 17 - In 23	\$ 948,098
26			
27	ICS Class Demand	Sch AF, In 261	458,594
28			
29	Transmission cost per kW	(In 25/In 27)	\$ 2.07

The information above illustrates the formula that will be used in establishing the starting point for negotiation of the Transmission costs as shown on Sheet No. 21. The inputs to the formula will be updated at the conclusion of each subsequent base rate case. As noted, the formula provides the starting point for negotiation of the Transmission rate.

Additional factors that may impact the final negotiated Transmission rate include, but are not limited to, customer credit quality, contract term and size of load. The \$/kW-mo will be negotiated based on facts and circumstances at the time of the negotiations with the new LPCS customer and will be defined in the Agreement.



Large Power Contract Service

Original Sheet No. 25

ELECTRIC RATES

LARGE POWER CONTRACT SERVICE - CONTINUED

Administrative Rate Formula
Example for Tariff Purposes

All Information is from the settlement rate case Docket 20003-132-ER-13
The Reference column is from the Class Cost of Service model for the Schedules

Line No.	Description	Reference	ICS Customer Class Only
1	Total A&G Expense	Sch H, ln 174	\$1,629,694
2			
3	ICS Class Demand	Sch AF, ln 261	458,594
4			
5	Administrative cost per kW	(ln 1/ln 3)	\$ 3.55

The information above illustrates the formula that will be used in establishing the starting point for negotiation of the Administrative costs as shown on Sheet No. 21. The inputs to the formula will be updated at the conclusion of each subsequent base rate case. As noted, the formula provides the starting point for negotiation of the Administrative rate.

Additional factors that may impact the final negotiated Administrative rate include, but are not limited to, customer credit quality, contract term and size of load. The \$/kW will be negotiated based on facts and circumstances at the time of the negotiations with the new LPCS customer and will be defined in the Agreement.