STANDBY AND MAINTENANCE SERVICE

I. APPLICABILITY

This rider is applicable to customers who have their own generation equipment and who contract for Standby and Maintenance Service from the Company.

II. MODIFICATION OF REGULAR RATE SCHEDULE

Service taken under this schedule may be in addition to service provided by the Company under other rate schedules. The regular rate schedule in such case, if applicable, will be modified by the addition of §§ III and IV of this Schedule. In consideration of these modifications, the first sentence of the "Use of Service" Section of the regular rate schedule is eliminated.

III. DETERMINATION OF BILLING DEMANDS AND ENERGY QUANTITIES

A. Standby Service:

   (1) The monthly billing demand for Standby Service shall be the greater of the contracted Standby Service demand or the actual Standby Service demand taken during the 12 month period ending with the current month. The Company is not obligated to furnish Standby Service power in excess of the nameplate rating of the Customer's largest generator. Requirements purchased from Company in excess of this amount shall be purchased under Maintenance Service (§ IV) or the appropriate firm power rate schedule.

   (2) In the case where a Customer purchases firm power or interruptible power from the Company under another rate schedule in addition to selling power to the Company, the actual standby service demand shall be the difference between the Customer's maximum demand registered on the meter during the standby period and contract power as established under contract for firm power. The Customer is required to notify the Company of the time periods when standby service is being taken. This notification must be made within 24 hours of the beginning and end of usage to avoid increasing the Customer's contract power for firm load.

(Continued on reverse side)
(3) The energy associated with the actual Standby Service demand taken shall be:

a. As metered, or

b. For Customers who purchase firm power from the Company under another rate schedule, as computed by taking the total energy used during each hour of the standby period and subtracting the average energy used for the five hours prior to the beginning of the standby period.

B. Maintenance Service

Maintenance Service will be available on 24-hour prior notice only during such times and at such locations that, in Company's sole opinion, will not result in affecting adversely or jeopardizing firm service to other Customers, prior commitments for Maintenance Service to other Customers, or commitments to other utilities. Arrangements and scheduling of Maintenance Service will be agreed in writing in advance of use or confirmed in writing if arranged verbally. Where there are applications from more than one Customer, or Service applied for is more than Company has available, Company will allocate and schedule available service, in its final judgment, and curtail or cancel application. Where Maintenance Service stands requested, agreed and scheduled, but not taken, Customer will be obligated to pay for such service same as scheduled, if Company has refused to supply some other Customer similar service in order to limit total Maintenance Service to that which Company considers available. Maintenance Service will be scheduled for a continuous period of not less than one day.

(1) The billing demand for Maintenance Service will be the greater of 90% of the scheduled Maintenance Service demand or the actual Maintenance Service demand taken. The Company is not obligated to furnish Maintenance Service power in excess of that which is scheduled. Where Maintenance Service was scheduled to begin or end on other than a regular monthly meter reading date, the monthly bill will be computed on a prorated basis with the Billing Load which includes Maintenance Service effective only for the days Maintenance Service was scheduled.

(2) In the case where a Customer purchases firm power from the Company under another rate schedule, the actual Maintenance Service demand shall be the difference between the Customer's maximum demand registered on the meter during the maintenance period and contract power as established under contract for firm power.

(3) The energy associated with the actual maintenance service demand taken shall be:

a. As metered, or

b. For Customers who purchase firm power from the Company under another rate schedule, as computed by taking the total energy used during each hour of the maintenance period and subtracting the average energy used for the five hours prior to the beginning of the maintenance period.
STANDBY AND MAINTENANCE SERVICE

IV. NET MONTHLY CHARGES

A. Customer Charge $950.00 (Applies to customers that take only SMS service)

B. Monthly Load Charge

<table>
<thead>
<tr>
<th>Delivery Voltage</th>
<th>Billing Demand Charges ($/kW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution (less than 69 kV)</td>
<td>Standby Service (1)</td>
</tr>
<tr>
<td></td>
<td>$2.21</td>
</tr>
<tr>
<td>Transmission (69 kV and greater)</td>
<td>Maintenance Service (2)</td>
</tr>
<tr>
<td></td>
<td>$0.74</td>
</tr>
</tbody>
</table>

(1) The Billing Demand for Standby Service shall be as determined in §§ III.A.1 and III.A.2.

(2) The Billing Demand for Maintenance Service shall be as determined in §§ III.B.1 and III.B.2.

C. The Monthly Energy Charge shall be the kWh as determined in §§ III.A.3 and/or III.B.3 times the total of the applicable charges shown below plus the Fixed Fuel Factor per Schedule FF

<table>
<thead>
<tr>
<th>Delivery Voltage</th>
<th>Energy Charges ($/kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution (less than 69 kV)</td>
<td>On-Peak</td>
</tr>
<tr>
<td></td>
<td>$0.04334</td>
</tr>
<tr>
<td>Transmission (69 kV and greater)</td>
<td>Off-Peak</td>
</tr>
<tr>
<td></td>
<td>$0.00476</td>
</tr>
</tbody>
</table>

Summer: On-peak hours, for purposes of this schedule, are 1:00 p.m. to 9:00 p.m. Monday through Friday of each week beginning on May 15 and continuing through October 15 of each year except that Memorial Day, Labor Day and Independence Day (July 4 or the nearest weekday if July 4 is on a weekend) are not on-peak.

Winter: On-peak hours for each week of Monday through Friday beginning October 16 and continuing through May 14 of each year are 6:00 a.m. to 10:00 a.m. and 6:00 p.m. to 10:00 p.m., except that Thanksgiving Day, Christmas Day and New Year's Day (or the nearest weekday if the holiday should fall on a weekend) are not on-peak.

Off-peak hours, for purposes of this schedule, are all hours of the year not specified as on-peak hours. With approval of the Commission, Company may at its sole discretion change the on-peak hours and season from time to time.
V. CONDITIONS OF SERVICE

A. Customer and Company will agree on operating procedures, and control and protective devices which will limit the taking of power from Company's system to amounts which will not adversely affect service to Company's other Customers. When Customer's generating equipment is operated in parallel with Company's suitable relays, control and protective apparatus will be furnished and maintained by Customer in accordance with specifications agreed to by Company, and subject to inspection by Company's authorized representatives at all reasonable times.

B. The term for service under this rider schedule shall be such as may be agreed upon but not less than one year.

C. Where Customer's power factor of total service supplied by Company is such that 90% of measured monthly maximum kVA used during any 30-minute interval exceeds corresponding measured kW, Company will use 90% of such measured maximum kVA as the number of kW for all purposes that measured maximum kW demand is specified herein. However, where Customer's power factor is regularly 0.9 or higher Company may at its option omit kVA metering equipment or remove same if previously installed.

D. Schedule SMS will normally be billed on a monthly basis or such other period as determined by Company. However, where use of service includes recurring switching of load to Company's system, normally supplied from Customer's generating facilities, for intervals shorter than so stipulated above, Company may determine billing load by metering having shorter intervals.

VI. GROSS MONTHLY BILL AND PAYMENT

The gross monthly bill for service furnished for which payment is not made within sixteen (16) days of the billing date shall be the net monthly bill, including all adjustments under the rate schedule and applicable riders, plus 5%. The 5% penalty on delinquent bills shall not be applied to any balance to which the penalty has already been applied. If the monthly bill is paid prior to such date, the net monthly bill, including all adjustments under the rate schedule and applicable riders, shall apply. If providing service to the State of Texas or to municipalities or political subdivisions of this state, Company shall not assess a fee, penalty, interest or other charge to these entities for delinquent payment of a bill.