

Electric Rates

For Michigan customers

June 2018

The rates in this brochure reflect the base rates previously authorized by the MPSC for We Energies' Michigan retail customers.



Energy you can depend on

Rate Options

We recommend you review the rate options and prices listed in this brochure. Your current rate description is listed on your bill. Compare this rate description to the other rate options described here. While you are the best judge of which rates are best for your situation, we'll be glad to help you compare rate options. Complete rate schedules are available upon request. You also may request energy use and weather-adjusted consumption data for the last 12 months. Visit uppermichiganenergy.com for more pricing information.

We itemize, or "unbundle," charges on your bill for Power Supply and Delivery. Your itemized charges for Power Supply include costs to generate or purchase the electricity and transport it over power lines to local distribution systems. Your itemized charges for Delivery include costs to deliver the electricity to your home, as well as certain customer services. Not all Time-of-Use rates reflect this itemization.

The base energy charges are subject to a Power Supply Cost Recovery (PSCR) factor to reflect changes in fuel costs. The current PSCR factor is a credit of \$0.00300 per kWh. The current cost base is \$45.47 per MWh.

Many customers may benefit from our Time-of-Use rate option. With Time-of-Use, you pay a lower rate when the demand for electricity is low (weeknights, weekends and holidays) and a higher rate when demand is high (weekdays on-peak hours).

Each Time-of-Use rate has its own on-peak and off-peak periods. All time periods as stated are the local time Monday through Friday, excluding those days designated as the legal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The off-peak periods consist of all hours not designated as an on-peak period.

Michigan Customer Choice

Most Michigan electric customers have a Retail Access Service option or choice to purchase their generation and transmission service from a licensed unregulated Alternative Electric Supplier (AES) at a price determined solely between the customer and the AES, with power delivered through the Company's distribution system. The AES will charge its customers for the energy and transmission services to transport the electricity across the high voltage lines to your home or business. The utility will charge you for the distribution services on the low voltage lines and the utility will charge AES customers for the availability of generation (capacity) if the AES has not secured generation capacity for your home or business. Customers may continue to buy their power supply from the local utility under Full Requirements Service at prices regulated by the Michigan Public Service Commission.

Experimental Renewable Energy Rider Rates

Customers have the option to participate in the Company's *Energy for Tomorrow*[®] renewable energy program. The program gives customers the option to pay a premium for the Company to obtain generation fueled by renewable resources. Use of renewable energy resources has a positive impact on the environment and reduces the consumption of non-renewable resources.

Participation in this program allows customers to nominate to pay a premium on their usage for the Company to obtain energy from generating sources that are fueled by renewable resources. The premium is a per

kWh adder under Power Supply Charges that is based on the rate schedule under which the customer is being served.

Customers participating in the Energy for Tomorrow program, with at least 50 percent of their energy usage coming from generating sources fueled by renewable resources, do not have to pay the Renewable Energy Surcharge.

Visit www.uppermichiganenergy.com/rates/mi-energy-for-tomorrow.htm for a detailed breakdown of the costs of the Company's Energy for Tomorrow renewable energy programs.

Experimental Renewable Energy Rider (ERER1)

Available to customers taking service under rate schedules Rg1, Rg2, Cg1, Cg2 and Cg5, who pay a premium on their usage for the Company to obtain energy from generating sources that are fueled by renewable resources for 25 percent, 50 percent, or 100 percent of their usage. In addition to the charges of the rate schedule under which the customer is served, there will be an adder per kWh based on the level of participation selected by the customer as follows:

Participation Level – 25%	\$.00755 per kWh
Participation Level – 50%	\$.01510 per kWh
Participation Level – 100%	\$.03020 per kWh

Experimental Renewable Energy Rider (ERER2)

Available to customers currently taking service under rate schedules Cg3, Cp1, and Ms1 who nominate to pay a premium on a block of their usage to allow for the purchase of a block of energy generated by renewable resources. In addition to the customer's charges as indicated in the rate schedule under which the customer is served, there will be an adder of \$.03020 per kWh applied to the lesser of the kWh consumed or the kWh nominated for renewable energy.

Experimental Renewable Energy Rider (ERER3)

Available to customers currently taking service under the Cg3, Cp1, and Ms1 rate schedules who pay a premium on their usage for the Company to obtain energy from generating sources that are fueled by renewable resources for 25 percent, 50 percent, or 100 percent of their usage. In addition to the customer's charges as indicated in the rate schedule under which the customer is served, there will be an adder per kWh based on the level of participation selected by the customer as follows:

Participation Level – 25%	\$.00755 per kWh
Participation Level – 50%	\$.01510 per kWh
Participation Level – 100%	\$.03020 per kWh

Residential and Farm Rates

Residential (Rg1)

Power Supply Charges:

These charges are applicable to Full Requirements service.

