

ELECTRIC SERVICE SCHEDULE NO. 31 - Continued

DEFINITIONS:

Back-up Contract Demand - The specified Demand in kilowatts of Back-up Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer in excess of which the Company is under no obligation to supply. The Back-up Contract Demand shall be established by agreement between Customer and Company. The level of Back-up Contract Demand shall not exceed the total output capacity of the Customer's generation facilities.

Back-up Power - The kW of Back-up Contract Demand supplied by the Company to the Customer. Back-up Power shall be determined for each day of the Billing Period containing on-peak hours. The kW of Back-up Power each day shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Back-up Power during the on-peak hours of the day. The Back-up Power for the Billing Period shall be the sum of the Back-up Power for each day of the Billing Period. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplementary Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.

Billing Period - The period of approximately thirty (30) days intervening between regular successive meter reading dates. There shall be twelve (12) billing periods per year.

Demand - The rate in kilowatts at which electric energy is generated, transferred or used. Demand (Power) measurements are calculated based on the average (integrated) usage over consecutive fifteen (15) minute periods of time. Demand or Power determinants may be based on any one such fifteen minute period in a Billing Period, on the period of greatest use during the Billing Period, or on the period of greatest use during on-peak hours during on-peak days. Demands may be adjusted for Power Factor. Abnormally high demands established as a result of extraordinary conditions existing on the Company's interconnected system or as a result of accidents caused by Company's negligence resulting in temporary separation of Power Company's and Customer's system shall be excluded from the determination of demand.

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