

Res 534

Contract Cover Sheet

Note: Shaded areas are for County Executive review.

Department AIRPORT	Contract/Addendum #: <u>12755</u>																				
1. This contract, grant or addendum: <input type="checkbox"/> AWARDS <input checked="" type="checkbox"/> ACCEPTS	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">Contract</td> <td style="width:50%;">Addendum</td> </tr> <tr> <td colspan="2" style="font-size: small;">If Addendum, please include original contract number</td> </tr> <tr> <td><input checked="" type="checkbox"/> POS</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Grant</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Co Lease</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Co Lessor</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Intergovernmental</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Purchase of Property</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Property Sale</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Other</td> <td><input type="checkbox"/></td> </tr> </table>	Contract	Addendum	If Addendum, please include original contract number		<input checked="" type="checkbox"/> POS	<input type="checkbox"/>	<input type="checkbox"/> Grant	<input type="checkbox"/>	<input type="checkbox"/> Co Lease	<input type="checkbox"/>	<input type="checkbox"/> Co Lessor	<input type="checkbox"/>	<input type="checkbox"/> Intergovernmental	<input type="checkbox"/>	<input type="checkbox"/> Purchase of Property	<input type="checkbox"/>	<input type="checkbox"/> Property Sale	<input type="checkbox"/>	<input type="checkbox"/> Other	<input type="checkbox"/>
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<input type="checkbox"/> Other	<input type="checkbox"/>																				
2. This contract is discretionary <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																					
3. Term of Contract or Addendum: 5 Years commencing 5/1/2016																					
4. Amount of Contract or Addendum: per mandatory rate schedule established by the WI Public Service Commission																					
5. Purpose: Purchase of backup electric generation services for Airport																					
6. Vendor or Funding Source: MG&E																					
7. MUNIS Vendor Code: 4761 (remit #2)																					
8. Bid/RFP Number: <u>n/a</u>																					
9. Requisition Number:																					
10. If grant: Funds Positions? <input type="checkbox"/> Yes <input type="checkbox"/> No Will require on-going or matching funds? <input type="checkbox"/> Yes <input type="checkbox"/> No																					
11. Are funds included in the budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																					
12. Account No. & Amount, Org & Obj. <u>AIRTERM 22700</u> Amount \$ _____																					
Account No. & Amount, Org & Obj. _____ Amount \$ _____																					
Account No. & Amount, Org & Obj. _____ Amount \$ _____																					
13. If this contract awards funds, a purchase requisition is necessary. Enter requisition # & year _____																					
14. Is a resolution needed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please attach a copy of the Resolution. 2015 RES-534 If Resolution has already been approved by the County Board, Resolution No. & date of adoption																					
15. Does Domestic Partner equal benefits requirement apply? <input type="checkbox"/> Yes <input type="checkbox"/> No																					
16. Director's Approval: <u><i>[Signature]</i></u>																					

Contract Review/Approvals				Vendor	
Initials	Ftnt	Date In	Date Out	Vendor Name	
<u>MA</u> Received	_____	<u>4-6-16</u>	_____	MADISON GAS & ELECTRIC	
<u>CP</u> Controller	_____	_____	<u>4/8/16</u>	Contact Person	
<u>CC</u> Corporation Counsel	_____	<u>4-8-16</u>	<u>4/12/16</u>	Robert Maney, Senior Account Manager	
<input checked="" type="checkbox"/> Risk Management	_____	<u>4/8/16</u>	<u>4/8/16</u>	Phone No.	
<u>CP</u> Purchasing	_____	_____	<u>4/8/16</u>	(608) 252-4704	
_____ County Executive	_____	_____	_____	E-mail Address	
				RManey@mge.com	

Footnotes:
 1. MGE is an additional insured on Global Ins. due to Solar Panel regulations (see #10)
 2.