	<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
Non-Space heating	\$0.04251	\$0.04748	\$0.08999 per kWh
Renewable Energy Surcharge			\$.03945 per meter, per day

Subject to PSCR factor.

Delivery Charges:

These charges are applicable to Full Requirements service and Retail Access service.

Facilities Charge	per day, per standard meter or service connection \$.31582 single-phase \$.47373 three-phase
Distribution Charge	\$.04772 per kWh
Excess Meter Charge	\$. 03288 per day, per standard meter in excess of one
Energy Waste Reduction Surcharge	\$.00295 per kWh

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge and the Excess Meter Charge, if applicable.

Residential (Rg1 Space Heating Customers)

This rate is for customers with permanently installed electric space heating equipment, which is the primary source of space heating.

Power Supply Charges:

These charges are applicable to Full Requirements service.

Applied during billing months of November through June:

	<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
First 500 kWh per month	\$0.04251	\$0.04748	\$0.08999 per kWh
Over 500 kWh per month	\$0.04251	\$0.04498	\$0.08749 per kWh

Applied during billing months of July through October:

First 500 kWh per month	\$0.04251	\$0.04748	\$0.08999 per kWh
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Applied all months

Renewable Energy Surcharge	\$0.03945 per meter, per day
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Subject to PSCR factor.

Delivery Charges: The same as shown for Rg1.

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge and the Excess Meter Charge, if applicable.

Residential (Seasonal Customers)

The Delivery and Power Supply charges are the same as shown for Rg1. Because customers receive just six bills per year, the facilities charge, excess meter charge, and Renewable Energy Surcharge are doubled on each bill.

Residential (Rg1 Retail Access Customers)

Customers who meet the availability requirements of the Rg1 rate schedule may contract for residential retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Capacity Power Supply Charges above, not subject to Power Supply surcharges and credits, if their AES has not secured generation capacity for the customer. There is a \$2.79452 per day charge for an interval demand meter or service connection, if applicable.

Residential Time-of-Use (Rg2)

Delivery and Power Supply Charges:

The Facilities Charge, Excess Meter Charge, Renewable Energy Surcharge and Energy Waste Reduction Surcharge are listed under the Residential (Rg1) heading.

Distribution and Power Supply Charges

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$0.13549	\$0.14161	\$0.27710 per kWh On-peak \$0.05818 per kWh Off-peak

Subject to PSCR factor.

Customers have a choice of four on-peak periods: 7 a.m. to 7 p.m.; 8 a.m. to 8 p.m.; 9 a.m. to 9 p.m.; 10 a.m. to 10 p.m.

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge and the Excess Meter Charge, if applicable.

General Secondary Rates

General Secondary (Cg1)

This rate is for customers for secondary service for commercial, industrial, or governmental purposes.

Power Supply Charges:

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$0.04173	\$0.04798	\$0.08971 per kWh

Renewable Energy Surcharge \$0.21798 per meter, per day

Power Supply charges are applicable to Full Requirements service.

Subject to PSCR factor.

Delivery Charges:

These charges are applicable to Full Requirements and Retail Access service.

Facilities Charge per day, per standard meter or service connection
\$0.49315 Single-phase
\$0.96986 Three-phase

Distribution Charge \$0.05443 per kWh

Excess Meter Charge \$0.03288 per day, per standard meter in excess of one

Energy Waste Reduction Surcharge:

Customers without a self-directed plan . . . \$0.20840 per meter, per day

Customers with a self-directed plan \$0.01876 per meter, per day

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge, the Energy Waste Reduction Surcharge and the Excess Meter Charge, if applicable.

General Secondary (Cg1 Retail Access Customers)

Customers who meet the availability requirements of the Cg1 rate schedule may contract for secondary retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Capacity Power Supply Charges above, not subject to Power Supply surcharges and credits, if their AES has not secured generation capacity for the customer. There is a \$2.79452 per day charge for an interval demand meter or service connection, if applicable.

General Secondary - Total Electric (Cg2)

Not available to new installations.

Power Supply Charges:

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$0.04173	\$0.03948	\$0.08121 per kWh

Renewable Energy Surcharge \$21798 per meter, per day

Subject to PSCR factor.

Delivery Charges:

Facilities Charge per day, per standard meter or service connection
\$49315 single-phase
\$96986 three-phase

Distribution Charges \$0.05443 per kWh

Excess Meter Charge \$0.03288 per day, per standard meter in excess of one

Energy Waste Reduction Surcharge:

Customers without a self-directed plan \$40063 per meter, per day

Customers with a self-directed plan \$0.03606 per meter, per day

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge, the Energy Waste Reduction Surcharge and the Excess Meter Charge, if applicable.

General Secondary - Time-of-Use (Cg5)

This rate is for customers for secondary service for commercial, industrial, farm, or governmental purposes.

