

| |
|---------------------------------|
| Date Mailed January 30, 2004 |
|---------------------------------|

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of North Central Power Company,
for Authority to Increase Electric Rates

4190-ER-103

FINAL DECISION

This is the final decision in the Class 1 proceeding conducted by the Public Service Commission (Commission) on the application of North Central Power Company (North Central or applicant) for approval to increase electric rates. The application is APPROVED.

Introduction

The applicant applied to the Commission on March 18, 2003, for authority to increase electric rates. Pursuant to due notice, the Commission held a telephonic hearing before Administrative Law Judge David C. Whitcomb at Madison and the town of Radisson hall on January 7, 2004. The applicant is the only party to the proceeding. The appearances in this proceeding are listed in Appendix A.

Findings of Fact

1. The applicant's present authorized rates for electric utility service will produce total operating revenues of \$3,250,259, which are less than the applicant's revenue requirement of \$3,359,630 for the test year. The applicant's present rates are unreasonable and unjust.
2. The average net investment rate base of \$5,965,926 for the test year is reasonable and just.

3. The rate of return on average net investment rate base at current rates of 8.34 percent is unreasonable and inadequate.
4. The utility ratemaking capital structure for the test year consisting of 40.42 percent equity and 29.27 percent long-term debt, and 30.31 percent short-term debt is reasonable and just.
5. A reasonable interest rate for long-term debt is 8.13 percent.
6. A reasonable interest rate for short-term borrowing for the test year is 4.06 percent.
7. A reasonable weighted average composite cost of capital is 8.74 percent.
8. A reasonable rate of return on average net investment rate base for the test year is 9.45 percent.
9. A return on equity of 12.7 percent is reasonable and just.
10. Authorizing the applicant to continue to apply a power cost adjustment clause (PCAC) for retail electric service during the test year is reasonable and just.
11. An increase in the applicant's operating revenues of \$109,370 for the test year to generate a 9.45 percent return on average net investment rate base and to cover the applicant's total cost of service is reasonable and just.
12. The rates and rules in Appendices D and E permit the applicant to earn the necessary revenue requirement for the test year and are reasonable and just.
13. Making this order effective one day after the date of mailing or personal service upon the parties to the proceeding is reasonable and just.

Conclusion of Law

1. The applicant is an electric public utility as defined in Wis. Stat. § 196.01.
2. The Commission has authority under Wis. Stat. §§ 196.03, 196.20, 196.37, and 196.40, to authorize the applicant to establish electric rates and rules in accordance with the Findings of Fact.

Opinion

Net Investment Rate Base

The average net investment rate base for the test year is as follows:

| | |
|--|------------------|
| Electric Utility Plant | \$8,746,065 |
| Less: Accumulated Depreciation | <u>2,795,983</u> |
| Net Plant: | \$5,950,082 |
| Plus: Materials and Supplies | 218,346 |
| Less: Accumulated Deferred Income Taxes | (201,336) |
| Less: Contributions In Aid Of Construction | <u>(1,166)</u> |
| Net Investment Rate Base | \$5,965,926 |

This rate base is reasonable and just.

Comparative Income Statement

Income statements showing revenues and expenditures estimated for the test year ending December 31, 2003, at present rates and at rates authorized in this order are contained in Appendix B. Such income statements are reasonable and just for purposes of this proceeding. Appendix B also shows the percent change in revenues for the various rate classes at existing and

authorized rates. The applicant's existing rates are unreasonable and unjust because they produce inadequate revenues.

Return on Rate Base

It is reasonable to expect the applicant to pay \$1,278,753 to its wholesale supplier, Dairyland Power Cooperative (Dairyland), for purchased power and \$29,649 for fuel for generation during the test year. During this period, the Commission expects the applicant to sell 31,409,926 kilowatt-hours of energy. The Commission expects the applicant's present rates to produce total operating revenues of \$3,250,259 against total operating expenses of \$2,752,993, yielding net operating income of \$497,266. This net operating income provides an 8.34 percent rate of return on the above determined average net investment rate base of \$5,965,926. Because the existing rates produce a low rate of return, they are inadequate.

It is reasonable to estimate the applicant's capital employed in providing public utility service as 40.42 percent equity and 29.27 percent long-term debt. The composite cost of debt capital is 8.74 percent. A return on rate base of 9.45 percent will provide a return on equity of 12.7 percent and 2.42 times interest coverage. The rate of return of 9.45 percent applied to net investment rate base in determining revenue requirement for purposes of this proceeding is reasonable and just.

Cost of Common Stock Equity

The authorized rate of return on common stock equity takes into consideration the size and type of utility, the percentage of common stock equity in the capital structure, and the trends in interest rates. The record in this case supports a return of between 12.40 percent and 12.90 percent. The Commission, in its determination of a fair return on common stock equity,

Docket 4190-ER-103

must strike a balance between the investor and the ratepayer. It would be undesirable to allow a return on equity so high as to be excessive, just as it would be undesirable to allow a return so low as to discourage investors.

This Commission has long applied the principle of gradualism which tends to smooth changes so they are less significant than changes suggested by the market. The principle of gradualism suggests moderate changes over time to maintain a more stable environment for both investors and ratepayers. When determining an appropriate rate of return, this Commission also considers recently authorized returns for other energy utilities in Wisconsin.

In docket 4190-SB-105 the Commission noted that North Central “should attempt to maintain a common equity ratio not below 50 percent and a short-term indebtedness ratio below 10 percent.”¹ North Central has proposed a plan to comply with the directive of docket 4190-SB-105 order but, to date, has not put this plan into effect. North Central’s proposal yet to be implemented along with other factors has been considered in determining a reasonable return on common equity in this proceeding. These same factors will likely be considered in any future North Central rate proceeding and the applicant should plan for such consideration in the future.

Considering the decrease in interest rates since North Central’s rate case, North Central’s capital structure and all other factors, a reasonable return on common stock equity for North Central is 12.70 percent.

