

LANAI DIVISION

RIDER "M"

Off-Peak and Curtailable Service

Availability:

This Rider is available to customers served under rate Schedule "J" or "P" whose maximum measured demands prior to any load modifications effected under this rider, exceed 100 and 300 kilowatts, respectively. A customer may utilize this rider in conjunction with Schedule SS. This rider cannot be used in conjunction with Rider T, Rider I, Schedules "U", "TOU-J" or "TOU-P".

Rates:

A. Basic Rates

The rates for service under this Rider shall be as specified under the regular Schedule "J" or "P", whichever is applicable except that the Minimum Charge and the determination of billing demand used in the calculation of demand and energy charges shall be as defined below, subject to the requirements of the Determination of Demand provision of the applicable rate schedule.

The customer shall select Option A - Off-Peak Service, or Option B - Curtailable Service:

OPTION A - OFF-PEAK SERVICE:

- 1) Any demand occurring during the off-peak period shall not be considered in determining the billing kW demand for each month, but shall be used in determining the excess off-peak charge. Only the maximum kW demand occurring during the on-peak period shall be used in the determination of the billing kW demand for the calculation of the demand charge, energy charge and minimum charge as specified in the regular Schedule J or P.
- 2) An Excess Off-Peak Charge of \$1.00 per kilowatt shall be added to the regular rate schedule charges for each kilowatt that the maximum off-peak demand exceeds the maximum demand during the on-peak period.
- 3) For calculation of the excess off-peak charge for each month, the maximum off-peak demand and maximum demand during the on-peak period shall be the highest measured demands during the respective periods for such month.

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- 4) The time-of-use rating periods shall be defined as follows:

On-Peak Period	7 a.m. - 9 p.m.	Fourteen hours Daily
Off-Peak Period	9 p.m. - 7 a.m.	Ten continuous hours Daily

- 5) The monthly minimum charge shall be the sum of the customer charge and demand charge in the applicable rate schedule, and the Excess Off-Peak Charge and Time-of-Day Metering Charge specified below.

OPTION B: CURTAILABLE SERVICE:

- 1) A customer who chooses curtailable service shall curtail its kW load during the Company's curtailment hours, and shall specify the curtailable kW load. This curtailable load must be load that is normally operated during the Company's curtailment hours and must be at least 50 kW 150 kW of load under Schedules "J" and "P" respectively. The Company may install a meter to measure the customer's curtailable load prior to the start of curtailable service under this Rider.

- 2) For billing purposes, the curtailed kW shall be determined monthly as the difference between the maximum kW demand outside of the curtailment hours and the maximum kW demand during the curtailment hours measured for each month, but not to exceed the curtailable kW load specified in the customer's Rider M contract.

- 3) The customer shall choose one of the curtailment periods specified below. The billing demand under this curtailable service option shall be the normal billing demand under Schedule "J" or "P" reduced by:
 - Option 1) 75% of the curtailed demand if the curtailment hours are the Company's priority peak period defined from 5:00 p.m. to 9:00 p.m., Monday through Friday; or

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Option 2) 40% of the curtailed kilowatt demand if the curtailment hours are two (2) consecutive hours as specified by the Company.

- 4) The monthly minimum charge shall be the sum of the customer charge and demand charge in the applicable rate schedule, and the Time-of-Day Metering Charge specified below.

Where the Company specifies the curtailment hours, the Company shall give the customer at least 30 days notice prior to changing the curtailment hours.

B. TIME-OF-DAY METERING CHARGE:

The Company shall install a time-of-use meter to measure the customer's maximum kW load during the time-of-day rating periods and curtailment hours.

An additional time-of-day metering charge of \$10 per month shall be assessed to cover the additional cost of installing, operating, and maintaining a time-of-use meter.

C. TERMS OF CONTRACT:

1. The initial term of contract shall be at least 3 years. Thereafter, the contract will be automatically renewed in 3-year increments until terminated by either party by a 30-day written notice.
2. A customer applying for service under this Rider shall sign a standard Rider M contract form with the Company.
3. The customer shall be allowed to take service under this Rider for a six-month trial period without penalty for termination within this period.
4. If the contract is terminated after the six month trial period, but prior to the end of the initial contract term, the customer shall be assessed a termination charge equal to the last six months discount received under this Rider.

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5. The customer may request a change of Rider options (Option A - Off-Peak Service or Option B - Curtailable Service) or curtailment hours by providing a 30-day written notice to the Company. The change will become effective after the next regular meter reading following the receipt of such written notice by the Company, provided however, the Company may not be required to make such change until 12 months of service has been rendered after the last change, unless a new or revised Rider has been authorized, or unless a customer's operating conditions have altered so as to warrant such change.
6. If under the curtailable service option the customer fails to curtail his demand during the curtailment hours three times within a twelve-month period, the Company may terminate the Rider M contract by a 30-day written notice to the customer. If the Rider M contract is terminated due to the customer's failure to curtail load, the customer may be assessed a termination charge equal to the last six-months discount received under this Rider.
7. Service supplied under this Rider shall be subject to the Rules and Regulations of the Company.