Delivery and Power Supply Charges:

Facilities Charge per day, per standard meter or service connection
\$49315 Single-phase
\$96986 Three-phase

Distribution and Power Supply Charges

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$0.12278	\$0.15282	\$0.27560 per kWh On-peak \$0.06887 per kWh Off-peak

Excess Meter Charge \$0.03288 per day, per standard meter in excess of one

Renewable Energy Surcharge \$21798 per meter, per day

Energy Waste Reduction Surcharge:

Customers without a self-directed plan . . . \$44155 per meter, per day

Customers with a self-directed plan \$0.03974 per meter, per day

Subject to PSCR factor.

The on-peak period is 9 a.m. to 9 p.m.

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge, the Energy Waste Reduction Surcharge and the Excess Meter Charge, if applicable.

General Secondary - Demand Time-of-Use (Cg3)

For customers whose energy consumption is equal to or greater than 30,000 kWh per month, for three consecutive months. The customer must remain on this rate classification for 12 months before becoming eligible to transfer to a different general secondary rate. If the customer transfers from the Cg3 rate to a different rate, the customer must wait 12 months before they can transfer back to the Cg3 rate. This rate is available to customers previously served under the Cg3 rate schedule only after they have taken service for at least a 12-month period under another of the Company's rate schedules.

Power Supply Charges:

These charges are applicable to Full Requirements service.

Capacity Demand Charge	\$16.564 per kW measured on-peak demand
Non-Capacity Energy Charge	\$.05833 per kWh on-peak \$.03807 per kWh off-peak
Renewable Energy Surcharge	\$.21798 per meter, per day

Subject to PSCR factor.

Delivery Charges:

These charges are applicable to Full Requirements and Retail Access service.

Facilities Charges	\$2.79452 per day, per standard meter or service connection
Demand Charge	\$5.592 per kW of customer maximum demand
Distribution Charge	\$.01221 per kWh on-peak \$.01221 per kWh off-peak
Excess Meter Charge	\$.13151 per day, per standard meter in excess of one

Energy Waste Reduction Surcharge:

Customers without a self-directed plan . . . \$3.15051 per meter, per day

Customers with a self-directed plan \$.28355 per meter, per day

The on-peak period is 9 a.m. to 9 p.m.

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge, the Energy Waste Reduction Surcharge, the Excess Meter Charge and the Customer Maximum Demand Charge.

General Secondary - Demand Time-of-Use (Cg3 Retail Access Customers)

Customers who meet the availability requirements of the Cg3 rate schedule may contract for secondary retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Power Supply Capacity Demand Charge above, not subject to Power Supply surcharges and credits, if their AES has not secured generation capacity for the customer.

General Secondary - Experimental Curtailable(Cg3C)

This rate is for customers who would otherwise qualify for General Secondary Service – Time-of-Use Rate Schedule Cg3, and contract for a minimum of 100 kW of curtailable load. The Company reserves the right to limit participation to 10 customers.

The Power Supply Charges, Delivery Charges and Monthly Minimum Charges are listed under the General Secondary Demand Time-of-Use (Cg3) heading.

The customer shall receive a Curtailable Demand Credit of \$.02020 per kW, per on-peak hour of use.

Transmission Substation Service - Metered (TssM)

For customers contracting for secondary transmission substation electrical service for one year or more. This transmission substation service is sometimes referred to as Auxiliary Power.

Power Supply Charges:

These charges are applicable to Full Requirements service.

The General Secondary Rate Schedule Cg1 charges shall apply.

Renewable Energy Surcharge \$21798 per meter, per day

Subject to PSCR Factor.

Delivery Charges:

These charges are applicable to Full Requirements and Retail Access service.

The General Secondary Rate Schedule Cg1 facilities charges shall apply.

Energy Waste Reduction Surcharge:

Customers without a self-directed plan \$16432 per meter, per day

Customers with a self-directed plan \$01479 per meter, per day

The monthly minimum charge shall be the Facilities Charge, the Renewable Energy Surcharge, the Energy Waste Reduction Surcharge, and the Excess Meter Charge, if applicable.

Transmission Substation Service - Metered (TssM Retail Access Customers)

Customers who meet the availability requirements of the TssM rate schedule may contract for secondary retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Capacity Power Supply Charges in Rate Schedule Cg1, not subject to Power Supply surcharges and credits, if their AES has not secured generation capacity for the customer. There is a \$2.79452 per day charge for an interval demand meter or service connection, if applicable.

Transmission Substation Service - Unmetered (TssU)

For customers contracting for secondary transmission substation electrical service for one year or more. This transmission substation service is sometimes referred to as Auxiliary Power. Availability of service under this tariff is further limited to customers where metered service is not readily available and cannot be practically or economically metered at each individual service location, as determined by UMERC based on current metering specifications.

Service under this rate schedule will be subject to terms and conditions outlined in a separately executed Service Agreement. This Service Agreement will specify, at a minimum, the maximum hourly energy consumption of the substation equipment, per manufacturer’s specifications and subject to confirmation by testing performed by UMERC personnel and any other customer-specific terms and conditions that are not otherwise specified in the rate schedule.