Power Cost Adjustment Clause

The applicant’s earnings are extremely sensitive to the wholesale rates and fuel adjustment charged by its supplier and to the cost of fuel for generation. Purchased power and

fuel costs represent approximately 47 percent of the applicant's total operating expenses. Fluctuations in the applicant's earnings can result from changes in the wholesale demand-energy rate and fuel adjustment charged by Dairyland and the cost of fuel. In order to mitigate fluctuations in the applicant's earnings due to changes in the cost of purchased power and fuel, the Commission authorizes the applicant to continue to apply a PCAC to all its retail bills. This clause permits increases or decreases in the cost of purchased power and fuel to be passed on directly to the customer. The applicant presumably makes no profit from applying this PCAC to its retail bills.

This order revises the PCAC to reflect the change in the base average cost of power (the "U" factor of the clause) for the test year. The PCAC is applicable each month and shall reflect the difference between monthly and test period wholesale purchased power costs and the applicant's fuel costs. If the Federal Energy Regulatory Commission (FERC) reduces Dairyland's wholesale rates and the applicant receives a refund from its wholesale supplier hereafter, the applicant shall pass the refund to its retail customers in accordance with Wis. Admin. Code ch. PSC 110.

The authorized rates, as shown in Appendix C, reflect the test year PCAC factor. This average per kilowatt-hour adjustment to a customer's retail electric bill represents expected changes in the wholesale cost of purchased power and fuel for the test year. The cost of purchased power used to compute this average adjustment is based upon current contract rates set by Dairyland Power.

¹ Application of North Central Power Company, Inc. for Authority to Issue \$1,500,000 Principal Amount of First Mortgage Bonds, docket 4190-SB-105, May 28,2002, at page 4.

Rates

In addition to revising the PCAC, the Commission adjusted the applicant's base rates. The authorized rates will increase revenues by approximately \$109,370 annually, or 3.39 percent, resulting in an estimated net operating income of \$563,749 for the test year. This net operating income provides a rate of return of 9.45 percent on the applicant's average net investment rate base of \$5,965,926.

Rate Design

The Commission has a statutory responsibility to establish reasonable and just rates. It is reasonable and just to authorize flat usage and time-of-use electric rates. The flat usage rate design provides an appropriate price signal to the consumer in lieu of time-of-day rates. Time-of-day rates have been provided on a mandatory basis for the applicant's largest customers, which have monthly demands that equal or exceed specified amounts for three months or more during a 12-month period.

The rates in Appendix C are based on the cost-of-service principle; that is, rates are designed to recover the costs of providing service to each customer class. Commission staff performed a cost-of-service study, based on the applicant's costs, to design rates for this proceeding. The rate design authorized in this order is consistent with the rate designs authorized for large utilities.

The Commission recognizes that any cost-of-service study is not a precise reflection of cost causality but rather depends heavily on the accuracy of the data and projections used and the many judgments of the person performing the study. Selecting final class revenue targets, using the cost-of-service study as a guideline and adhering to the general principles of rate-making, is

also largely a matter of judgment. Final decisions regarding the increase or decrease for each class, as well as the rate design for each class, were influenced by all of the following factors: Cost-of-service studies prepared by Commission staff; consideration of rates charged to customers of the adjacent large private power company, Northern States Power Company; concern regarding rate impact; and the expressed wishes of North Central.

The authorized rates will produce increases in revenues from all classes, for the test year, as shown in Appendix B. The present rates and authorized rates, listed by rate class, appear in Appendix C. It is reasonable to make the changes in electric rates as shown in Appendix C that:

1. reflect the rolling-in of the test year PCAC of \$.0144 per kWh;
2. reflect current operating costs, the emerging competitive environment in the electric utility industry, and the customer bill impacts; and
3. reflect capacity-related costs in the applicant's purchased power bills in demand charges.

The authorized rate and rule tariffs appear in Appendices D and E, respectively.

Rule Changes

The Commission finds it reasonable to make slight revisions to the applicant's electric rules that include moving the specific charges that appear in the current electric rules to the new Other Charges and Billing Provisions (OC-1) tariff. The applicant's current extension rules comply with Wis. Admin. Code §§ PSC 113.1001 to 113.1010. The current extension construction allowances, however, are not based on current costs and, based on data submitted at the hearing, are unreasonable and unjust. The Commission finds it reasonable to revise the applicant's construction allowances as shown in the new OC-1 tariff in Appendix D and the charges for new accounts, changes, meter reading and meter testing as shown in Appendix E 102.3a.

Reconnection of Service

The applicant currently charges \$23 during regular working hours and \$23 after regular working hours to reconnect service that was disconnected for nonpayment of bills. This charge has been in effect since January 26, 1998. It is inadequate because it does not reflect the current costs of reconnecting service. The applicant submitted evidence in the record showing the current average cost of reconnecting a disconnected service is \$41 during regular working hours and \$41 after regular working hours. These figures show that reconnection costs are being borne by all customers instead of by those responsible for these costs. To compensate for this inequity, the present charge is revised, and a \$41 charge is authorized for reconnections performed during regular working hours. For reconnections performed after regular working hours, actual overtime labor costs may be added to the regular working hours charge. The total charge, however, may not exceed \$85. The revised reconnection charges appear in Appendix D.

Charge for Returned Checks

The applicant currently charges \$10 for handling checks returned for insufficient funds (NSF). This charge has been in effect since January 26, 1998. It is inadequate because it does not reflect the current costs of a NSF check. The applicant submitted evidence in the record showing the current average cost of an NSF check to be \$12. To compensate for this inequity, the Commission authorizes the applicant to charge \$12 for NSF checks. The revised NSF check provision appears in Appendix D.

Reasonableness of Rates and Rules

The rates and rules authorized by this order will require each class of customers to bear a fair and equitable portion of the applicant's total revenue requirement for the test year ending December 31, 2003. The rate and rule changes authorized by this order are reasonable and just.

Effective Date

In view of the demonstrated deficiency in earnings and the fact that the test year has already begun, it is reasonable and just that this order be effective one day after the date of mailing or personal service upon the parties to the proceeding.

