

ELECTRIC SERVICE SCHEDULE NO. 72 - Continued

RENEWABLE ENERGY: (continued)

(N)

investments associated with the Company's Integrated Resource Plan, and are not considered for purposes of any Renewable Portfolio Standard requirements. Renewable Energy generated in responses to any federal or state statutory requirement to construct or contract for the Renewable Energy is not eligible.

QUALIFYING INITIATIVES

1. Funding for locally-owned commercial-scale Renewable Energy projects that produce less than 10 MW of electricity. The preference is for local community based projects that provide strong environmental and economic benefit to local communities and Customers the Company services under this Schedule.
2. Funding for research and development projects encouraging Renewable Energy market transformation in order to accelerate marketability of Renewable Energy technologies.
3. Investment in the above market costs associated with the construction of Renewable Energy facilities or purchase by contract of Renewable Energy, reducing the costs of Renewable Energy to be competitive with cost-effective resources.
4. To the extent a project in paragraphs 1, 2, and 3 above is able to generate RECs, the recipient agrees that the Company has the right to claim a share of the project's REC output. The share amount is expressed as a percentage of output when comparing the Company's financial contribution to the overall cost of the project. The share amount of these RECs will be retired on behalf of program participants across the Company's service territories. The Company will also be given the opportunity to purchase additional RECs off the project.
5. Qualifying Initiatives are not considered for purposes of any Renewable Portfolio Standard requirements. Renewable Energy generated in response to any federal or state statutory requirement to construct or contract for the Renewable Energy is not eligible.

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SPECIAL CONDITIONS:

1. Customers may apply for or terminate from this Schedule anytime during the year.

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