Power Supply Charges:

These charges are applicable to Full Requirements service.

The General Secondary Rate Schedule Cg1 charges shall apply.

Renewable Energy Surcharge \$21798 per meter, per day

Subject to PSCR factor.

Delivery Charges:

These charges are applicable to Full Requirements and Retail Access service

Facilities Charge. \$12000 per day per standard meter or service connection

Energy Waste Reduction Surcharge:
 Customers without a self-directed plan \$16432 per meter, per day
 Customers with a self-directed plan \$01479 per meter, per day

The monthly minimum charge shall be the Facilities Charge, the Renewable Energy Surcharge, the Energy Waste Reduction Surcharge, and the Excess Meter Charge, if applicable.

Transmission Substation Service - Metered (TssU Retail Access Customers)

Customers who meet the availability requirements of the TssU rate schedule may contract for secondary retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Capacity Power Supply Charges in Rate Schedule Cg1, not subject to Power Supply surcharges and credits, if their AES has not secured generation capacity for the customer. There is a \$2.79452 per day charge for an interval demand meter or service connection, if applicable.

General Primary Rates

General Primary - Time-of-Use (Cp1)

This rate is available to customers who take service at approximately 2,400 volts or higher for periods of one year or more and who own their own transformer.

Any Cp1 customer installing new equipment requiring on-peak testing which may cause increased measured demand during such testing may, prior to the testing, request adjustment of measured demands. Please contact your customer service representative for details if you are installing new equipment.

	> 4,160 to	
≤ 4,160 volts	< 69,000 volts	≥ 69,000 volts

Power Supply Charges:

These charges are applicable to Full Requirements service.

Capacity Demand Charge: per kW of measured on-peak demand	\$16.610	\$16.295	\$15.971
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Non-Capacity Energy Charge, per kWh			
On-peak	\$.05805	\$.05674	\$.05561
Off-peak	\$.03789	\$.03703	\$.03630

Renewable Energy Surcharge, per meter, per day	\$2.46581	\$2.46581	\$2.46581
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Subject to PSCR factor.

Delivery Charges:

These charges are applicable to Full Requirements and Retail Access service.

Facilities Charge, per day	\$20.21918	\$20.21918	\$20.21918
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Demand Charge, per kW of customer maximum demand	\$4.313	\$4.231 or \$.200 *	\$0
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Distribution Charge, per kWh			
On-peak	\$.01203	\$.01180 or \$.00124 *	\$0
Off-peak	\$.01203	\$.01180 or \$.00124 *	\$0

Power Factor Demand Charge, per kW of Power Factor Demand	\$18.204	\$17.907	\$12.184
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Energy Waste Reduction Surcharge:

Customers without a self-directed plan, per meter, per day	\$11.59323	\$11.59323	\$11.59323
Customers with a self-directed plan, per meter, per day	\$1.04339	\$1.04339	\$1.04339

* Charge for customer who takes service at 13,200 volts or greater, but less than 69,000 volts, directly from a Company-owned substation transformer, and is served using no Company-owned primary lines.

The on-peak periods available are 8 a.m. to 8 p.m. and 10 a.m. to 10 p.m.

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge and the Energy Waste Reduction Surcharge plus the charge for 300 kW of measured on-peak demand, plus the charge for 300 kW of customer maximum demand.

General Primary - Time-of-Use (Cp1 Retail Access Customers)

Customers who meet the availability requirements of the Cp1 rate schedule may contract for retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Power Supply Capacity Demand Charge above, not subject to Power Supply surcharges and credits or the monthly on-peak demand minimum, if their AES has not secured generation capacity for the customer.

General Primary - Interruptible (Cp2)

This rate is available under a five-year contract to new and existing primary customers with a minimum of 1,000 kW of separately metered interruptible load.

	≤ 4,160 volts	> 4,160 to < 69,000 volts	≥ 69,000 volts
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Power Supply Charges:

Capacity Demand Charge, per kW of measured on-peak demand	\$13.630	\$13.405	\$13.201
Non-Capacity Energy Charge, per kWh			
On-peak	\$.05805	\$.05674	\$.05561
Off-peak	\$.03789	\$.03703	\$.03630
Renewable Energy Surcharge, per meter, per day	\$2.46581	\$2.46581	\$2.46581

Subject to PSCR factor.