Order

1. The North Central, as an electric public utility, shall replace its existing rates and rules with the rates and rules specified in Appendices D and E.
2. The authorized rates may take effect when the utility files the rate schedules in its offices and pay stations, pursuant to Wis. Stat. § 196.21 or the effective date of this order, whichever is later.
3. The effective date of this order is one day after the date of mailing or personal service upon the parties to the proceeding.
4. The effective date of this order is 20 days after the date of mailing or personal service upon the parties to the proceeding. Pursuant to Wis. Stat. §§ 196.21 and 196.40, the authorized rates become effective on the same day, or 10 days after the date they are filed with the Commission and placed in all offices and pay stations of the utility, whichever occurs later.
5. Extension applications made before the effective date of this order and ready to receive service within 60 days following the effective date of this order shall be completed under

the applicant's current rules, rather than the rules specified in Appendices D and E. "Ready to receive service" means having the premises in a condition to receive permanent service or having temporary service for construction purposes. The applicant shall immediately inform all parties with pending extension requests of the new rules and 60-day limitation.

6. The applicant's power cost adjustment clause shall be applicable each month and shall reflect the difference between monthly and test period wholesale purchased power costs and the applicant's fuel costs. If the FERC reduces wholesale rates and the applicant receives a refund from its wholesale supplier, the applicant shall pass the refund to its retail customers in accordance with Wis. Admin. Code ch. PSC 110.

7. The applicant shall inform the Commission in writing within 20 days of the effective date of this order of the date that the utility chooses to make the authorized rates and rules effective.

8. The applicant shall inform each customer of the new rates as required by Wis. Admin. Code § PSC 113.0406(1)(d).

Dated at Madison, Wisconsin, _____

For the Commission:

Robert D. Norcross
Administrator
Electric Division

RDN:GZ:mem:G:\Order\Pending\4190-ER-103.doc

See attached Notice of Appeal Rights

Notice of Appeal Rights

Notice is hereby given that a person aggrieved by the foregoing decision has the right to file a petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed within 30 days after the date of mailing of this decision. That date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

Notice is further given that, if the foregoing decision is an order following a proceeding which is a contested case as defined in Wis. Stat. § 227.01(3), a person aggrieved by the order has the further right to file one petition for rehearing as provided in Wis. Stat. § 227.49. The petition must be filed within 20 days of the date of mailing of this decision.

If this decision is an order after rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not an option.

This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

Revised 9/28/98

APPENDIX A

In order to comply with Wis. Stat. § 227.47, the following parties who appeared before the agency are considered parties for purposes of review under Wis. Stat. § 227.53.

Public Service Commission of Wisconsin
(Not a party but must be served)
610 N. Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

Glenn Zimmerman, Senior Rate Analyst
Electric Division

Jacquelin Madsen, Auditor
Electric Division

Dennis Tuohy
Natural Gas Division

Kevin Cronin, Attorney

NORTH CENTRAL POWER COMPANY

by

Bill Williams, Attorney
Bell, Gierhart and Moore, S.C.
P.O. Box 1807
Madison, Wisconsin

Gus E. Dahlberg, President
James D. Dahlberg, Corporate Secretary / First Vice President
Dean J. Dahlberg, Senior Vice President / Treasurer
James C. Newman, Vice President of Commercial
Larry O. Stotz, CPA, Company Accountant

**COMPARATIVE INCOME STATEMENT
for the Test Year Ending December 31, 2003**

| | <u>Revenues At Present Rates *</u> | <u>Revenues At Authorized Rates</u> | <u>Percent Change</u> |
|--|--|---|---------------------------|
| <u>OPERATING REVENUES</u> | | | |
| <u>Sales of Electricity</u> | | | |
| Residential Service, Rg-1 & Rg-2 | \$453,210 | \$464,965 | 2.59 % |
| Rural Service, Fg-1 & Fg-2 | 1,830,741 | 1,890,261 | 3.25 % |
| General Service, Gs-1 & Gs-2 | 581,307 | 595,894 | 2.51 % |
| Small Power Service, Cp-1 | 165,352 | 169,414 | 2.46 % |
| Large Power Service, Cp-2 | 13,445 | 13,669 | 1.67 % |
| Industrial Power Service TOD, Cp-3 | 107,820 | 110,800 | 2.76 % |
| Street & Area Lighting, Ms-1, Ms-2, & YI-1 | <u>71,280</u> | <u>87,523</u> | 22.79 % |
| Total Revenue from Sales of Electricity | \$3,223,155 | \$3,332,526 | 3.39 % |
| Other Operating Revenue | <u>\$27,104</u> | <u>\$27,104</u> | |
| TOTAL OPERATING REVENUE | \$3,250,259 | \$3,359,630 | |
| <u>OPERATING EXPENSES</u> | | | |
| Production Expenses | \$1,317,114 | \$1,317,114 | |
| Transmission Expense | 8,953 | 8,953 | |
| Distribution Expenses | 400,193 | 400,193 | |
| Customer Accounts & Sales Expenses | 149,083 | 149,083 | |
| Admin. & General Expenses | <u>308,347</u> | <u>308,347</u> | |
| Total Operation & Maintenance Expense | \$2,183,690 | \$2,183,690 | |
| Depreciation Expense | 286,842 | 286,842 | |
| Taxes | <u>282,461</u> | <u>325,349</u> | |
| TOTAL OPERATING EXPENSES | \$2,752,993 | \$2,795,881 | |
| NET OPERATING INCOME (LOSS) | <u>\$497,266</u> | <u>\$563,749</u> | |
| RATE OF RETURN ** | 8.34 % | 9.45 % | |

*/ Reflects a test year PCAC of \$0.0144 per kWh.

