

**RATE RIDER RDF
 ENERGY COST RECOVERY
 RATE DIFFERENTIAL FACTORS**

By order of the Alabama Public Service Commission in Docket #U-3489; modified effective for April 2002 billings and thereafter.

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APPLICABILITY

Applicable to Rate ECR (Energy Cost Recovery) as it applies to each base rate schedule of the Company where referenced. The differential factors capture the effects of energy losses at the Transmission, Primary, and Secondary service levels, as well as the effect of seasonal differentials associated with the costs that are recoverable under Rate ECR. These rate differential factors are used to adjust the current monthly ECR billing factor approved by the Alabama Public Service Commission.

<u>SERVICE LEVEL</u>	<u>RDF SUMMER</u>	<u>RDF NON-SUMMER</u>
Transmission	1.01741	0.89726
Primary	1.04452	0.92117
Secondary	1.10740	0.97663

For purposes of this Rate Rider RDF, the months June through September constitute the Summer period and the months October through May constitute the Non-Summer period. The governing factor (Summer or Non-Summer) shall be applied in a manner consistent with the billing provisions of the pertinent base rate schedule.

GENERAL

Service under this rider is subject to rules and regulations approved or prescribed by the Alabama Public Service Commission.