Delivery Charges:

Facilities Charge, per day	\$20.21918	\$20.21918	\$20.21918
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Customer may be exempt from this facilities charge if taking service at the same location on rate schedule Cp1

Demand Charge, per kW of customer maximum demand	\$4.313	\$4.231 or \$.200*	\$0
Distribution Charge, per kWh			
On-peak	\$.01203	\$.01180 or \$.00124*	\$0
Off-peak	\$.01203	\$.01180 or \$.00124*	\$0
Power Factor Demand Charge, per kW of Power Factor Demand	\$18.204	\$17.907	\$12.184

Energy Waste Reduction Surcharge:

Customers without a self-directed plan, per meter, per day	\$156.10995	\$156.10995	\$156.10995
Customers with a self-directed plan, per meter, per day	\$14.04990	\$14.04990	\$14.04990

* Charge for customer who takes service at 13,200 volts or greater, but less than 69,000 volts, directly from a Company-owned substation transformer, and is served using no Company-owned primary lines.

The on-peak periods available are 8 a.m. to 8 p.m. and 10 a.m. to 10 p.m.

The monthly minimum charge is the applicable Facilities Charge, the Renewable Energy Surcharge and the Energy Waste Reduction Surcharge plus the charge for 700 kW of measured on-peak demand, plus the charge for 700 kW of customer maximum demand.

General Primary - Curtailable (Cp3)

This rate is available to new and existing general primary customers with a minimum of 500 kW of curtailable load. Customers served under this rate must enter into a three-year contract that specifies a firm demand level.

The Power Supply Charges, Delivery Charges (except for Energy Waste Reduction Surcharge) and Minimum Charges are listed under the General Primary Time-of-Use (Cp1) heading.

Energy Waste Reduction Surcharge:

Customers without a self-directed plan . . .	\$156.10995	per meter, per day
Customers with a self-directed plan . . .	\$14.04990	per meter, per day

The customer shall receive a Curtailable Demand Credit, per kW per on-peak hour-of-use:

	> 4,160 to		
$\leq 4,160$ volts	< 69,000 volts	$\geq 69,000$ volts	
\$.0199	\$.0195	\$.0191	

General Primary - Mandatory Standby (Cp4)

This rate is available to customers who take service at approximately 2,400 volts or higher for periods of one or more years that have a generator that normally operates in parallel with the Company's system and serves loads which will transfer from the customer's system to the Company's system during planned and/or unplanned outages of the customer's generation. Standby service has limitations when used in conjunction with curtailable or interruptible service at the same location.

Rates:	> 4,160 to		
	< 69,000 volts	$\geq 69,000$ volts	

Power Supply Charges:

These charges are applicable to Full Requirements service.

Capacity Demand Charge, per kW of billed demand	\$16.610	\$16.295	\$15.971
Standby Demand Charge, per kW	\$1.748	\$1.715	\$1.680

Standby Energy: In addition to the charges below, Standby Energy will be billed at the system avoided cost of power plus 10% per kWh, less the appropriate on- or off-peak energy charge per kWh (including the PSCR Factor), but not less than zero.

Non-Capacity Energy Charge, per kWh

On-peak	\$.05805	\$.05674	\$.05561
Off-peak	\$.03789	\$.03703	\$.03630

Renewable Energy Surcharge, per meter, per day	\$2.46581	\$2.46581	\$2.46581
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Subject to PSCR factor.

Delivery Charges:

These charges are applicable to Full Requirements and Retail Access service.

Facilities Charge, per day			
First metering point	\$20.21918	\$20.21918	\$20.21918
Per additional metering point	\$6.57534	\$6.57534	\$6.57534

Demand Charge, per kW of maximum total demand	\$4.313	\$4.231 or \$.200*	\$0
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Distribution Charge, per kWh			
On-peak	\$.01203	\$.01180 or \$.00124*	\$0
Off-peak	\$.01203	\$.01180 or \$.00124*	\$0

Power Factor Demand Charge, per kW of Peak Power Factor Demand	\$18.204	\$17.907	\$12.184
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Energy Waste Reduction Surcharge:			
Customers without a self-directed plan, per meter, per day	\$156.10995	\$156.10995	\$156.10995

Customers with a self-directed plan, per meter, per day	\$14.04990	\$14.04990	\$14.04990
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* Charge for customer who takes service at 13,200 volts or greater, but less than 69,000 volts, directly from a Company-owned substation transformer, and is served using no Company-owned primary lines.

The on-peak periods available are 8 a.m. to 8 p.m. and 10 a.m. to 10 p.m.

The monthly minimum charge is the applicable Facilities Charge plus the charge for 300 kW of billed demand, plus the charge for 300 kW of customer maximum demand, plus the charge for Stand-by demand applied to the demand levels as set forth in the customer's contract for service.

General Primary - Mandatory Standby (Cp4 Retail Access Customers)

Customers who meet the availability requirements of the Cp4 rate schedule may contract for retail access service. Retail access customers shall pay the applicable Delivery Charges, Minimum Charge, and Late Payment Charge. Additionally, retail access customers shall pay the Power Supply Capacity Demand Charge above, not subject to Power Supply surcharges and credits or the monthly billed demand minimum, if their AES has not secured generation capacity for the customer.

