

D2. Power Supply Default Service - Iron River**PSDS**

Territory Applicable: All areas served in the Company's Iron River System.

Availability and Prior Notice Requirements

This service is available, on a best-efforts basis to a Customer requesting power supply service with less than twelve months prior notice given to Company. The Company is not required to build or purchase new capacity or interrupt firm Customers to provide service under this schedule.

Conditions for Mandatory Default Service

This service is mandatory for a Customer receiving distribution delivery service from Company and who has no AES Power Supply or Company Power Supply. Company will, on a best efforts basis, provide power supply service to Customer. Customer is obligated to pay Company for all costs associated with Company providing Customer with Power Supply Default Service.

Retail Access Service Tariff

Service according to this schedule is subject to the terms and conditions contained in Retail Access Service Tariff RAST. Specifically, section 2.6 of Retail Access Service Tariff RAST describes additional conditions under which a Customer may receive Default Service.

Type of Service

Under Power Supply Default Service, Company is committed to provide, if available, Electric Power Supply to meet Customer's load. This supply is delivered to Customer's Distribution Point of Receipt in amount to adequately serve customer load plus applicable Distribution System Electric Power Losses. In securing Default Service to meet Customer's load, Company may be required to request additional electric transmission to accommodate delivery of Power Supply.

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By J F Schott
VP Regulatory Affairs
Green Bay, Wisconsin

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Term and Form of Contract and Prior Notice Provisions

For all service under this schedule Customer shall sign a written Power Supply Default Service Agreement either prior to or as soon as possible after an AES default condition exists and customer needs the Company to provide power supply. The maximum term for Power Supply Default Service is twelve months.

Power Supply Default Service Charge

The price for each hour of usage under this schedule shall be the greater of:

1. The Company's applicable Power Supply Service rate for the Customer(s) according to the applicable Company rate schedule, or
2. 110 percent times the sum of Company's highest hourly incremental cost of any purchases of Power and allocated capacity costs associated with any purchases utilized to meet the Customer(s) hourly electricity load plus distribution losses, plus applicable transmission charges,
- or
3. 110 percent times the sum of Company's highest hourly incremental cost of generation and allocated capacity costs associated with generation utilized to meet the Customer(s) hourly electricity load plus distribution losses, plus applicable transmission charges.

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