Return to: Name/Title: Kimberly Jones, Dep. Airport Director Finance and Administration Phone: 608.246.3391 E-mail Address: jones.kimberly@msnairport.com	Dept.: AIRPORT Mail Address: 4000 International Lane Madison, WI 53704
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Certification

The attached contract: *[check as many as apply]*

- conforms to Dane County's standard Purchase of Services Agreement form in all respects
- conforms to Dane County's standard Purchase of Services Agreement form with modifications and is accompanied by a revision copy¹
- is a non-standard contract which has been reviewed or developed by corporation counsel and which has not been changed since that review/development
- is a non-standard contract previously review or developed by corporation counsel which has been changed since that review/development; it is accompanied by a revision copy¹
- is a non-standard contract not previously reviewed by corporation counsel; it is accompanied by a revision copy
- contains non-standard/indemnification language which has been reviewed or developed by risk management and which has not been changed since that review/development
- contains non-standard insurance/indemnification language which has been changed since review/development or which has not been previously seen by risk management; it is accompanied by a revision copy
- contains non-standard affirmative action/equal opportunity language which has been reviewed or developed by contract compliance and which has not been changed since that review/development
- contains non-standard affirmative action/equal opportunity language which has been changed since the earlier review/development by contract compliance or which has not been previously seen by contract compliance; it is accompanied by a revision copy¹

Date: 4/4/16

Signed: 

Telephone Number (608) 246-3390

Print Name: **Bradley S. Livingston, AAE Airport Director**

Major Contracts Review (DCO Sect. 25.20) This review applies only to contracts which both exceed \$100,000 in disbursements or receipts and which require county board review and approval.

Executive Summary (attach additional pages, if needed).

1. Department Head Contract is in the best interest of the County.
Describe any deviations from the standard contracting process and any changes to the standard Purchase of Services Form Agreement.

Date: 4-4-16

Signature: 

2. Director of Administration Contract is in the best interest of the County.
Comments:

Date: _____

Signature: _____

3. Corporation Counsel Contract is in the best interest of the County.
Comments:

Date: _____

Signature: _____

¹ A revision copy is a copy of the contract which shows the changes from the standard contract or previously revised/developed contract by means of overstrikes (indicating deletions from the standard language) and underlining (showing additions to the standard language).

**ELECTRIC SERVICE AGREEMENT
FOR PURCHASE OF
BACKUP GENERATION SERVICE**

THIS AGREEMENT is made and entered into this ____ day of _____ 2016 by and between Madison Gas and Electric Company, hereinafter referred to as "the Company," and Dane County of Madison, Wisconsin, hereinafter referred to as "the Customer."

NOW, THEREFORE, in consideration of the agreements and the mutual covenants herein contained, the parties agree as follows:

1. Agreement; Price. The Company agrees to sell electric energy to the Customer for the price and pursuant to the terms and conditions set forth in this Agreement and in the Company's Commercial and Industrial Lighting and Time-of-Use Service (Schedule Cg-2) and Backup Generation Service tariff (BGS), as may be amended from time to time by order or approval of the Public Service Commission of Wisconsin (PSCW). This Agreement and the attached Schedules Cg-2 and BGS (collectively, the "Rate Schedules"), as amended, which are incorporated herein and made part of this Agreement, are to be considered as one integrated document and shall be binding on the parties.

2. When amendments to the Rate Schedules are made, the Company will provide the Customer with a copy of amended Rate Schedules Cg-2 and/or BGS as soon as possible after such amended tariffs become effective. All such amendments shall be incorporated herein and made part of this Agreement.

3. The Customer warrants it meets, and shall continue throughout the life of this Agreement to meet, the requirements of the "Backup Generation Service," as set forth in the Rate Schedules.

4. The Company will supply a diesel-fueled generator to the Customer at 4000 International Lane, Madison, Wisconsin. It is expressly understood by the parties that at all times during the life of this Agreement, the generator(s) shall be owned by the Company, and the Customer expressly disclaims that it has any right, title, or interest in the generator, and if requested by the Company, the Customer will obtain a fixture disclaimer from any lenders with a security interest in the Customer's real estate and/or execute a Uniform Commercial Code financing statement giving public notice that the Customer has no right, title, or interest in the generator. The Company will determine the appropriate size of the generator so that the generator will be large enough to meet the Customer's entire load (Customer maximum 15-minute demand) at the service point where the generator is connected, as such load exists at the time of this Agreement. For purposes of the preceding sentence, the Customer's maximum 15-minute demand for the location is not expected to exceed 900 KW. The Company reserves the right over the term of this Agreement, in its discretion and at its expense, to review the Customer's load and adjust the generator sizing to better match the Customer's load.