Large Curtailable Contract Rate Schedule (Cp LC)

To customers contracting for three-phase 60 hertz full requirements power service at approximately 13.8 kilovolts or higher with a minimum of 50 megawatts of curtailable load. If the curtailable load is on isolated and separately metered circuits, it will be treated as a separate service to the customer.

Rates: (for service at primary voltages)	<u>13.8 kV to < 69 kV</u>	<u>≥ 69 kV</u>
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Distribution Charges:

Facilities Charge, per day	\$20.21918	\$20.21918
Demand Charge, per kW of customer maximum demand	\$4.231 or \$.187*	\$0

Delivery Charge, per on- and off-peak kWh	\$.01180 or \$.00029*	\$.0
Power Factor Demand Charge, per kW of power factor demand	\$6.814	\$6.625
Energy Waste Surcharge Surcharge:		
Customers without a self-directed plan, per meter, per day	\$3,783.48	\$3,783.48
Customers with a self-directed plan, per meter, per day	\$378.35	\$378.35

Power Supply Charges:

Capacity Demand Charge, per kW of measured on-peak demand	\$18.565	\$18.170
Curtailment Demand Credit, per kW of maximum measured on-peak customer curtailable demand	\$5.635	\$5.560
Non-Capacity Energy Charge, per kWh		
On-peak	\$.04955	\$.04850
Off-peak	\$.03482	\$.03408
Renewable Energy Surcharge, per meter, per day	\$2.46581	\$2.46581

Subject to PSCR factor.

Customers are required to remain on the selected on-peak period for at least one year. The on-peak periods available are 8 a.m. to 8 p.m. and 10 a.m. to 10 p.m.

The monthly minimum charge is the Facilities Charge, the Renewable Energy Surcharge, and the Energy Waste Reduction Surcharge plus the Demand Charge for Contract Demand. Contract Demand shall be no less than 50 megawatts.

* Charge for customer that takes service at 13,800 volts or greater, but less than 69,000 volts directly from a Company-owned substation transformer and is served using no Company-owned primary lines.

Experimental Short Term Productivity Rider (STPR)

Available under special contract to customers currently taking service under the Cp1 or Cp3 rate schedules for the purpose of allowing customers which have shifted load off-peak to extend operations to the four-hour period of 8 a.m. to noon and the four-hour period of 6 p.m. to 10 p.m. for either one hour or a maximum of two contiguous hours per four-hour period when system capacity is available, and at the sole discretion of the Company. Each four-hour period is considered an "excess period." During an excess period, the customer will pay the rates shown below, and will not incur additional on-peak demand charges for usage in accordance with the terms and conditions of this Rider. This Rider does not waive the additional delivery demand charges that may be incurred by higher demands under this Rider. This Rider is not intended to provide for a reduction of a customer's normal on-peak billing demand. This rider is limited to a maximum of 20 customers.

All excess kWh are priced at the higher of:

The two-hour average, for each of the two contiguous hours of each excess period that the customer is eligible to utilize, of the day ahead cleared Locational Marginal Prices for the WEC load zone in which the customer is located, plus ten percent (10%) OR \$.10 per kWh for all kWh when 1,000 or more kWh is billed in an excess period OR \$.12 per kWh for all kWh under 1,000 kWh per excess period.

During an excess period, the excess kWh is the difference between the kWh during the excess period on a 15-minute interval basis minus the kWh during the 15-minute interval in which the on-peak maximum demand occurs for the billing period. The excess kWh will not be negative. The excess period will consist of one or two whole hours as requested by the customer in advance.

Administrative Charge:	\$100.00 per month
Minimum Charge	\$60.00 per excess period plus the Administrative Charge.

Except as noted above, all charges and credits of the respective rate schedule under which a customer is served are applicable.

Experimental Dollars for Power (DFP)

This rider is available under special contract to customers taking service under rate schedules Cp1 or Cg3 and who are not served under any of the non-firm rate schedules (curtailable, interruptible or any other non-firm options that may be added at a future date) who agree on a voluntary basis, to reduce a nominated amount (50 kW minimum) at each separately metered delivery point.

Energy Credit is based on the one price the customer selects for its loads reduced during each load reduction period.

Available Energy Credit Prices: . . . \$.40 \$.80 \$1.25/kWh

kWh Reduction:

The kWh reduction will be determined by subtracting the actual energy measured during each load reduction period from the energy derived from the Adjusted Reference Load Shape during the same period. The average reduction during the period must be greater than or equal to 25 kW for the customer to receive a credit for the reduction.

Please call us for more details and assistance on this rate.

Experimental Power Market Incentives (PMI)

This rider is available under special contract to customers taking service under rate schedule Cp1 and who are not served under any of the non-firm rate schedules (curtailable, interruptible or any other non-firm option that may be added at a future date) who have 500 kW or greater of firm base load demand that they may be able to curtail.

Energy Credit:

The Company will offer a price per kWh based on the market price of energy in the region available to the Company for the purchase or sale for each hour of the curtailment period. The Company will provide either day ahead notice or same day notice.

