

SPECIAL RULES GOVERNING APPLICATION OF COMMERCIAL AND INDUSTRIAL RATES

By order of the Alabama Public Service Commission Dockets #18117 and #18416.

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1. APPLICABILITY

Light and Power Service rates are applicable for retail service provided to any premises or establishment that is used for commercial, professional, religious, educational, philanthropic, fraternal, governmental, industrial, farm service or similar purposes including multiple buildings used for residential purposes. The following specific cases shall be considered as light and power service:

- (a) A boarding and/or rooming house which holds itself out as ready and willing to rent individual rooms for one (1) day only and/or serve meals to transients other than occasional guests of its regular boarders.
- (b) Any place of business within which the Consumer lives or a residence in which the Consumer operates a business, such as a beauty shop, barber shop, repair shop, garage, etc., having connected nonresidential loads in excess of 5 kilowatts. In such cases the Consumer shall have the right to install a separate service entrance and switch for his residential uses and receive separate service thereto at the residential rate.
- (c) The Consumer will be placed on the most economical rate which is applicable to his service on an annual basis.

2. DETERMINATION OF CAPACITY REQUIREMENT

- *(a) Capacity requirements shall be rounded to the nearest whole KW indicated by the demand meter for the current month. A meter reading of 7.5 KW will be 8.0 KW of capacity requirements, but a reading of 7.4 KW will indicate 7.0 KW of capacity requirements.
- (b) Public or private schools shall be exempt from the ninety percent (90%) ratchet provisions of all Light and Power Rates.
- (c) The billing capacity for churches will be fifty percent (50%) of the capacity indicated by the demand meter for the current month. The word "churches" is intended to mean premises, operated in good faith for religious purposes, where electric service supplied such premises is utilized exclusively in connection with such religious purposes. This provision shall not be applied where any part of the premises is used for business or other nonreligious purpose and not used for religious purposes on a regular basis. Church operated schools, hospitals, camps, orphanages, book stores or similar services shall not qualify for this provision.

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- *(d) The Company may, at its option, permit a Consumer a period of up to six (6) months in which to develop its load beginning from the date the contract first becomes effective and during such development period the Consumer's actual measured capacity will be billed in lieu of the minimum contract capacity provided that no such capacity billed shall be less than that billed in any preceding month during such load development period. During the load development period, the capacity charge of Rates LPM, LPL, LPLM, LPEM and LPEL may be less than the minimum capacity specified in the rate; however, in order to determine the use factor for the calculation of the energy charge, the capacity used shall not be less than the minimum capacity under the rate. In no event shall the billing capacity be less than 5.0 KW (KVA).
- (e) Peak measured capacity of short duration due to short circuits or other accidents to Consumer's machinery or plant, except peaks created due to the malfunction of customer-owned generation or demand-control equipment may be adjusted.

3. METERING

- (a) Only one (1) demand meter will be used for determining the capacity requirements of each Consumer. In cases where the Consumer, for any reason, must have two (2) or more service points, each extra service point shall be treated as a separate Consumer unless the Consumer meets the requirements for totalized metering. When conditions dictate the need to provide special metering arrangements for the benefit of the Consumer, the Consumer will be required to bear the cost of any additional facilities or service required.
- (b) When the Consumer is served under a KW rate and his power requirements are 100 KW and above, the Company can, at its option, install appropriate meters to measure reactive capacity or determine by test the actual power factor and adjust the measured KW capacity to ninety percent (90%) power factor for billing purposes. Such adjustment to KW capacity will be made as the following example:

The KW billing capacity of a Consumer having a 100.0 measured capacity and an actual power factor of forty percent (40%); as determined by the above criteria, will be adjusted as follows:

$$\text{KW Measured Capacity} \times \frac{\text{90\% Power Factor}}{\text{Actual \% Power Factor}} = \text{KW Billing Capacity}$$

$$100.0 \text{ KW} \times .9/.4 = 225.0 \text{ KW Billing Capacity}$$

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- (c) Under rates which provide for KVA charges the Company will install appropriate meters to determine KVA capacity or determine by test the actual power factor to determine KVA and use such KVA capacity for billing purposes.
- (d) Service at the Light and Power Service Rates will be metered as at the delivery voltage.

*** 4. PEAK LOADS OF SHORT DURATION**

The Company shall not be required to furnish for the exclusive use of any Consumer lines or transformation facilities, the capacity of which is in excess of the maximum capacity required to be maintained. Whenever the use by any Consumer of electrical equipment causes voltage disturbances due to the starting characteristics of the equipment or due to short cycle or fluctuating operation of the equipment, the Consumer shall be required to correct the condition at the Consumer's expense.