5. The Customer agrees to pay an additional charge of \$.09863 per KW per day to be applied to the Customer maximum 15-minute demand, as defined in the Rate Schedules. This rate will remain in effect for the entire initial Agreement term regardless of changes ordered or approved by the PSCW. At the end of the initial term, the charge will be changed to the authorized rate in effect at that time.

6. Authorized representatives of the Company shall, at any time upon notification to the Customer, have the right to inspect the Customer's premises for the purpose of testing, maintenance, and replacement of the equipment. Authorized representatives of the Company shall also have the right to access the equipment at any time, without prior notification, for fueling purposes and emergency repairs. The Company will be responsible for testing the generator at least once a year to ensure the equipment is in proper working order and as otherwise required by applicable laws. The Customer shall not at any time or in any way make any alterations, additions, subtractions, modifications, or improvements to the equipment without the express written consent of an authorized representative of the Company.

7. In the event the Customer cannot fulfill its obligations in this Agreement, the Customer will be required to pay for all costs incurred by the Company necessary to remove its generator and equipment and to return the Customer to normal service for the remainder of the Agreement term. The Customer will receive no credit for contributions made toward installation and will pay the Company for the total cost of removal of the Company facilities including labor and undepreciated value of investment less salvage.

8. If the Company is required to cancel this Agreement at any time and for any reason in the Company's sole discretion, there will be no recalculation and rebilling for the cost of prior service nor billing for removal of facilities unless the cancellation is due to the Customer's breach of the Agreement provided, however, that the Customer shall remain responsible to pay for all service rendered prior to the date of cancellation.

9. This Agreement shall become effective on May 1, 2016 and have an initial term of five (5) years to be automatically renewed on an annual basis unless written notice from either party is delivered to the other party no later than 180 days prior to the end of the initial term or any subsequent renewal thereof.

10. The Company shall indemnify and hold the Customer, together with its officers, directors, agents, and employees, harmless from and against any and all claims, losses, liabilities, or expenses (including attorneys' fees) for injury to or death of any person or damage to or destruction of any property caused by the negligent acts or omissions of the Company's agents, employees, or subcontractors arising out of this Agreement, except to the extent that such liability or damages arise from the negligence or willful act of the Customer, its agents, employees, or subcontractors.

The Customer shall indemnify and hold the Company, together with its officers, shareholders, directors, agents, employees, vendors, and suppliers, harmless from and against any and all claims, losses, liabilities, or expenses (including attorneys' fees) for injury to or death of any person or damage to or destruction of any property caused by the negligent acts or omissions of the Customer's agents, employees, or subcontractors arising out of this Agreement, except to the extent that such liability or damages arise from the negligence or willful act of the Company, its agents, employees, or subcontractors.

In the event of any claims, demands, losses, or liabilities arising out of the negligence of both the Company and the Customer, each party shall be responsible, including reasonable attorneys' fees and costs, based upon its proportionate share of negligence.

11. No failure or delay in performance, whether in whole or in part, by either the Company or the Customer shall be deemed to be a breach hereof when such failure or delay is occasioned by or due to an act of God; strike; lockout or other labor disturbance; act of a public enemy; war; insurrection; riot; epidemic; landslide; lightning; earthquake; flood; storm; fire; washout; explosion; breakage or accident to the generator or related equipment whether changed, altered, or modified at any time during this Agreement; the act of any court or government authority; or any other cause, including any act or failure to act by any third party that prevents the Company or the Customer from satisfying its obligations under the Agreement, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension, provided that no cause or contingency shall relieve the Customer from its obligation to make payment for services delivered pursuant to this Agreement.

12. THE COMPANY MAKES NO WARRANTIES OF ANY KIND WITH REGARD TO THE GENERATOR OR ANY CHANGES, ALTERATIONS, OR MODIFICATIONS MADE THERETO. THE COMPANY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, AS TO THE EQUIPMENT, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE AND NONINFRINGEMENT.