**/ Based on the test year average net investment rate base of \$5,965,926.

PRESENT AND AUTHORIZED RATES

| Rate Schedule / Rate Class and Rate Description | Billing Determinants | Present Rates | Authorized Rates |
|--|---------------------------------|--------------------------|-----------------------------|
| Rg-1 Residential Service | | | |
| Customer Charge | \$/Month | \$ 5.00 | \$ 7.00 |
| Energy Charge | \$/kWh | \$ 0.0744 | \$ 0.0881 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Rgs-1 Residential Seasonal Service | | | |
| Customer Charge | \$/Month | \$ 5.00 | \$ 7.00 |
| Energy Charge | \$/kWh | \$ 0.0744 | \$ 0.0881 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Rg-2 Residential Time-of-Day | | | |
| Customer Charge | \$/Month | \$ 10.00 | \$ 12.00 |
| Energy Charges | | | |
| On-Peak | \$/kWh | \$ 0.1419 | \$ 0.1577 |
| Off-Peak | \$/kWh | \$ 0.0449 | \$ 0.0574 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Fg-1 Rural Residential and Farm Service | | | |
| Customer Charge | \$/Month | \$ 6.00 | \$ 7.55 |
| Energy Charge | \$/kWh | \$ 0.0794 | \$ 0.0937 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Fgs-1 Rural Seasonal Service | | | |
| Customer Charge | \$/Month | \$ 6.00 | \$ 7.55 |
| Energy Charge | \$/kWh | \$ 0.0794 | \$ 0.0937 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Gs-1 General Service | | | |
| Customer Charge | | | |
| Single-Phase | \$/Month | \$ 8.00 | \$ 15.00 |
| Three-Phase | \$/Month | \$ 15.00 | \$ 20.00 |
| Energy Charge | \$/kWh | \$ 0.0840 | \$ 0.0948 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Gs-2 General Service TOD | | | |
| Customer Charge | | | |
| Single-Phase | \$/Month | \$ 12.00 | \$ 20.00 |
| Three-Phase | \$/Month | \$ 18.00 | \$ 25.00 |
| Energy Charge | | | |
| On-Peak | \$/kWh | \$ 0.1419 | \$ 0.1550 |
| Off-Peak | \$/kWh | \$ 0.0449 | \$ 0.0562 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |

PRESENT AND AUTHORIZED RATES

| Rate Schedule / Rate Class and Rate Description | Billing Determinants | Present Rates | Authorized Rates |
|--|---------------------------------|--------------------------|-----------------------------|
| Cp-1 Small Power Service | | | |
| Customer Charge | \$/Month | \$ 20.00 | \$ 35.00 |
| Demand Charge | \$/kW | \$ 4.25 | \$ 5.25 |
| Energy Charge | \$/kWh | \$ 0.0481 | \$ 0.0594 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Cp-2 Small Power Time-of-Day Service | | | |
| Customer Charge | \$/Month | \$ 30.00 | \$ 50.00 |
| Demand Charge | \$/kW | \$ 4.25 | \$ 5.25 |
| Energy Charges | | | |
| On-Peak | \$/kWh | \$ 0.0520 | \$ 0.0650 |
| Off-Peak | \$/kWh | \$ 0.0420 | \$ 0.0530 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Cp-3 Industrial Power Service TOD | | | |
| Customer Charge | \$/Month | \$ 40.00 | \$ 70.00 |
| Demand Charge | \$/kW | \$ 2.60 | \$ 5.40 |
| Energy Charges | | | |
| On-Peak | \$/kWh | \$ 0.0500 | \$ 0.0511 |
| Off-Peak | \$/kWh | \$ 0.0400 | \$ 0.0410 |
| Pro Forma PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |
| Ms-1 Street and Yard Lighting Service | | | |
| Overhead Investment Charges | | | |
| 175 W MV | \$/Month | \$ 5.00 | \$ 8.25 |
| 100 W HPS | \$/Month | \$ 6.25 | \$ 8.20 |
| 250 W HPS | \$/Month | \$ 7.70 | \$ 10.00 |
| Yard Lighting | | | |
| 175 W MV | \$/Month | \$ 4.55 | \$ 8.25 |
| 100 W HPS | \$/Month | \$ 5.55 | \$ 8.20 |
| 250 W HPS | \$/Month | \$ 7.15 | \$ 10.00 |
| Energy Charges | \$/kWh | \$ 0.0546 | \$ 0.0574 |
| PCAC | \$/kWh | \$ 0.0144 | \$ 0.0000 |

APPENDIX D
Authorized Rates

NORTH CENTRAL POWER COMPANY, INC.

Power Cost Adjustment Clause

All metered rates shall be subject to a positive or negative power cost adjustment charge equivalent to the amount by which the current cost of power (per kilowatt-hour of sales) is greater or lesser than the base cost of power purchased and produced (per kilowatt-hour of sales).

The current cost per kilowatt-hour of energy billed is equal to the cost of power purchased and produced for the most recent month, divided by the kilowatt-hours of energy sold. The monthly adjustment (rounded to the nearest one one-hundredth of a cent) is equal to the current cost less the base cost. The base cost of power (U) is \$0.0273 per kilowatt-hour.

Periodic changes shall be made to maintain the proper relative structure of the rates and to insure that power costs are being equitably recovered from the various rate classes. If, after final wholesale rates have been authorized, the monthly adjustment (A) exceeds \$0.0150 per kilowatt-hour, the company shall file a request with the Public Service Commission of Wisconsin within 30 days for changes in rates to incorporate a portion of the power cost adjustment into the base rates.

For purposes of calculating the power cost adjustment charge, the following formula shall be used:

$$A = \frac{C}{S} - U$$

- A is the power cost adjustment rate in dollars per kilowatt-hour rounded to four decimal places applied on a per kilowatt-hour basis to all metered sales of electricity.
- S is the total kilowatt-hours sold during the most recent month.
- U is the base cost of power, which equals the average cost of power purchased and produced per kilowatt-hour of sales for the test year period. This figure remains constant in each subsequent monthly calculation at \$0.0273 per kilowatt-hour until otherwise changed by the Public Service Commission of Wisconsin.
- C is the cost of power purchased and produced in dollars plus any voluntary interruption compensation payments to retail customers, all from the most recent month. Cost of power purchased and produced for calculation of C are the monthly amounts which would be recorded in the following account of the Uniform System of Accounts:

| | |
|-----------------------|--------------------------------|
| Class A & B utilities | Accounts 501, 536, 547 and 555 |
| Class C utilities | Accounts 501, 531, 539 and 545 |
| Class D utilities | Accounts 501, 521, 531 and 540 |

EFFECTIVE:

PSCW AUTHORIZATION:

RATE FILE

Sheet No. 1 of 1

Schedule No. Rg-1

Public Service Commission of Wisconsin

Amendment No.

NORTH CENTRAL POWER COMPANY INC.

Residential and Farm Service

Application: This rate will be applied to all farm and residential customers for ordinary household purposes that receive single-phase, 120/240 volt service. Single-phase motors may not exceed 7.5 horsepower individual-rated capacity without utility permission.

Customers with motors and other equipment which may interfere with service to other customers and all transformer-type welding machines larger than 25 kilovolt amperes will not be served on this rate.

