
SCHEDULE LGS-SS – LARGE GENERAL SERVICE – SUPPLEMENTAL SUPPLY RIDER

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1. AVAILABILITY:

1.1 This Schedule LGS-SS (“**Schedule LGS-SS**”) is available only in conjunction with GRDA’s Schedule LGS – Large General Service (“**Schedule LGS**”) to customers that are connected to GRDA’s system and that are taking service at the transmission service level under Schedule LGS.

1.2 The customer will become eligible to acquire Supplemental Electric Service beginning on the first day of the calendar month following the calendar month during which customer’s Metered Demand first exceeds three hundred eighty thousand (380,000) kW. Once such eligibility is so achieved, it will not be revoked.

1.3 All provisions of Schedule LGS apply except as modified herein.

1.4 GRDA will be the sole judge as to the availability of this Schedule LGS-SS.

1.5 All references to credits and revenues within this Schedule LGS-SS may be either positive or negative.

1.6 The PPSA may provide additional details and contractual requirements regarding Supplemental Electric Service. In the event of any conflict between the PPSA and this Schedule LGS-SS, the PPSA will control. Additionally, in the event of any conflict between Schedule LGS and this Schedule LGS-SS, this Schedule LGS-SS will control.

2. DEFINITIONS:

2.1 “**Auction Revenue Rights**” has the meaning set forth in the SPP Tariff.

2.2 “**Applicable Losses**” has the meaning set forth in the PPSA.

2.3 “**Billing Energy**” has the meaning set forth in Schedule LGS.

2.4 “**BSS**” means an SPP “Bilateral Settlement Schedule” financial arrangement between GRDA and another SPP Market Participant for trading a quantity of energy generated by a Supplemental Supply Resource, as provided in the Supplemental Power Contract for such Supplemental Supply Resource. Such arrangements may include “Day-Ahead Non-Asset Energy” and “Real-Time Non-Asset Energy,” each as defined in the SPP Tariff.

2.5 “**Capacity Billing Demand**” has the meaning set forth in Schedule LGS.

2.6 “**Delivery Billing Demand**” has the meaning set forth in Schedule LGS.

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2.7 “**GRDA Zone**” means the SPP-recognized electric service area representing the transmission facilities owned by GRDA to which the customer’s load is connected.

2.8 “**LGS Demand**” means the Metered Demand minus (if any) the Supplemental Demand during each monthly billing period.

2.9 “**LGS Supply**” means firm energy and capacity, other than Supplemental Electric Service, supplied by GRDA under Schedule LGS, and for which GRDA will serve as the Load-Serving Entity in accordance with Schedule LGS and the PPSA.

2.10 “**Load-Serving Entity**” means “Load Serving Entity” as defined in the NERC “Glossary of Terms”.

2.11 “**Market Participant**” has the meaning set forth in the SPP Tariff.

2.12 “**Metered Demand**” means the customer’s highest thirty (30) minute demand (kW) measured at the associated Metering Point(s) using consecutive fifteen (15) minute metering intervals during the monthly billing period as adjusted for power factor and Applicable Losses.

2.13 “**Metering Point(s)**” has the meaning set forth in the PPSA.

2.14 “**Planning Reserve Margin**” means the minimum percentage that a Load-Serving Entity’s aggregate Capacity must be above the Load-Serving Entity’s peak kW load, which percentage is defined in the SPP Tariff and as of the Effective Date is twelve percent (12%). For example, if an Load-Serving Entity’s peak kW load were one hundred (100) kW, then the Load-Serving Entity’s aggregate Capacity would need to be at least one hundred and twelve (112) kW so that SPP’s Planning Reserve Margin requirement of at least twelve percent (12%) would be met by the Load-Serving Entity.

2.15 “**Point(s) of Delivery**” has the meaning set forth in the PPSA.

2.16 “**PPSA**” means a Power Purchase and Sale Agreement entered into between the customer and GRDA in accordance with Schedule LGS.

2.17 “**Renewable Resource**” has the meaning set forth in Schedule LGS-RR.

2.18 “**Schedule LGS**” has the meaning set forth in Section 1.1.

2.19 “**Schedule LGS-RR**” means GRDA’s Schedule LGS-RR – Large General Service – Renewable Rider.

2.20 “**Schedule LGS-SS**” has the meaning set forth in Section 1.1.

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2.21 “**SPP**” means the Southwest Power Pool, Inc., or its successor.

2.22 “**SPP Tariff**” means the governing documents issued and maintained by SPP, including the “Open Access Transmission Tariff for Service Offered by Southwest Power Pool,” “Market Protocols SPP Integrated Marketplace,” “Southwest Power Pool Criteria,” “SPP Planning Criteria,” “Aggregate Transmission Service Study Process Manual,” and “Operating Criteria,” and as may be amended or replaced, from time to time, by SPP.

2.23 “**Supplemental Capacity**” means the aggregate total kW amount of accredited capacity associated with all Supplemental Power Contracts.