13. IN NO EVENT SHALL THE COMPANY BE LIABLE TO THE CUSTOMER, REGARDLESS OF LEGAL THEORY ALLEGED, FOR ANY SPECIAL, INDIRECT, REMOTE, INCIDENTAL, SPECULATIVE, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE LOSSES OR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT; THE EQUIPMENT, INCLUDING THE POSSESSION, INSTALLATION, USE, OR DISPOSITION THEREOF, OR THE TERMINATION HEREOF, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHICH INCLUDE, BY WAY OF ILLUSTRATION OF THE TYPE OF EXCLUDED DAMAGES, INTEREST, OR CARRYING CHARGES ON ITS INVESTMENT; EXPENSES ARISING FROM COSTS OF CAPITAL; LOSS OF PROFITS (WHETHER BY WAY OF DIRECT DAMAGES OR OTHERWISE); OR FOR LOSS OF USE OF OR UNDERUTILIZATION OF EQUIPMENT. THE PARTIES EXPRESSLY AGREE THAT THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND THAT UNDER NO CIRCUMSTANCES SHALL THE TOTAL AGGREGATE LIABILITY OF THE COMPANY UNDER THIS LEASE OR ANY RELATED DOCUMENTS, UNDER ANY THEORY OF RECOVERY, REGARDLESS OF WHETHER SUCH CLAIM IS BASED OR CLAIMED TO BE BASED ON NEGLIGENCE (INCLUDING SOLE, JOINT, ACTIVE, PASSIVE, CONCURRENT, OR GROSS NEGLIGENCE), OR ANY OTHER THEORY OF LEGAL LIABILITY, STATUTE, STRICT LIABILITY, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ALL INDEMNIFICATION OBLIGATIONS ARISING OUT OF THE TERMS OF THIS LEASE AND ANY OTHER LIABILITY ARISING IN CONNECTION WITH THIS LEASE, EXCEED THE TOTAL VALUE OF THE AGREEMENT CALCULATED AS THE TOTAL OF THE ACTUAL PAYMENTS MADE UNDER THE AGREEMENT PLUS THE ESTIMATED PAYMENTS, BASED ON THE MOST RECENT MONTHLY ACTUAL PAYMENT, MADE OVER THE REMAINING MONTHS OF THE AGREEMENT AND SUCH AMOUNT SHALL NOT BE CUMULATIVE. THE PROVISIONS OF THIS SECTION SHALL PREVAIL OVER ANY CONFLICTING OR INCONSISTENT PROVISIONS SET FORTH ELSEWHERE HEREIN OR IN ANY DOCUMENTS RELATED TO THE AGREEMENT OR BETWEEN THE PARTIES.

SECTIONS 12 AND 13 OF THIS AGREEMENT SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

14. The Company and the Customer acknowledge that the validity and enforcement of this Agreement are subject to the jurisdiction of the PSCW and any determinations made with respect thereto by the PSCW or other governmental regulatory agencies with jurisdiction over this Agreement or the Customer and the Company. In the event the PSCW or any other governmental body or a court of law determines that one or more terms of this Agreement shall be modified or is invalid, then the term(s) in question shall be modified or deemed severed from the Agreement, as the case may be, and the remainder of the Agreement shall be enforced, as so amended.

15. This Agreement shall be binding upon the personal representatives, successors, and assigns of the parties. Notwithstanding the preceding sentence, the Customer may not assign part or all of its interest in this Agreement without the prior written consent of the Company which shall not be unreasonably withheld.

16. This Agreement constitutes the entire agreement between the Company and the Customer and supersedes any representations, warranties, or agreements (whether written or oral) heretofore made or entered into between the parties relating to this Agreement. This Agreement shall be governed by the laws of the State of Wisconsin. The parties agree that in the event of any dispute under this Agreement that requires litigation, the exclusive venue for such litigation shall be the state and federal courts located in Madison, Wisconsin, with jurisdiction over the subject matter of such litigation.

17. Any notices required or permitted under this Agreement shall be directed to the parties as follows:

To the Company: Madison Gas and Electric Company
 133 South Blair Street
 Post Office Box 1231
 Madison, Wisconsin 53701-1231
 Attention: Robert S. Maney

To the Customer: Dane County Regional Airport
 c/o Airport Director
 4000 International Lane
 Madison, Wisconsin 53704

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the year and date first set forth above.