Rg-1 Customers who do not meet this criteria will be served under the applicable rate.

| | | |
|-------------------------|-------------------|-----------------------------------|
| <u>Customer Charge:</u> | Urban Rate Areas: | \$7.00 per month. |
| | Rural Rate Areas: | \$7.55 per month |
| | Seasonal: | \$28.00 per customer per billing. |
| | Seasonal Rural: | \$33.22 per customer per billing. |

| | | |
|-----------------------|-------------------|-----------------------------------|
| <u>Energy Charge:</u> | Urban Rate Areas: | \$0.0881 per kilowatt-hour (kWh). |
| | Rural Rate Areas: | \$0.0937 per kWh. |

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be the customer charge.

Prompt Payment of Bills: A charge of no more than 1 percent per month will be added to bills not paid within 20 days from date of issuance. The late payment charge shall be applied to the total unpaid balance for utility service, including unpaid payment charges. This charge is applicable to all customers.

Seasonal Customer Minimum Charges: A seasonal customer shall be defined as one who used electric energy seven months or less during each year. Seasonal customers shall qualify for the above rate; however, meters shall be read and billed three times a year on either a May-July-September, or June-August-October basis at the option of the utility. Each billing will consist of the customer charge, plus the energy charge, with the minimum being the customer charge.

Urban Rate Area: See Section 101.2g, Electric Rules

EFFECTIVE:
PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

Residential and Rural Service - Optional Time-of-Day

Application: This rate schedule is optional for no more than 100 customers that qualify for service on the Rg-1, Residential and Farm Service rate. Customers shall be offered service on this rate on a first come, first serve basis.

Customers selecting service under this rate schedule must take all service under this schedule and must remain on this rate schedule for a minimum of 12 months. Any customer choosing to be served on this rate schedule waives all rights to billing adjustments arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.

Customer Charge: Regular Customers: \$12.00 per month.

Energy Charge: On-peak: \$.1577 per kilowatt-hour (kWh).
Off-peak: \$.0574 per kWh.

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be the customer charge.

Prompt Payment of Bills: Same as Rg-1.

Pricing Periods: **On-peak:** The on-peak hours shall be those hours designated by the utility’s wholesale supplier as peak hours. They are 9:00 a.m. to 9:00 p.m. each day, Monday through Friday, inclusive, except for designated holidays. However, customers are allowed to choose 8:00 a.m. to 8:00 p.m. as the peak period. Once a customer selects one of these two peak periods, that customer has to stay on it for a minimum of one year.

Off-peak: All times not specified as on-peak including all day Saturday and Sunday, and the following holidays; New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; or the day nationally designated to be celebrated as such.

RATE FILE

Sheet No. 1 of 1

Schedule No. Gs-1

Public Service Commission of Wisconsin

Amendment No. _____

NORTH CENTRAL POWER COMPANY INC.

General Service

Application: This rate will be applied to all customers not eligible to receive service under another tariff. This includes commercial, institutional, governmental, and other customers. The monthly Maximum Measured Demand of customers served on this rate shall not exceed 20 kilowatts for three or more months in a consecutive 12-month period.

Customers with motors whose individual rated capacity exceeds 20 horsepower, or other equipment, which may interfere with service to other customers, or all transformer-type welding machines larger than 25 kilo-volt amperes, will not be served on this rate.

Gs-1 customers shall be transferred into the appropriate demand class as soon as the application conditions of that class have been met.

Customer Charge: Single-phase: \$15.00 per month.
 Three-phase: \$20.00 per month.

Energy Charge: \$0.0948 per kilowatt-hour (kWh).

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be the customer charge.

Prompt Payment of Bills: Same as Rg-1.

Determination of Maximum Measured Demand: The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters. Said demand meter shall be reset to zero when the meter is read each month.

EFFECTIVE:
PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

Optional General Time-of-Day Service

Application: Service under this rate schedule is optional for no more than 25 customers that qualify for service on the Gs-1 General Service rate. Customers shall be offered service on this rate on a first come, first serve basis.

Customers selecting service under this rate schedule must take all service under this schedule and must remain on this rate schedule for a minimum of 12 months. Any customer choosing to be served on this rate schedule waives all rights to billing adjustment arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.

Customer Charge: Single-phase: \$20.00 per month.
 Three-phase: \$25.00 per month.

Energy Charge: On-peak: \$.1550 per kilowatt-hour (kWh).
 Off-peak: \$.0562 per kWh.

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be the customer charge.

Prompt Payment of Bills: Same as Rg-1.

Pricing Periods: **On-peak:** The on-peak hours shall be those hours designated by the utility’s wholesale supplier as peak hours. They are 9:00 a.m. to 9:00 p.m. each day, Monday through Friday, inclusive, except for designated holidays. However, customers are allowed to choose 8:00 a.m. to 8:00 p.m. as the peak period. Once a customer selects one of these two peak periods, that customer has to stay on it for a minimum of one year.

Off-peak: All times not specified as on-peak including all day Saturday and Sunday, and the following holidays; New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; or the day nationally designated to be celebrated as such.

RATE FILE

Sheet No. 1 of 1

Schedule No. Cp-1

Amendment No.

Public Service Commission of Wisconsin

NORTH CENTRAL POWER COMPANY INC.

Small Power Service

Application: This rate will be applied to customers for all types of service if their monthly Maximum Measured Demand is in excess of 20 kilowatts (kW) per month, but less than 150 kW for three or more months in a consecutive 12-month period.

Customers billed on this rate shall continue to be billed on this rate until their monthly Maximum Measured Demand is less than 20 kW per month for 12 consecutive months. The utility shall offer a customer billed on this rate the option to continue to be billed on this rate for another 12 months if his or her monthly Maximum Measured Demand is less than 20 kW per month. However, this option shall be offered with the provision that the customer waives all rights to billing adjustments arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.

Customer Charge: \$35.00 per month.

Demand Charge: \$5.25 per kW of billed demand.

Energy Charge: \$.0594 per kilowatt-hour (kWh).

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be equal to the customer charge, plus \$1.00 per kW of the highest monthly Maximum Measured Demand occurring in the current month or preceding 11-month period.