The price that will be paid is the quoted price.

kWh Reduction:

The kWh reduction will be determined by subtracting the actual energy measured during each load reduction period from the energy derived from the Adjusted Reference Load Shape during the same period.

Please call us for more details and assistance on this rate.

Energy Information Options (EI)

This option is available under special contract to customers currently served under rate schedules Cp1, Cp4, Cg1, Cg2, Cg3 and Cg5, to provide dial-in

access via a secure website to the customer's available 15 minute interval data from Company owned billing meter(s).

Option A: Dial-in access to customer's available interval data from a Company owned billing meter(s) for customers served on the Cp1 or Cp4 rate schedules \$17 per month, per billing meter.

Option B: Dial-in access to customer's available interval data from a Company owned billing meter(s) for customers served on the Cg1, Cg2, Cg3 and Cg5 rate schedules one time fee of \$1,045 for equipment/infrastructure plus \$18 per month, per billing meter.

Pulse Signal Device Option (PS1)

This option is available to customers served under one of the Company's general secondary or general primary rate schedules with electric services greater than 320 amps (services utilizing current transformers). The fees below will be assessed on a one time basis each time a device is installed.

Fees for Standard Installations

Customers currently served under a general primary rate schedule

kWh pulse relay device	\$200 (each)
kVARh pulse relay device.	\$200 (each)
Time pulse relay device	\$100 (each)
Installation/administrative charge	\$300 (each installation visit)

Customers currently served under a general secondary rate schedule where meter has or does not have cell phone telemetry

Meter with kWh pulse output and relay device \$200*

* Includes installation/ administrative charge

Fees for NON-Standard Installations

Nonstandard devices and service installations will be provided on a time and materials fee basis.

Pole Attachments (PA 1)

This rate is for customers, other than a utility or a municipality, contracting for attachment to the Company's poles. Attachments include any wire, cable, facility or apparatus for the transmission of writing, signs, signals, pictures, sounds or other forms of intelligence, installed upon any pole owned or controlled by the Company.

Rate:

Pole Attachment: \$3.74 per year for each pole attachment

Anchor: One time charge of \$15.00 for each anchor used unless the Company has been reimbursed for such anchor.

Lighting Rates

Standard Area Lighting (GL 1)

For customers contracting for standard area lighting service from existing 120-volt, Company-owned facilities.

Capacity Energy Charge per Lighting Unit all Lamp Sizes: \$0.03005 per all kWh
 Non-Capacity Monthly Charge per Lighting Unit

Lamp size	Sodium		Metal Halide		Energy Waste Reduction Surcharge	
	Standard	Flood	Flood	Standard	Without a self-directed plan	With a self-directed plan
50-watt	*	*	*	*	*	*
70-watt	\$9.59	*	*	*	\$.18	\$.02
100-watt	\$11.43	\$13.26	*	*	\$.25	\$.02
150-watt	\$13.57	*	*	*	\$.38	\$.04
175-watt	*	*	*	\$16.17	\$.44	\$.04
200-watt	\$16.07	\$17.78	*	*	\$.51	\$.05
250-watt	\$18.47	*	\$20.87	\$20.07	\$.64	\$.06
400-watt	\$25.03	\$26.47	\$27.09	\$25.62	\$1.02	\$.10

Subject to PSCR factor.

*Service not provided.

The monthly minimum charge shall be the monthly charge per lighting unit and the Energy Waste Reduction Surcharge.

New or additional poles required solely for the attachment of lighting fixtures are not available under this rate. Installations which require new poles shall be served under the Ms3 rate. Poles and circuits being provided by the company prior to Sept. 16, 2002 will continue to be provided for a monthly charge of \$2.58 for each additional standard pole and \$2.54 per month for each additional span of circuit installed to serve a lighting unit.

Non-Standard Street and Area Lighting, Company-Owned (Ms3)

For customers contracting for non-standard lighting service by means of Company-owned and maintained non-standard street light facilities.

Capacity Energy Charge per Lighting Unit all Lamp Sizes: \$0.03005 per all kWh
 Non-Capacity Monthly Charge per Lighting Unit

Lamp size	Amount	Energy Waste Reduction Surcharge	
		Without a self-directed plan	With a self-directed plan
50-watt	\$2.18	\$.13	\$.01
70-watt	\$3.20	\$.18	\$.02
100-watt	\$4.96	\$.25	\$.02
150-watt	\$7.03	\$.38	\$.04
175-watt	\$7.96	\$.44	\$.04
200-watt	\$9.31	\$.51	\$.05
250-watt	\$11.58	\$.64	\$.06
400-watt	\$17.89	\$1.02	\$.10
1000-watt	\$41.67	\$2.54	\$.24

Subject to PSCR factor.

Table rates do not include facilities charge. The facilities charge can be paid in one of two ways:

Option A: A monthly facilities charge of 1.9 percent of the estimated installed cost of the lighting and related facilities.