Witness:

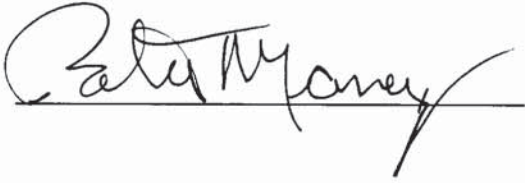
DANE COUNTY

By: _____

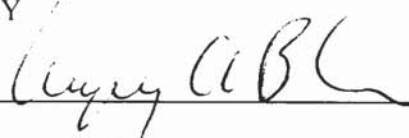
Name: Joe Parisi

Title: Dane County Executive

Witness:



MADISON GAS AND ELECTRIC
COMPANY

By: 

Name: Gregory A. Bollom

Title: Assistant Vice President - Energy
Planning



Commercial and Industrial Lighting and Power Time-of-Use Rate

AVAILABILITY

This rate schedule is mandatory for commercial and industrial customers with a maximum monthly 15-minute demand in excess of 200 kW. If a customer's demand fluctuates above and below 200 kW, this rate schedule is mandatory if the demand exceeds 200 kW in at least four out of 12 months. Customers will not be removed from this rate schedule unless their maximum monthly 15-minute demand remains below 200 kW for 12 consecutive months.

If a customer receives service through more than one electric meter at a single location, the amount of electricity (demand and energy) supplied through all such meters will be combined in applying this rate when the criteria set forth in Combining Meters, below, are met.

RATE

	<u>Summer</u>	<u>Winter</u>
Grid connection and customer service charge per day	\$8.93449	\$8.93449
Distribution service: Customer maximum 15-minute demand per kW per day	\$0.10600	\$0.10600
Demand service: Maximum monthly on-peak 15-minute demand per kW per day ..	\$0.45100	\$0.37100
Electricity service:		
On-peak period 2 energy adder, per kWh.....	5.622¢	3.843¢
On-peak periods 1 and 3 energy adder, per kWh.....	4.682¢	3.843¢
Base energy: All kWh, per kWh	5.668¢	5.668¢

Summer rates are effective from June 1 through September 30. Winter rates are all times of the year other than the defined summer season.

MINIMUM MONTHLY CHARGE

- R The minimum monthly charge will be the grid connection and customer service charge plus the demand charge
- R for the customer maximum 15-minute demand multiplied by the number of days in the billing period.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's electric service rules under Late Payment Charge.

PRICING PERIOD DEFINITIONS

- On-Peak Period 2 1 p.m. through 6 p.m.: Monday, Tuesday, Wednesday, Thursday, and Friday, excluding holidays.
- On-Peak Periods 1 & 3 10 a.m. through 1 p.m. and 6 p.m. through 9 p.m.: Monday, Tuesday, Wednesday, Thursday, and Friday, excluding holidays.
- Base Energy Period Includes all hours of all days.
- Holidays New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

(Continued on Sheet E-19.1)



Commercial and Industrial Lighting and Power Time-of-Use Rate

DETERMINATION OF DEMAND

1. All monthly demand and energy usage will be measured by recording demand meters installed and maintained by the Company. Estimates made by the Company, based on historic records plus known load characteristics, will be used for billing purposes if meter failure occurs.
2. The customer maximum 15-minute demand will be the greatest rate at which electrical energy has been used during any period of 15 consecutive minutes in the current or preceding 11 billing months.
3. The maximum on-peak 15-minute demand will be the greatest rate at which electrical energy has been used during any on-peak period of 15 consecutive minutes in the billing month.

PRIMARY DISCOUNT PROVISION

Available to customers not served by the low-voltage network.

1. For delivery at:
 - a. 2,400 volts or 4,160 volts as available to customers with demands of 200 kW or more.
 - b. 13,800 volts where available to customers with demands of 500 kW or more.

\$0.00328 per kW per day of customer maximum 15-minute billed demand plus 0.1¢ per month per kWh.
2. For customers qualifying under No. 1.a. and 1.b. who provide the transformers and associated equipment necessary for converting the available primary service to the secondary voltage required by the customer.

