
EXPERIMENTAL POWER MARKET INCENTIVES - PMI

Availability:

Available under special contract to customers taking service under rate schedule Cp 1 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.

Rate – Energy Credit:

Wisconsin Electric 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.

Definitions:

Reference Load Shape is where the customer has not entered into a customer specific reference load shape by special contract, the reference load shape will be derived from the customer's load shape on the same day of the week, one week prior, to the day a load reduction is requested. The following exclusions to the selection of the reference load shape will apply:

- 1. The day of the reference load shape cannot be a designated legal holiday under the Company's time-of-use rate schedules;*
- 2. The day of the reference load shape cannot be a day in which he customer was requested to reduce load under terms of any of the Company's voluntary load reduction rate schedules or the Company's curtailable or interruptible rate schedules;*
- 3. There cannot be any missing interval data for the account on the day of the reference load shape. If any of these exclusions apply, the reference load shape will be derived from the customer's load shape on the same day of the week, two weeks prior to the day a load reduction is requested. This process will continue until no exclusions apply.*

Adjusted Reference Load Shape is when the Reference Load Shape will be adjusted by the ratio of energy in the two hours prior to notification of a requested reduction to the energy derived from the Reference Load Shape during the same two-hour time period.

Conditions of Delivery:

- 1. Day Ahead Notice: The Company will make best efforts to electronically notify customers of its day ahead price, the amount of load it is seeking at that price, and the period of time it is seeking such load reductions, by noon of the day preceding the curtailment day. The customer must confirm electronically within one hour the specified amount of load they will curtail for the entire curtailment period. The Company will accept customer confirmations up to the designated amount of load the Company requested based on the order the customer confirmations are received. The Company will electronically notify, within one hour, those customers whose confirmations have been accepted and who are then expected to curtail. Subject to condition 3, upon such notification, the Company shall be responsible to pay the customer for the agreed-to load reduction.*

(Continued to Sheet No. D-61.00)

Issued *11/19/08*
R.A. Draba
Vice-President,
Milwaukee, Wisconsin

Effective for service rendered on and
after *01/01/09*

Issued under authority of the
Michigan Public Service Commission
dated *11/13/08*
in Case No. *U-15500*

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(Continued from Sheet D-60.00)

Conditions of Delivery (Cont.):

2. *Same Day Notice: The Company will make its best efforts to electronically notify customers of its same day price, the amount of load it is seeking at that price, and the period of time it is seeking such load reductions. A customer must confirm within 10 minutes the specified amount of load they will curtail for the entire curtailment period. The Company will accept customer confirmations up to the designated amount of load the Company requested based on the order the customer confirmations are received. The Company will electronically notify, within 10 minutes, those customers whose confirmations have been accepted and who are then expected to curtail. Subject to condition 3, upon such notification, the Company shall be responsible to pay the customer for the agreed-to load reduction. The curtailment period could start in as little as 20 minutes after the ending of the customer's 10 minute confirmation period.*
3. *If the customer fails to curtail as agreed upon for any portion of the curtailment period, the customer will be paid for that portion of their load that they did shed, and will pay to the Company the Company's replacement costs for that portion of the load that they agreed to shed but did not shed. Replacement costs are equal to the reasonable cost to the Company for replacement energy, transmission and any additional costs to the Company, minus the price the Company had agreed to pay the customer for its curtailment.*
4. *It will be at the Company's discretion to seek load reductions from customers enrolled in this tariff. The Company will make a good faith effort to utilize this tariff.*
5. *The customer will receive an Energy Credit only if the customer's load reduction is in response to a Company request for such load reduction and the Company has previously accepted the customer's confirmation of such load reduction.*
6. *Service under this rider may be refused if the Company believes the nominated load to be reduced will not provide adequate load reduction when in the future the Company requests reduction. The Company will notify the customer of the Company's refusal to provide service under this rider and the Company will inform the customer of their right to ask for a Commission review of the Company's refusal of service.*
7. *The customer shall, at its expense, install and operate all additional apparatus and materials necessary for the notification and/or measurement of the reduction of load.*
8. *The customer will sign an individual customer contract to take service under this rider for one calendar year.*
9. *The Company will notify the customer of the starting and ending times of each load reduction period.*
10. *Except as noted above, all conditions of delivery of the customer rates schedules under which they are served are applicable.*
11. *The customer will take service under this rider beginning on the next billing period that follows the later of the execution of the contract or the installation of all apparatus and materials necessary for the notification and/or measurement of load.*
12. *There is no limit as to the length of an offered curtailment period.*
13. *Customers participating in the Company's Dollars for Power tariff may not participate under this rider.*

(Continued to Sheet No. D-62.00)

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Conditions of Delivery (Cont.):

- 14. The Company anticipates it may expand this tariff in the future to include customers having 500 kW of firm load through aggregation with other customers, and may allow customers to offer varying amount of load reduction at different energy prices.*
- 15. The customer shall treat the price per kWh offered by the Company as confidential information and not release such information for a period of 12 months.*

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