Whenever such corrections to eliminate voltage disturbances caused by equipment starting characteristics or caused by intermittent or fluctuating equipment operation are required, at the Consumer's expense, the Company may provide adequate system capacity for the operation of such loads whenever the Consumer contracts to be billed upon a minimum capacity requirement equal to appropriate ratchet provisions of the applicable rate for the KW or KVA capacity so provided by the Company; or, at the option of the Company such excess capacity required will be provided to the Consumer in accordance with Rule 5 hereof. If it is necessary, in order to prevent interference to service to other Consumers, for the Company to install facilities, other than excess transformer capacity, in addition to those required to serve a load of the same magnitude which does or will not create interference to other Consumers, the Consumer will be required to reimburse the Company for the cost and expenses of such additional facilities installed. Charges under this provision shall not convey title to the Consumer for such facilities so required. This paragraph applies regardless of the capital investment ratio as outlined in the Company's current Service Extension Policy.

Whenever the use by any Consumer of electrical production equipment causes voltage disturbances during normal continuous operation, the Company may participate in reducing the voltage disturbances in accordance with the Company's current Service Extension Policy.

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5. EXCESS TRANSFORMER CAPACITY

Whenever excess transformer capacity is provided by the Company for the exclusive use of a Consumer using distribution system transformer installations with a total rated capacity greater than 15 KVA and, but not greater than 501 KVA, a monthly charge of fifty cents (50¢) per KVA of such excess transformer capacity will be added to the Consumer's electric service billing. This added charge shall be waived when the Consumer's total transformation requirements, including the excess capacity, are 15 KVA or less. When the required transformer installation exceeds a total rated capacity of 501 KVA, or when transformation is connected directly to the Company's transmission system, excess capacity required by a Consumer will be provided at the Company's current rate for such excess transformer capacity; and, the Consumer shall reimburse the Company for capacity and energy consumed as losses by such excess transformer capacity.

6. DIRECT CURRENT SERVICE

All direct current service will be billed as a separate Consumer under the Light and Power Service Rates and an addition of 12.5% shall be made to the monthly bill for such service. The Company will not be required to provide service to any direct current equipment other than that presently served.

7. WHERE PART OF LOAD IS SEASONAL

Some Consumers have certain loads that are used seasonally which can be and are entirely dispensed with for a part of each year. Such loads may be considered as part of the total service. Air conditioning does not qualify.

Example of Application

The capacity requirements for a Consumer having 80.0 KW of seasonal load will be as follows:

25% of 80.0 KW (Seasonal Load) or 20.0 KW added to
actual capacity for months when seasonal load is used.

* The ninety percent (90%) ratchet applies to the highest capacity established during the billing months of June through September falling within the eleven (11) months preceding the billing period, disregarding the seasonal load and the twenty-five percent (25%) added. In the example above for a seasonal month, the ninety percent (90%) ratchet would apply to the actual capacity minus 80.0 KW.



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8. CIVIL DEFENSE WARNING - SIREN SERVICE

At the request of Civil Defense authorities, any Civil Defense warning-siren will be billed as a separate Consumer under the Light and Power Service Rates. Service to Civil Defense warning-siren may or may not be metered, at the Company's option. If not metered, the capacity requirements will be estimated at 1/10 KW per horsepower of connected load. Energy use will be nominal, and always less than that allowed for the minimum charge, and may be estimated by the Company for billing purposes at not over three (3) KWH per KW of capacity requirements.

9. CONTINUOUS OR CONTROLLED UNMETERED SERVICE

Applicable to service for sign lighting, display lighting, ornamental lighting and other service where the load is practically constant and the hours of burning are continuous or controlled by equipment furnished and maintained by the Company or at Company's option from a circuit controlled by equipment furnished and maintained by the Consumer.

Billing capacity shall be the average sixty (60) minute capacity in watts (or at the Company's option in volt amperes) as determined by tests, or, on agreement between Consumer and Company, may be taken as the sum of the manufacturer's rating of all lamps, equipment and controls served hereunder. The KWH for billing purposes shall be determined from the watts times the monthly burning hours. Total base monthly billing under the applicable Light and Power Rate shall be reduced by an amount equal to four dollars (\$4.00) per month.

When the Company furnishes and installs a photo electric or other separate control unit, a monthly charge of fifty cents (50¢) will be added to the charges of the appropriate rate. This section shall be limited to Rates LPS and LPM.

10. ADDITIONAL FACILITIES

Whenever the Company provides additional facilities for the benefit of the Consumer which result in a net plant addition to the Company's electric system, the Consumer shall reimburse the Company for the installation of the additional facilities. Such reimbursement shall include a charge representing the estimated present worth of future annual maintenance, operating and depreciation expenses of such additional facilities. Charges under this provision shall not convey title to the Consumer for such facilities. This paragraph applies regardless of the capital investment ratio as outlined in the Company's current service extension guidelines.



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11. PREMATURE TERMINATION OF PERMANENT SERVICE CONTRACTS

When the initial Consumer at an electric service premise terminates service prior to the expiration of the initial term of a twelve (12) month contract for electric service, the Consumer's final bill will be increased by an amount equal to summer capacity charges for seventy-five percent (75%) of the contract capacity for two (2) months or for the unexpired portion of the initial contract term, whichever is less.

For all contracts with a term longer than twelve (12) months, the Company, at its option, may require the Consumer to enter into an agreement wherein the terms and conditions for premature cancellation are specified.