\$0.00328 per kW per day of customer maximum 15-minute billed demand.
3. Customers taking service at primary voltage will provide all the necessary delivery, control, and regulating facilities on the load side of the transformers.

CHARACTER OF SERVICE

For lighting and power service, 60-cycle, alternating current is provided at the voltage levels specified in the Company's electric service rules and regulations.

(Continued on Sheet E-19.2)



Commercial and Industrial Lighting and Power Time-of-Use Rate

COMBINING METERS

When a customer receives electric service through more than one meter at a single location (premise), the demand and energy usage for each meter will be combined for billing purposes under the following criteria:

1. Meters will be combined only if they are within the same service classification. The different service classifications are:
 - a. 120/240-volt single-phase.
 - b. 240-volt three-phase.
 - c. 460-volt or 480-volt three-phase.
 - d. 120/208-volt single- and three-phase.
 - e. Emergency equipment meter as required by code.
 - f. 277/480-volt three-phase.
 - g. 2,400/4,160-volt three-phase primary.
 - h. 7,970/13,800-volt three-phase primary.
2. The usage of a meter will be combined with the usage of one or more other meters only if the maximum monthly 15-minute demand of each meter exceeds 100 kW for at least 4 out of 12 months.
3. If the customer requires more than one service connection to the distribution system and the service connections are physically separated so as to prevent the use of meter loops, the customer would have multiple meters for the same service classification.
4. If more than one customer is served at a physical location, the meters for two or more customers will not be combined.
5. Current service rules pertaining to serving a customer at two or more buildings still apply.

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the minimum monthly charges, applicable to the customer, for the months while service was not being used.
2. New customers initiating service served under this rate schedule will be placed on this rate schedule when their initial demand exceeds 400 kW. When the new customer's demand is between 200 and 400 kW in the initial months of service, the customer will have the option of being placed on Cg-4 Level B rates until the customer has four months with demands in excess of 200 kW.

HIGH TEST DEMAND WAIVER

- N { This waiver is applicable to infrequent and short duration tests of customer loads in excess of 200 kW. The customer must request and get approval from the Company prior to receiving a waiver for any increase in their on-peak demand charges caused by the test load.

(Next Sheet is E-20)



Backup Generation Service Rider

AVAILABILITY

- R Service under this voluntary schedule is available to customers on demand-metered Rate Schedules Cg-2, Cg-4, Cg-6, Cg-8, Sp-3, and Sp-4 who contract for service for an initial period of five years. Participation in this program will be limited to a 50 MW total customer load.

If the customer maximum 15-minute demand level falls below 75 kW, the Company will determine if it is reasonable to remove the BGS generator from the customer and discontinue BGS at that site or retain BGS at the customer site and charge for BGS based on the minimum demand volume determined in the rate provision below. Factors such as generator size, potential use of the generator elsewhere, future customer demand, and special usage circumstances will be considered in making this decision. If the Company determines it is appropriate to keep the BGS generator at the customer location, the customer may choose to continue BGS service but must agree to the minimum demand charge as described under the rate provision below.

RATE

- R All the provisions of the applicable Cg-2, Cg-4, Cg-6, Cg-8, Sp-3, and Sp-4 rate schedules will apply. In addition:
1. Customers taking firm service under this schedule will have an additional charge for backup service applied to the customer maximum 15-minute demand as follows:
 - a. Customers who initiated service prior to July 1, 2006, will have the charge designated below applied to the greater of the customer maximum 15-minute demand or 75 kW.
 - b. Customers who initiated service on and after July 1, 2006, will have the charge designated below applied to the greater of the customer maximum 15-demand, 50 percent of the highest customer maximum 15-minute demand experienced by the customer during the time period the customer is served under this rate schedule, or 75 kW.
 - c. Customers who request redundant on-site BGS capacity, and such added capacity is available to the Company under the existing terms of the tariff, will have the charge designated below applied to the standby-rated capacity of the redundant generator. Redundant on-site BGS capacity in this rate schedule means any BGS generator(s) in addition to the generator(s) deemed appropriate by the Company to supply the customer maximum 15-minute demand at the time of installation.
 2. Customers taking interruptible or supplemental service will have an additional charge for backup service applied to the minimum contract firm demand level.
 3. The firm demand level charges are as follows:
 - a. For diesel-fueled generators, \$0.04932 per kW per day for continuing agreements that became effective prior to March 1, 2003.
 - b. For diesel-fueled generators, \$0.06575 per kW per day for agreements that became effective on or after March 1, 2003, and prior to January 1, 2010.
 - c. For diesel-fueled generators, \$0.09863 per kW per day for agreements that became effective on or after January 1, 2010.
 - d. For natural gas-fueled generators, \$0.16438 per kW per day for agreements that became effective on or after January 1, 2010.

