

**RAPPAHANNOCK ELECTRIC COOPERATIVE
Fredericksburg, VA**

**LARGE POWER SUBSTATION DIRECT SERVICE
SCHEDULE LP-3**

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

Applicable to Customers with monthly capacity requirements of 5,000 kilowatts (kW) or more that can be served from a 138,000/34,500 volt load center substation located within five (5) miles of the point of delivery to the Customer. Also applicable to Customers whose delivery point is at the low voltage side of a wholesale supplier substation where high side delivery is from transmission facilities of at least 34,500 volts. The Customer must agree or acknowledge by signature to the conditions of Schedule LP-3 Rate Provisions Form.

III. TYPE OF SERVICE

Multi-phase, 60 hertz, at available voltage.

IV. MONTHLY RATE

A. Distribution Delivery Charges:

1. Applicable to qualifying Customers taking service from the Cooperative as of November 1, 2009 and closed as of April 1, 2018.

Access Charge: @ \$330.75 per month

Demand Delivery Charge: @ \$1.40 per kW

Energy Delivery Charge: @ \$0.00109 per kWh

2. Applicable to qualifying Customers taking service from the Cooperative on Schedule PP-NT as of June 30, 2014 and closed as of April 1, 2018.

Access Charge: @ \$330.75 per month

Demand Delivery Charge: @ \$2.31 per kW

Energy Delivery Charge: @ \$0.00109 per kWh

IV. MONTHLY RATE (Continued)

3. Applicable to qualifying Customers not served under A.1 or A.2, and to any Section IV-A-1 or 2 Customer upon the upgrade or replacement of existing substation and related facilities serving the Customer, excluding routine maintenance.

Access Charge: @ \$330.75 per month

Demand Delivery Charge: @ \$0.315 per kW

Energy Delivery Charge: @ \$0.00109 per kWh

Facilities Charge. A facilities charge equal to the installed costs of dedicated local facilities times the applicable factor as follows:

Without a contribution-in-aid of construction:

Standard Utility Plant (Normal Depreciation)	1.43%
Non-Standard Utility Plant (10-yr Depreciation)	2.19%
Non-Standard Utility Plant (5-yr Depreciation)	3.47%

With a contribution-in-aid of construction:

Standard Utility Plant (Normal Depreciation)	0.82%
Non-Standard Utility Plant (10-yr Depreciation)	1.10%
Non-Standard Utility Plant (5-yr Depreciation)	1.52%

Dedicated local facilities may include an allocated portion of joint use facilities.

B. Electricity Supply Service Charges:

Wholesale Billing Demand:

1. The charges for Wholesale Billing Demand will be based on the prevailing ODEC transmission level demand rates adjusted to compensate for the applicable distribution losses on a customer specific basis.
2. In addition, an Excess Demand charge of 42.5% of the prevailing ODEC Owned Resources Demand Charge per kW of Excess Demand will apply each month.

MONTHLY RATE (Continued)

B. Electricity Supply Service Charges (continued):

Wholesale Energy Charges

1. The Customer's kWh usage for the month times the prevailing ODEC Transmission Energy Rate adjusted to compensate for the applicable distribution losses
2. The Customer's kWh usage for the month times the corresponding monthly ODEC Energy Cost Adjustment adjusted to compensate for the applicable distribution losses.

Applicable Riders:

The amounts of charges calculated at the above rates are subject to increase or decrease pursuant to the provisions of applicable riders included on the Exhibit of Applicable Riders. In no case will any credits from an applicable rider exceed the sum of the Wholesale Billing Demand Charges and Energy Charges.

Note: The above Delivery Service and Energy Supply Service charges apply to those Customers who have the Cooperative as their energy service provider. Only the Distribution Delivery Service apply to those Customers who have an Electricity Supplier other than the Cooperative as their energy provider.

V. MINIMUM MONTHLY DELIVERY CHARGE

The minimum monthly delivery charge under the above rate shall be the greater of the amount determined in accordance with Section IV-A or the amount specified in any contract currently in force.

VI. DETERMINATION OF BILLING DEMANDS

- A. Distribution Delivery Demand - The greater of: a) the highest average kW of demand measured in any 15 minute interval during the current billing month, or b) 500 kW.
- B. Wholesale Billing Demand - Wholesale Billing Demand, or Demands, will be based on the Customer's actual demand or demands measured coincident with the billing demands as defined in the prevailing ODEC rate applicable to the Cooperative, plus any demand added back to Cooperative's Wholesale Billing Demands by ODEC to compensate for the Consumer's participation in the PJM Demand Response Program.

VII. DETERMINATION OF BILLING DEMANDS (continued)

C. Excess Demand – The highest average kW of demand measured in any 15 minute interval during the current billing month less the Monthly CP Demand. Monthly CP Demand shall be the Customer's maximum hourly integrated demand occurring in the CP Hour. The hour of the CP (CP Hour) is the hour of each month in which the ODEC Monthly Delivery Demand applicable to the Cooperative is determined.

VIII. POWER FACTOR

The Customer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of the maximum demand is less than 90 percent (90%) lagging, the demand for billing purposes may be the demand as indicated or recorded by the demand meter multiplied by 90 percent (90%), and divided by the percent power factor.

IX. TERM OF CONTRACT

The term of contract for purchase of electricity under section IV-A-3 of this schedule shall be the term mutually agreed upon and set forth in a written contract, if such is required, but in no case shall the term of contract be less than one (1) year.

All facilities needed to be installed, upgraded, replaced, or added to in order for service to be delivered under section IV-A-3 of this schedule shall be supplied under a written contract with a mutually agreed upon term, but in no case, shall the term of the contract be less than seven (7) years.

Consumers supplied under section IV-A-3 of this schedule may terminate the associated contract at any time by: 1) notifying the Cooperative of their intent to terminate the contract; and 2) making a one-time payment equal to the un-amortized value of the facilities supplied under the contract, plus, if applicable, the cost to remove the facilities.