Effective 2018 Feb 28 P1:39

RAPPAHANNOCK ELECTRIC COOPERATIVE
Fredericksburg, VA

ALTERNATE SUPPLIER COST ADJUSTMENT RIDER
SCHEDULE AS-1

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 Corporation Commission.

II. APPLICABILITY

This schedule is applicable to and becomes a part of each electric rate schedule as referenced in the Exhibit of Applicable Riders.

III. DESCRIPTION

This Rider is relates specifically to the Electric Service Agreement between the Cooperative and Morgan Stanley Capital Group, Inc. that expires April 30, 2021.

IV. FORMULA

Each January, the ASA will be calculated as follows:

$$ASA = \frac{ASC - BASE}{kW} \div L$$

Where:

ASA = Alternate supplier cost adjustment factor applicable to the customer's hourly integrated demand occurring in the hour of the Cooperative's annual system peak for the preceding calendar year.

ASC = The actual costs for the kWh purchased from the Alternative Supplier in the preceding calendar year, plus the ancillary services costs paid by the Cooperative under the contract.

BASE = The sum of the monthly charges that would have been paid to ODEC for the energy and capacity supplied by the Alternative Supplier. The actual ODEC Owned Resources Demand Charges, transmission level energy charges, and the ECA factors in effect for each month of the preceding year in which the Alternate Supplier contract was in effect will be used for this calculation

kW = The Cooperative's annual system NCP for the preceding calendar year x 12.

L = Customer specific loss factor to compensate for the applicable distribution losses.

Division of Utility Regulation
Accepted for Filing
February 28, 2018