(Continued on Sheet E-40.1)



Backup Generation Service Rider

CONDITIONS OF DELIVERY

1. A customer receiving service under this rider must enter into a contract that identifies the size of the generator specified and installed by the Company and the customer's expected annual maximum load.
2. A customer that receives electric service through more than one distribution service feed at a single location (premise) may choose to take backup service under this schedule for all or only some of the service feeds at that location. The Company may require the customer to pay in advance of installation for any additional metering or measurement equipment necessary for the customer to take backup service for less than the entire premise.
 - a. For firm service customers, backup generation service must be taken for the entire load at each distribution service chosen. For purposes of this schedule, the customer maximum 15-minute demand will be the greatest rate at which electrical energy has been used for the distribution service feeds chosen during any 15 consecutive minutes in the current or preceding 11 billing months.
 - b. For interruptible and supplemental service customers, backup generation service must be taken for the full amount of the customer's minimum contract firm demand level. For purposes of this schedule, the contract firm demand level will be the customer's contract firm demand level in effect at the time the customer enters into the BGS contract with the Company.
3. The contract will have an initial term of five or more years. At the end of the initial term the contract will be automatically renewed on an annual basis unless written notice from either party is delivered to the other party no later than 180 days prior to the end of the contract term.
4. The authorized rate in effect at the time the initial contract term begins for a customer will remain fixed for that customer for the entire initial contract term, regardless of other changes that may from time to time be approved by the Public Service Commission of Wisconsin. At the end of the initial term, service will be charged at the authorized rate in effect at the time.
5. The Company will work with the customer to determine where to install the generator and associated equipment. The facilities will comply with Wisconsin State Electrical Code, local ordinances, and accepted engineering and planning practices and will be connected to the Company's system over the most direct route as determined by the Company. The Company is responsible for maintaining facilities in compliance with applicable regulations and ordinances that may change over the term of the contract.
6. The customer will provide or will be responsible for the cost of all right-of-way easements and building permits necessary for the Company to connect the generator to the Company's system and to install, maintain, or replace distribution facilities where necessary.
7. The customer will supply the space for the generator and a concrete pad as specified by the Company. The customer will either clear and grade such property and pour the pad or pay the Company to clear and grade such property and pour the pad.

(Continued on Sheet E-40.2)



Backup Generation Service Rider

CONDITIONS OF DELIVERY (continued)

8. The Company is responsible for installation and backfilling as necessary. The customer is responsible for the cost of restoration of the property after the Company has completed installation and backfilling where applicable.
9. If the generator installation requires nonstandard service facilities or if the customer requests nonstandard facilities or design, including but not limited to aesthetics, noise attenuation, exhaust ventilation, or location on the customer's premise, the Company will require the customer to pay a contribution in advance of construction for the cost of the facilities in excess of standard design.
10. The customer will be required to make the Company equipment available and permit entry upon the property by Company personnel at reasonable times for the purposes of testing, maintenance, and replacement of the equipment. The Company will be responsible for testing the generator at least once a year to ensure the equipment is in proper working condition.
11. The Company reserves the right to operate the generator to meet system load requirements.
12. The availability of service under this schedule may be limited at the discretion of the Company. Service under this schedule may be refused if the Company believes the customer presents an unacceptable credit risk or cannot provide or meet suitable generator siting requirements, including physical and environmental restrictions and liability limitations.
13. Service under this schedule will be furnished only in accordance with the Electric Service Rules and Regulations of the Company.
14. Energy furnished under this schedule will not be resold by the Customer.

(Next Sheet is E-41)