Seasonal Customer Minimum Charges: All seasonal customers who disconnect service for less than 12 consecutive months shall be subject to the minimum monthly bill for each month of the disconnection plus utility reconnection charges.

Determination of Maximum Measured Demand: The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters. Said demand meter shall be reset to zero when the meter is read each month.

Determination of Billed Demand: The Billed Demand for a billing period shall be the Maximum Measured Demand.

EFFECTIVE:

PSCW AUTHORIZATION:

RATE FILE

Sheet No. 1 of 2

Schedule No. Cp-2

Public Service Commission of Wisconsin

Amendment No. _____

NORTH CENTRAL POWER COMPANY INC.

Small Power Optional Time-of-Day Service

Application: Service under this rate schedule is optional for all Cp-1 customers with monthly Maximum Measured Demand in excess of 20 kilowatts (kW) per month, but less than 150 kW for three or more months in a consecutive 12-month period.

Customers selecting service under this rate schedule must take all service under this schedule and must remain on this rate schedule for a minimum of 12 months. Any customer choosing to be served on this rate schedule waives all rights to billing adjustment arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.

Customers billed on this rate shall continue to be billed on this rate until their monthly Maximum Measured Demand is less than 20 kW per month for 12 consecutive months. The utility shall offer a customer billed on this rate the option to continue to be billed on this rate for another 12 months if his or her monthly Maximum Measured Demand is less than 20 kW per month. However, this option shall be offered with the provision that the customer waives all rights to billing adjustments arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.

Customer Charge: \$50.00 per month.

Energy Charge: On-peak: \$0.0650 per kWh.
Off-peak: \$0.0530 per kWh.

Demand Charge: \$5.25 per kilowatt (kW) of on-peak billed demand.

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be equal to the customer charge, plus \$1.00 per kW of the highest monthly On-peak or Off-peak Maximum Measured Demand occurring in the current month or preceding 11-month period.

Prompt Payment of Bills: Same as Rg-1.

(Continued on next page)

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

Small Power Optional Time-of-Day Service (continued)

Pricing Periods:

On-peak: The on-peak hours shall be those hours designated by the utility's wholesale supplier as peak hours. They are 9:00 a.m. to 9:00 p.m. each day, Monday through Friday, inclusive, except for designated holidays. However, customers are allowed to choose 8:00 a.m. to 8:00 p.m. as the peak period. Once a customer selects one of these two peak periods, that customer has to stay on it for a minimum of one year.

Off-peak: All times not specified as on-peak including all day Saturday and Sunday, and the following holidays; New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; or the day nationally designated to be celebrated as such.

Determination of Maximum Measured Demand: The Maximum Measured Demand during a pricing period in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters. Said demand meter shall be reset to zero when the meter is read each month

Determination of On-peak Billed Demand: The on-peak billed demand shall be the on-peak maximum measured demand.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

Large Power Time-of-Day Service

Application: This rate will be applied to customers for all types of service if their monthly Maximum Measured Demand is in excess of 150 kilowatts (kW) per month for three or more months in a consecutive 12-month period.

Customers billed on this rate shall continue to be billed on this rate until their monthly Maximum Measured Demand is less than 150 kW per month for 12 consecutive months. The utility shall offer customers billed on this rate a one-time option to continue to be billed on this rate for another 12 months if their monthly Maximum Measured Demand is less than 150 kW per month. However, this option shall be offered with the provision that the customer waives all rights to billing adjustments arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.

Customer Charge: \$70.00 per month.

Demand Charge: \$5.40 per kW of on-peak billed demand.

Energy Charge: On-peak: \$.0511 per kWh.
Off-peak: \$.0410 per kWh.

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be equal to the customer charge, plus \$1.00 per kW of the highest monthly On-peak or Off-peak Maximum Measured Demand occurring in the current month or preceding 11-month period.

Prompt Payment of Bills: Same as Rg-1.

(Continued on next page)

NORTH CENTRAL POWER COMPANY INC.

Large Power Optional Time-of-Day Service (continued)

Pricing Periods: **On-peak:** The on-peak hours shall be those hours designated by the utility’s wholesale supplier as peak hours. They are 9:00 a.m. to 9:00 p.m. each day, Monday through Friday, inclusive, except for designated holidays. However, customers are allowed to choose 8:00 a.m. to 8:00 p.m. as the peak period. Once a customer selects one of these two peak periods, that customer has to stay on it for a minimum of one year.

Off-peak: All times not specified as on-peak including all day Saturday and Sunday, and the following holidays; New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; or the day nationally designated to be celebrated as such.

Determination of Maximum Measured Demand: The Maximum Measured Demand during a pricing period in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters. Said demand meter shall be reset to zero when the meter is read each month

Determination of On-peak Billed Demand: When the Average Monthly Power Factor is equal to or greater than 90 percent, the On-peak Billed Demand shall be the On-peak Maximum Measured Demand.

When the Average Monthly Power Factor is less than 90 percent, the On-peak Maximum Measured Demand shall be adjusted to obtain the On-peak Billed Demand as follows:

$$\text{On-Peak Billed Demand} = \frac{\text{On - peak Maximum Measured Demand} \times 90\%}{\text{Average Monthly Power Factor}}$$

Determination of Average Monthly Power Factor: The Average Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

NORTH CENTRAL POWER COMPANY, INC.

Voluntary Interruption Compensation Rate

Application: This rate will be applied to any existing customer who will voluntarily interrupt firm load of 20 kW or more at the request of the Company during peak periods of electric use. The firm load shall be predetermined and agreed upon by the Company and the customer. The Voluntary Interruption Compensation Rate will be implemented as follows:

1. The Company will solicit customers regarding availability of the Voluntary Interruption Compensation Rate.
2. The Company will establish a database of potential firms and electric loads available on a voluntary basis for the rate.
3. At the Company's option it will solicit customers listed on the database during peak periods of electric use and offer market based compensation for voluntary interruption of the predetermined firm load for a specified period of time.
 - a. The Company will notify customers listed on the database one hour in advance of the specified period in which it is requesting a voluntary reduction. The Company will use the average kW established two hours prior to the notification of a voluntary reduction period as the customers firm demand level. This firm demand level will be used to confirm the reduction of the predetermined firm load.
 - b. Load Aggregation Requirement – Because of minimum market energy sale requirements of one megawatt-hour (MWh), customers who volunteer for the rate and have predetermined firm load to interrupt will be pooled with other customers to achieve the one MWh requirement.
4. The Company may choose not to exercise the request for voluntary load interruption if the Load Aggregation Requirement is not achieved.
5. If the Load Aggregation Requirement is achieved and customer voluntarily interrupts their predetermined firm load, customers will be compensated by the Company based on the Market Based Compensation calculation.
 - a. Market Based Compensation – The Company will make a reasonable effort to achieve the lowest market price available during the peak period. The Company will then pay customers this market price less 10% for voluntary reduction of predetermined firm load during that period.
6. Total Market based compensation to the customer will be the predetermined firm megawatt (MW) load multiplied by the Market Based Compensation calculation per MWh.
 - a. PCAC Calculation – The voluntary interruption compensation payments are considered a component of the Company's cost of power purchased.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY, INC.

