

RATE RIDER CTD CONTRACT TERM DISCOUNT

By order of the Alabama Public Service Commission dated November 4, 2003 in Informal Docket # U-4553.

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AVAILABILITY

Available in all areas served from the interconnected system of the Company.

APPLICABILITY

Applicable as a rate rider to those Consumers whose contract capacity is no less than one thousand (1,000) kW and to those Consumers with multiple accounts that, in the aggregate, are no less than one thousand (1,000) kW and whose contract capacity for each account is no less than one hundred (100) kW, and are serviced under Rates FOOD-M, FMTU, GROC-M, HCARE-L, HCARE-M, HOSP-M, LODGE-L, LODGE-M, XLPEL, XLPEM, LPL, LPLE, LPLM, LPM, LPME, LPSE, LPTL, LPTM, LPTS, MTU, PMTU, PTU, RETL-L, RETL-M, RTP, SCGTU, SCH, or TXTU.

STANDARD RATE DISCOUNT

For Consumers executing an Agreement for Electric Service that may be terminated only following five (5) years' written notice to the Company, the Consumer shall receive a base rate (excluding adjustments under Rate ECR, adjustments under Rate T and the Utility Gross Receipts Tax) discount as follows:

- (1) For such contracts under Rates LPM, XLPEM, LPSE and LPME the discount shall be as follows:

Years 1 through 3,	six percent (6%);
Year 4,	eight percent (8%);
Year 5 and thereafter,	ten percent (10%).

- (2) For such contracts under Rates LPL, XLPEL, LPLE, LPTL, and RTP, the discount shall be as follows:

Years 1 through 3,	three percent (3%);
Year 4,	four percent (4%);
Year 5 and thereafter,	five percent (5%).

No discount shall be applied for contracts under Rates FOOD-M, FMTU, GROC-M, HCARE-L, HCARE-M, HOSP-M, LODGE-L, LODGE-M, LPLM, LPTM, LPTS, MTU, PMTU, PTU, RETL-L, RETL-M, SCGTU, SCH, and TXTU.

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TERMINATION OF AGREEMENT FOR ELECTRIC SERVICE

The discounts described in the preceding section are provided in recognition of the Consumer's commitment to the five (5) year rolling term, which will enhance the Company's ability to match its plan for new generation to the needs of its customers.

The manner and consequence of termination of the Agreement for Electric Service shall be as follows:

- (1) If the Consumer complies with the five (5) year notice requirement for termination and continues to take and pay for service for such five (5) year term, the applicable discount for the remaining term of the Agreement will remain fixed at the percentage in effect upon receipt of notice of cancellation.
- (2) If the Consumer chooses to terminate the Agreement for Electric Service on less than five (5) years' notice, it may do so by: (i) giving at least one (1) year's written notice to the Company; and (ii) paying an amount equal to the monthly charge for billing capacity specified in the applicable rate (except for Rates LPTL and RTP, which shall be equal to the monthly charge in Rate LPL) times the Consumer's contracted capacity for the remaining months at the time of notice of cancellation of the five (5) year rolling notice period together with recognition of the applicable discount in effect upon receipt of notice of cancellation. The payment described in (ii) above is due on or before the specified date of termination.
- (3) If the Consumer breaches the Agreement for Electric Service, it shall pay as liquidated damages, the amount set forth in item (2)(ii) above without recognition of the applicable discount, plus any attorneys' fees and court costs incurred by the Company and any outstanding billings due for service rendered.