2.24 “**Supplemental Demand**” has the meaning ascribed to such term in Section 4.1.

2.25 “**Supplemental Energy Consumption**” has the meaning ascribed to such term in Section 5.1.

2.26 “**Supplemental Energy Production**” means an amount of kWh of Energy (if any) produced during a given calendar month by a generator under a Supplemental Power Contract.

2.27 “**Supplemental Electric Service**” means capacity and/or energy from a Supplemental Power Contract(s) or (if applicable, in the case of capacity) from the SPP market, for which GRDA will serve as the Load-Serving Entity under this Schedule LGS-SS and the PPSA. Supplemental Electric Service may come from one or more Supplemental Supply Resources or (if applicable, in the case of capacity) from the SPP market.

2.28 “**Supplemental Power Contract**” means a contract between GRDA and a third-party supplier, or between GRDA and the customer, for the supply of energy and/or capacity to serve as Supplemental Electric Service, which contract, for the avoidance of doubt, is not the PPSA.

2.29 “**Supplemental Supply Resource**” means a generation resource supplying Supplemental Electric Service via a Supplemental Power Contract.

2.30 “**Transmission Congestion Rights**” has the meaning set forth in the SPP Tariff.

3. CONDITIONS OF SERVICE:

3.1 GRDA will serve as the Load-Serving Entity for all of the customer’s power, energy, and capacity requirements, to be provided as LGS Supply and Supplemental Electric Service.

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3.2 The source of Supplemental Electric Service may be designated by the customer, or by GRDA at the customer's request. In either case, GRDA will be a party to one (1) or more Supplemental Power Contract(s) for Supplemental Electric Service, except (if applicable) for capacity from the SPP market.

3.3 For each Supplemental Power Contract, the customer will choose whether the Market Participant for the applicable Supplemental Supply Resource will be the customer, GRDA, the seller under such Supplemental Power Contract, or a third party.

- (a) If the customer chooses GRDA to be the Market Participant for such Supplemental Supply Resource, then no BSS(es) for such Supplemental Supply Resource is (are) necessary because the SPP market settlement of the energy production of such Supplemental Supply Resource will be settled to GRDA's account (whether or not such Supplemental Supply Resource is metered by GRDA); or
- (b) If the customer chooses a party other than GRDA to be the Market Participant for such Supplemental Supply Resource, then upon GRDA's request, the customer will arrange for one (1) or more attendant BSS(es) to be provided by the customer or by the seller under such Supplemental Power Contract to GRDA for the day-ahead and/or real-time energy production of such Supplemental Supply Resource; provided that the customer may choose how many BSS(es) of which type(s) it will provide.
- (c) In either case (a) or (b), GRDA and the seller under such Supplemental Power Contract may bilaterally settle charges outside the SPP market that are due and owing between them but are not settled through the SPP market.

3.4 Supplemental Supply Resources may be renewable or conventional; however, any portion of the energy and/or capacity of a Renewable Resource being used under Schedule LGS-RR will not be eligible for use as Supplemental Electric Service under this Schedule LGS-SS.

3.5 GRDA will ensure that any Supplemental Electric Service that includes capacity meets SPP Tariff criteria for firm capacity and is delivered to the GRDA Zone via firm transmission service, in accordance with the SPP Tariff. GRDA will arrange any such firm transmission service needed.

3.6 The customer will pay for any transmission upgrade costs pursuant to transmission service requests made by GRDA on behalf of the customer to fulfill the requirements set forth in Section 3.5. The customer will also be responsible for any subsequent SPP transmission charges and will be entitled to receive any subsequent SPP transmission credits associated with any such transmission upgrades.

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3.7 Prior to GRDA committing to the transmission service study parameters pursuant to a transmission service request made on behalf of the customer for a tranche(s) of Supplemental Electric Service in accordance with Section 3.6, GRDA will provide the customer with the opportunity to approve the study parameters. If the customer does not approve the minimum required study cost parameter, GRDA will withdraw from the transmission service study and will have no obligation to deliver such tranche(s) of Supplemental Electric Service to the customer. Further, to the extent the customer approves the study parameters but SPP subsequently withdraws GRDA from the study, GRDA will have no obligation to deliver such tranche(s) of Supplemental Electric Service to the customer.

4. DETERMINATION OF DEMAND (kW):

4.1 “**Supplemental Demand**” (kW) will equal (A) the Supplemental Capacity divided by (B) one (1) plus the then-effective Planning Reserve Margin; provided that Supplemental Demand will neither: (a) be more than the Metered Demand; nor (b) result in the amount of Capacity Billing Demand and Delivery Billing Demand for the LGS Demand being less than three hundred eighty thousand (380,000) kW.

4.2 The Capacity Billing Demand (kW) for each Point of Delivery for use under Schedule LGS will be the highest of the following:

- (a) The LGS Demand;
- (b) Sixty percent (60%) of the maximum LGS Demand during the preceding eleven (11) months; and
- (c) The monthly Minimum Capacity Billing Demand (kW) established in the PPSA.