Option B: A one-time charge equal to the estimated installed cost of the lighting and related facilities, payable prior to installation of facilities and monthly facilities charge of .5 percent of the estimated installed cost of the lighting and related facilities.

The monthly minimum charge shall be the monthly charge per lighting unit and the Energy Waste Reduction Surcharge.

Municipal Defense Siren (Mg1)

Per year or any part of a year for each 2 horsepower or fraction thereof for each siren installed.

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$0.86	\$2.12	\$2.98

Energy Waste Reduction Surcharge:

Customers without a self-directed plan \$.12*

Customers with a self-directed plan \$.01*

*per year or any part of a year for each 2 horsepower or fraction thereof for each siren installed.

Subject to PSCR factor.

The minimum annual charge is the annual charge per siren plus the Energy Waste Reduction Surcharge for each month of the year or any part of a year.

Standard Street Lighting (Ms2)

For municipalities and other governmental units contracting for standard lighting service by means of Company-owned street lighting facilities.

Capacity Energy Charge per Lighting Unit all Lamp Sizes: \$0.03005 per all kWh
 Non-Capacity Monthly Charge per Lighting Unit

Lamp size	Amount	Energy Waste Reduction Surcharge	
		Without a self-directed plan	With a self-directed plan
50-watt	\$7.91 Sodium	\$.13	\$.01
70-watt	\$9.68 Sodium	\$.18	\$.02
100-watt	\$11.54 Sodium	\$.25	\$.02
150-watt	\$13.70 Sodium	\$.38	\$.04
175-watt	\$16.32 Metal Halide	\$.44	\$.04
200-watt	\$16.22 Sodium	\$.51	\$.05
250-watt	\$18.64 Sodium	\$.64	\$.06
	\$20.25 Metal Halide		
400-watt	\$25.26 Sodium	\$ 1.02	\$.10
	\$25.86 Metal Halide		

Subject to PSCR factor.

The monthly minimum charge shall be the monthly charge per lighting unit and the Energy Waste Reduction Surcharge.

Flashers less than or equal to 75 watts

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$1.13	\$2.76	\$3.89

Flashers greater than 75 watts and up to and including 150 watts

<u>Capacity</u>	<u>Non-Capacity</u>	<u>Total</u>
\$1.73	\$4.25	\$5.98

Flashers greater than 150 watts Cg1 Rate applies

Generating System Rates

Customer Generating Systems

(CGS Category 1 and 2, CGS Large, CGS Biogas, CGS-PV)

These rates are available to customers owning generating systems who desire to sell electrical energy to UMERC. Please contact your local UMERC service representative for details and assistance in determining if you can benefit from one of these rates.

Supply Default Service (DS1)

To customers in all areas served. This service is available, on a best-efforts basis to a customer greater than or equal to 4 MW Maximum Demand returning from supply from an AES (Alternative Electric Supplier) for a transition period of up to 12 months. This service applies to customers taking retail access service under the following rates: Cg3, Cp1, Cp4, Schedule A and CpLC. The Company is not required to build or purchase new capacity or interrupt firm customers to provide service under this schedule.

Delivery Charges: The delivery charges shall be the delivery charge of the retail access rate that the customer would qualify for if applying as a new customer.

Power Supply Charges: The price for each hour of usage under this schedule shall be the greater of:

1. The charge for power supply service under the Company's corresponding full requirements service rate for the customer, or
2. The customer's proportional share of 110 percent of the Company's cost of obtaining supply for default service customers including losses and any applicable charges.

Power Supply and Delivery Charges are subject to the surcharges and credits of the retail access rate that the customer would qualify for if applying as a new customer.

The monthly minimum charge shall be the minimum charge of the retail access rate that the customer would qualify for, if applying as a new customer.

Retail Access Service Tariff (RAS-1)

This tariff provides the terms and conditions associated with Retail Access Service and provides information regarding the roles of the various market participants. Please contact a UMERC representative for assistance with this tariff.

Customer service contact information

Please call us if you would like to discuss your electric service.

Residential and farm customers **800-242-9137**

24 hours a day, seven days a week

**General Secondary, Lighting
and General Primary customers** **800-714-7777**

Weekdays 8 a.m. to 5 p.m.

Power outage hotline/emergencies **800-662-4797**

Website **uppermichiganenergy.com**

Service Charges

Residential customers are subject to a late payment charge of 1.5%, not compounded, of the portion of the bill, net of taxes, that is delinquent. The late payment charge shall not apply to customers whose payments are made by the Department of Health and Human Services or who are participating in a shut off protection program as described in the Consumer Standards and Billing Practices for Electric and Natural Gas Service (R460.101-460.169). Non-residential customers are subject to a late payment charge of 1.5 percent per month applied to outstanding charges past due. A \$15 service fee is charged for all returned checks.



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