

SCHEDULE: WHOLESALE POWER COST ADJUSTMENT (PCA)

Applicability:

This schedule is applicable to and becomes a part of each electric service rate schedule of the Cooperative in which reference is made to Wholesale Power Adjustment Schedule "PCA".

Power Cost Adjustment:

The rates of the Cooperative shall be increased or decreased in accordance with the following formula:

$$F = \left[\frac{C - (.040 \times S) + D}{S} \right]$$

Where:

- F = Monthly Wholesale Power Cost Adjustment Factor calculated to the nearest one-thousandth (1/1000) cent.
- C = The estimated total cost of power in dollars to be purchased by the Cooperative for the twelve month period.
- S = The estimated total kilowatt-hours to be sold by the Cooperative for the twelve month period.
- \$.06125 = The average cost of wholesale power per kilowatt-hour sold by the Cooperative which is recovered in the Cooperative's retail rate schedules.
- D = The total estimated difference between the Cooperative's wholesale power cost adjustment charges and the wholesale power cost applicable to this clause, projected for the twelve month period.

Page 2

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Billing Procedure:

An initial levelized wholesale power cost adjustment factor, F, shall be computed at the beginning of each calendar year, based upon projected energy sales and purchased power cost. As actual energy sales and purchased power cost are recognized during the twelve month period, the initial levelized wholesale power cost adjustment shall be recomputed and compared to the factor currently in effect. Should that comparison indicate a material over or under recovery of purchased power cost for the twelve month period, represented by the variable D, then the factor currently in effect may be revised to reflect a more accurate recovery of such cost.

EFFECTIVE: January 1, 1985