Voluntary Interruption Compensation Rate (continued)

Terms and Conditions:

1. The Company must specify the length of the voluntary interruption and the Market Based Compensation rate prior to accepting voluntary interruption from a customer of the predetermined firm load.
2. A customer who fails to comply with the voluntary predetermined firm load reduction for the period specified will be charged as described below.
 - a. If the Company discovers the non-compliance during the specified control period and the Company cannot find one or more other customer(s) to voluntarily interrupt to make up the shortfall for the remainder of the control period, then the customer will be billed for the cost of additional MWh blocks for the remaining portion of the control period. The cost of the MWh block(s) will be priced to directly reflect the market price plus 10 percent for each hour remaining in the control period.
 - b. If the Company discovers the non-compliance after the specified control period (i.e. when the meter is downloaded for billing purposes) the customer will be billed the Company's costs as described herein. If the Company is billed by their wholesale supplier, MAPP, or any other authority for the shortfall during the specified control period, the customer must pay this shortfall whether is billed in terms of energy cost or a fixed penalty. If there is no penalty to the Company from any of these entities but the Company discovered a non-compliance (the Company brought enough energy to cover the shortfall due to the lower than expected MWh needs during the control period) the customer will be billed two times the cost of the MWh blocks during the control period for the duration of the control period in which the customer was in non-compliance. The cost of the MWh blocks will be tied to the average cost of the MWh blocks purchased by the Company for non-firm energy during a control period.
3. Customer shall be responsible for interrupting their predetermined firm load during the voluntary control period. Customer must:
 - a. Provide to Company a list of names of people designated as responsible for volunteering to interrupt their predetermined firm load.
 - b. Provide telephone jack at point of metering.
 - c. Allow Company use of existing telephone facilities at no cost to the Company.
 - d. Customer is responsible for any additional costs associated with eh electronic metering/monitoring equipment necessary to implement this rate.

EFFECTIVE:

PSCW AUTHORIZATION:

RATE FILE

Sheet No. 3 of 3

Schedule No. Cp-6

Public Service Commission of Wisconsin

Amendment No. _____

NORTH CENTRAL POWER COMPANY, INC.

Voluntary Interruption Compensation Rate (continued)

Terms and Conditions: (continued)

4. Company must provide to customer an authorized list of employees responsible for requesting voluntary interruption.
5. Company must maintain a log of all calls requesting voluntary interruption. The information will include but not be limited to the date and time of the call, the duration of the voluntary interruption period, and the names of the people contacted.
6. The Company will endeavor to make voluntary interruption requests and hour in advance.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY, INC.

| |
|------------------------------|
| Contract Service Rate |
|------------------------------|

Application: This rate will be offered to existing customers of all types of service if their monthly Maximum Measured Demand is in excess of 200 kilowatts (kW) per month for three or more months in a consecutive 12-month period. Service under this schedule is available to any individual customer:

1. Who has contracted with the Company for a rate that uses market-based pricing options in order to receive market benefits and take market risks for the purchases of capacity and/or energy and has had rate approved by the Public Service Commission of Wisconsin.
2. Who has cooperated with the Company in developing an economic analysis that demonstrates that the contractual rate structure and rate level will not harm shareholders of the Company or other customers of the Company.
3. Who is willing to abide by all terms of the Company's appropriate electric service schedules and riders except where modified by tariff or by Commission approved contract.

Terms and Conditions:

1. Service under this schedule requires a written contract between the Company and the customer. Said contract must be filed with and approved by the Commission. Any amendments to the executed contract must also be filed with and approved by the Commission.
2. The contract term shall be specified.
3. Required guidelines are listed below:
 - a. The Company must respond within thirty (30) days of the initial receipt of a request by a customer for a market-based rate, and within thirty (30) days of subsequent proposals. The proposal must include cost data to justify its definition as a market-based rate.
 - b. The Company's rejection of a customer proposal must be accompanied by an analysis detailing specific problems with the proposal, or a counter proposal. Some of the specific problems could be that the proposed rate would:
 - 1) Harm other customers of the Company who are not subject to the rate
 - 2) Harm the shareholders of the Company, or
 - 3) Not subject the customer to market risks.

Other Terms and Conditions as agreed upon by Company and customer.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY, INC.

Other Charges and Billing Provisions

Budget Payment Plan: A budget payment plan, which is in accordance with Wis. Admin. Code ch. PSC 113, is available from the utility. The utility does not use a fixed budget year. The utility will calculate the monthly budgeted amount by spreading the estimated annual bill over eleven months, with the last month consisting of any end of year adjustments.

Reconnection Billing: All customers whose service is disconnected in accordance with the disconnection rules as outlined in Wis. Admin. Code ch. PSC 113, shall be required to pay a reconnection charge. The charge shall be **\$41** during regular office hours. After regular office hours the minimum reconnection charge of **\$41** applies plus any overtime labor costs, not to exceed a total maximum charge of **\$85**.

Reconnection of a Seasonal Customer's Service: Reconnection of a service for a seasonal customer who has been disconnected for less than one year shall be subject to the same reconnection charges outlined above. A seasonal customer shall also be charged for all minimum bills that would have been incurred had the customer not temporarily disconnected service.

Insufficient Fund Charge: A **\$12** charge will be applied to the customer's account when a check rendered for utility service is returned for insufficient funds. This charge may not be in addition to, but may be inclusive of, the water utility's insufficient fund charge when the check was for payment of both electric and water service.

