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## TECHNICAL TERMS AND ABBREVIATIONS (FOR ALL CUSTOMERS)

I. The definitions of the following technical terms and abbreviations are applicable to the Company's Electric Rate Book and are not contained in the other Sections thereof:

A. For All Utilities

- (1) "Commission" means the Michigan public service commission.
- (2) "Effective Date" means the date when the tariff sheet must be followed.
- (3) "Issue Date" means the date the Company files a tariff sheet with the Commission.
- (4) "Rate Book" means the complete set of Company filings submitted in accordance with the "Filing Procedures for Electric, Wastewater, Steam and Gas Utilities".
- (5) "Rate Schedule" or "Rider" means the rate or charge for a particular classification of service, including all special terms and conditions under which that service is furnished at the prescribed rate or charge.
- (6) "Rate Sheet" or "Tariff Sheet" means any of the documents filed in accordance with "Filing Procedures for Electric, Wastewater, Steam and Gas Utilities".
- (7) "Rules and Regulations" means the rules, regulations, practices, classifications, exceptions, and conditions that the Company must observe when providing service.
- (8) "Standard Customer Form" means a contract or other agreement that create or alter a customer's rights or responsibilities in dealings with the Company. Standard customer forms require a customer signature or are specifically referenced within the Rate Book for execution between the Company and customers.

B. Company

Advance – For the purposes of deposits and contributions, "in advance" means in advance of commencement of construction; however, under no circumstances will the meter(s) be set or the system energized until the required deposit or contribution has been made.

Ampere: Rate of flow of electricity.

Company – Wisconsin Electric Power Company.

***Energy Optimization Surcharge: A delivery/distribution surcharge to allow recovery of the energy optimization alternative compliance payment made by the Company in compliance with Section 91(1) of 2008 PA 295. An annual energy optimization cost reconciliation shall be conducted. The approved Energy Optimization Surcharges are shown on Sheet No. D-5.01.***

Full Requirements Service: The provision of retail regulated electric service including generation, transmission, distribution and ancillary services all provided by the Company.

Hertz (Hz): The international unit of frequency equal to one cycle per second.

60 Hertz Service: Shortened form of described "60-cycle" (per second) alternating current service" in these rate schedules.

Horsepower (hp) - Unit of mechanical power equivalent to 746 watts of electrical power.

Kilowatt (kW): One thousand watts. Unit of electric power representing rate of consumption.

(Continued on Sheet No. A-13.00)

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Milwaukee, Wisconsin

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**TECHNICAL TERMS AND ABBREVIATIONS (FOR ALL CUSTOMERS)**  
**(Continued From Sheet No. A-12.00)**

B. Company (Contd)

Kilovoltampere (kVA): Product of volts and amperes, divided by one thousand.

Kilowatthours (kWh): Consumption of energy equivalent to the use of one kilowatt for one hour.

Maximum Demand or Demand: Measured in kilowatts, is the highest power required as metered by a demand recorder.

Minimum Charge: The charge for the billing period when there is no kWh consumption in that billing period.

Month: The term “month” shall refer to the period between two successive, scheduled meter readings.

Power Factor: The ratio of watts to the product of volts and amperes.

Power Supply Cost Recovery Factor: That element of the rates to be charged for electric service to reflect Power Supply Costs incurred and made pursuant to a Power Supply Cost Recovery Clause incorporated in the rates or Rate Schedules.

Power Supply Cost Recovery Plan: A filing made annually describing the expected sources of electric power supply and changes over a future 12 month period specified by the Commission and requesting for each of those 12 months a specific Power Supply Cost Recovery Factor.

Power Supply Costs: Those elements of the costs of fuel and purchased and net interchanged power as determined by the Commission to be included in the calculation of the Power Supply Cost Recovery Factor.

Renewable Energy Surcharge: A power supply surcharge to allow recovery of the incremental cost of compliance with the renewable energy standards included in 2008 PA 295. An annual renewable cost reconciliation shall be conducted pursuant to Section 49 of 2008 PA 295. The approved Renewable Energy Surcharges are shown on Sheet No. D-5.03.

***Rate Realignment Adjustment: Adjustments in the form of a surcharge or credit applicable to all Power Supply kilowatt hours to realign rates to cost of service as required by 2008 PA 286.***

Retail Access Service: Service offered by the Company under applicable laws, regulations, tariffs and agreements, which allows the customer to purchase generation service and transmission service from a licensed AES (Alternative Electric Supplier), with power delivered through the Company’s distribution system.

Volt: Unit of electric force or pressure.