4.3 The Delivery Billing Demand (kW) for each Point of Delivery for use under Schedule LGS will be the highest of the following:

- (a) The LGS Demand;
- (b) Sixty percent (60%) of the maximum LGS Demand during the preceding eleven (11) months; and
- (c) The monthly Minimum Delivery Billing Demand (kW) established in the PPSA.

5. DETERMINATION OF ENERGY (kWh):

5.1 “**Supplemental Energy Consumption**” (kWh) will be the amount of electrical energy deemed to have been consumed by the customer during a given calendar month because of the Supplemental Demand, assuming a 100% load factor in each hour of the month; provided that Supplemental Energy Consumption will not be more than the total amount of electrical energy delivered to the customer at the Point(s) of Delivery during such month. For the avoidance of

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doubt, Supplemental Energy Consumption is not the energy production from one or more Supplemental Supply Resources.

5.2 The Billing Energy (kWh) for use under Schedule LGS for the Point(s) of Delivery will be the total amount of electrical energy delivered to the customer at the Point(s) of Delivery, measured at the Metering Point(s), and adjusted for Applicable Losses during the monthly billing period, **minus the Supplemental Energy Consumption.**

6. SETTLEMENT OF SUPPLEMENTAL SUPPLY:

6.1 The following may be components of the settlement of Supplemental Electric Service, if applicable, pursuant to each Supplemental Power Contract, the SPP market (if applicable), and the PPSA, which will be applied to the customer's monthly Schedule LGS bill:

(a) Supplemental Delivery Rate

A delivery rate (\$/kW) for each kW of Supplemental Demand, which will be the Schedule LGS "Delivery Charge" for the "Delivery Billing Demand" (both as defined in Schedule LGS) for the customer's voltage level.

(b) Supplemental Capacity Rate

A capacity rate(s) (\$/kW) for each kW of Supplemental Capacity supplied under each applicable Supplemental Power Contract and/or (if applicable) from the SPP market, which will be as set forth in such Supplemental Power Contract(s) or (if applicable) by the SPP market. For the avoidance of doubt, such capacity rate(s) may be different in each Supplemental Power Contract. If applicable, any rate expressed in \$/MW in a Supplemental Power Contract will be converted to \$/kW for application under this LGS-SS.

(c) Supplemental Energy Production Rate

An energy rate(s) (\$/kWh) for each kWh of Supplemental Energy Production (and if applicable, for associated renewable energy credits) from each Supplemental Supply Resource under each applicable Supplemental Power Contract, which will be as set forth in such Supplemental Power Contract(s). For the avoidance of doubt, such energy rates may be different in each Supplemental Power Contract. If applicable, any rate expressed in \$/MWh in a Supplemental Power Contract will be converted to \$/kWh for application under this LGS-SS.

(d) Administration Fee

An administration fee (\$/kWh) equal to \$0.00314/kWh for each kWh of Supplemental Energy Consumption; provided that if the Supplemental Energy Consumption is limited by either Section 4.1(a) or Section 5.1, or by both such Sections, then only for the purpose

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of calculating the Administration Fee in this Section 6.1(d), the Supplemental Energy Consumption will be calculated without being subject to such limitation(s).

(e) Energy Settlement Charge and Credit

- (i) A settlement charge (\$) for GRDA’s purchase of energy from the SPP market attributable to the Supplemental Energy Consumption, calculated as the Supplemental Energy Consumption’s pro-rata share of GRDA’s monthly SPP market charges for the Settlement Location GRDA_GRDA.
- (ii) A settlement credit (\$) for the sale of energy to the SPP market attributable to the Supplemental Energy Production of each and every Supplemental Supply Resource, calculated as revenue received by GRDA in accordance with Section 3.3 for each such Supplemental Power Contract (if any).

(f) Transmission Congestion Charges and Credits

A settlement charge(s) and/or credit(s) (\$) for any charge(s) and/or credit(s) resulting from Auction Revenue Rights and/or Transmission Congestion Rights related to the procurement of firm transmission service (if any) for a Supplemental Supply Resource.

(g) Other Charges or Credits

Other charges and/or credits (if any) pursuant to the PPSA or any Supplemental Power Contract.

7. BILLING:

GRDA may apply charges under this Schedule LGS-SS to the customer’s monthly Schedule LGS bill, which will be subject to the same terms of payment as such bill. GRDA may instead charge customer under this Schedule LGS-SS separately from and more frequently than customer’s monthly Schedule LGS bill.

8. OTHER TAXES, FEES AND DUTIES:

The customer will pay, in addition to the other rates and charges set forth on this schedule, any taxes, fees and duties required to be collected by GRDA and paid to the proper agency charged with the collection of such taxes, fees or duties.

9. CHANGES TO SCHEDULE LGS-SS:

The terms, charges, and credits in this Schedule LGS-SS may be changed by GRDA from time to time as provided by the “Grand River Dam Authority Act” (82 O.S. §§ 861, *et seq.*, as amended).