Average Depreciated Embedded Cost: The embedded cost of the distribution system (excluding the standard transformer and service facilities), for each customer classification, is determined based on methodology authorized by the Public Service Commission of Wisconsin, and described in the utility's Electric Rules. The average depreciated embedded cost by customer classification is as follows:

Residential Service: **\$425.00**.

Apartment and Rental Units Separately Metered: **\$425.00** per unit metered.

Subdividers and Residential Developers: **\$425.00** per unit.

General Service: (Including Multi-Unit Dwellings If Billed on One Meter): **\$1000.00**.

Power Service: **\$160.00** per kW, of average billed demand.

Street Lighting: **\$3.00**.

EFFECTIVE:

PSCW AUTHORIZATION:

RATE FILE

Sheet No. 1 of 2

Schedule No. Ms-1

Public Service Commission of Wisconsin

Amendment No. _____

NORTH CENTRAL POWER COMPANY INC.

Street and Yard Lighting Service

Application: This schedule is available to municipalities for street lighting and to all other customers for Yard lighting. All customers shall pay a monthly investment charge and monthly Energy and PCAC charges for each lighting unit.

This rate schedule is closed to new mercury vapor lights.

Investment charge:

Street Lighting:

- 175 W MV - \$8.25 per lamp per month
- 100 W HPS - \$8.20 per lamp per month
- 250 W HPS - \$10.00 per lamp per month

Yard Lighting:

- 175 W MV - \$8.25 per lamp per month
- 100 W HPS - \$8.20 per lamp per month
- 250 W HPS - \$10.00 per lamp per month

Energy Charge: \$0.0574 per kilowatt-hour (kWh).

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Seasonal Customer Minimum Charges: All seasonal customers who fail to request disconnection from the utility shall be subject to the normal monthly billing process. All seasonal customers who disconnect service for less than 12 consecutive months shall be subject to the monthly investment charge for each month of the disconnection plus utility reconnections charges.

Prompt Payment of Bills: Same as Rg-1.

Metering: In lieu of metering each lamp unit, the utility shall estimate the electrical consumption of a unit type by metering one or more units of a lamp size that are on for a similar time period and determining a monthly average energy use from this information. Each street and Yard Lighting unit of the same size and on-time period shall be billed the average energy usage of the metered unit(s) of its size and on-time period.

(Continued on next page)

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

Street and Yard Lighting Service (Continued)

Conditions and Limitations of Service:

1. Service shall be on a dusk to dawn schedule, burning from approximately 30 minutes after sunset to 30 minutes before sunrise. Units shall be on automatic controls owned, installed, maintained, and timing set by the utility.
2. Street lighting poles, arms, and fixtures are to be furnished, installed, owned, serviced, and maintained by the utility.
3. Yard lighting units must be located on existing utility or customer poles on which the utility's secondary wires are attached, or on a new pole furnished, owned and maintained by the customer located within one span of existing utility secondary wires. Yard lighting arms and fixtures are to be furnished, installed, owned, serviced, and maintained by the utility.
4. It is the customer's responsibility to report all outages of lighting fixtures and obstructions, such as tree branches, that prevent the light from a unit from being properly distributed. If the utility allows a unit to remain out of service for more than 48 hours after being duly notified, energy charges will not be made for the idle period and the investment charge for the month(s) will be prorated.
5. Lamp replacements for utility-owned fixtures will be made by the utility without additional charge, except that any damage to lamps and luminaries resulting from vandalism shall be charged to the customer and listed as a separate item on the monthly bill for service.
6. Where there is a continuance of breakage and damage, the utility may at its discretion, remove Yard Lighting units and discontinue service under this tariff to the customer.
7. Service under this tariff is for the exclusive use of the customer and is not to be resold or shared with others.

EFFECTIVE:

PSCW AUTHORIZATION:

RATE FILE

Sheet No. 1 of 2

Schedule No. CSH-1

Public Service Commission of Wisconsin

Amendment No.

NORTH CENTRAL POWER COMPANY INC.

Controlled Space Heating Service

Application: This rate will be available to all Residential and Farm Service, Rg-1, and General Service, Gs-1, customers receiving single-phase, 120/240 volt service that have electric heating loads under 40 kW in a dual fuel space heating system.

Customers who have selected service under either the Optional Residential and Farm TOD Service, Rg-2, or the General TOD Service, Gs-2, are not eligible for service under this tariff.

Customer Charge: \$3.50 per month.

Energy Charge: \$.0455 per kilowatt-hour (kWh).

Disconnection Period: Customers shall have a regulating device (Timer) installed on their electric heating load. This device shall allow the utility to disconnect the heating load of the customer to be disconnected during part, or all, of the time between 7:00 a.m. to 12:00 noon and 5:00 p.m. to 9:00 p.m. prevailing time, Monday through Friday, excluding the holidays specified below.

All times not specified as on-peak including all day Saturday and Sunday, and the following holidays: New Year’s Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; or the day nationally designated to be celebrated as such.

Power Cost Adjustment Clause: Charge per all kWh, varies monthly, see schedule PCAC.

Minimum Monthly Bill: The minimum monthly bill shall be the customer charge.

Prompt Payment of Bills: Same as Rg-1.

Conditions and Limitations of Service:

1. Customers must own and maintain an alternative heating system that relies on a source of energy, other than electricity, that is capable of meeting their heating needs for the entire period of disconnection.
2. The electrical heating system of the customer must be capable of being independently metered, served, and controlled to operate only during off-peak periods.
3. Customers systems shall be designed to switch on no more than 10 kilowatts of load at any one time.

EFFECTIVE:

PSCW AUTHORIZATION:

(Continued on next page)

EFFECTIVE:
PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

Controlled Space Heating Service (Continued)

Conditions and Limitations of Service: (Continued)

4. Customer heating systems billed on this rate will be allowed to operate a minimum of fifteen (15) hours per day.
5. The timer for the customer system shall be under the sole control of the utility and shall be adjusted to disconnect at intervals during the disconnection periods that are established by the utility. These intervals may be changed at the utility's discretion.
6. Customers who violate any of the provisions of this tariff, or adjust or otherwise tamper, with the timer and other devices installed by the utility will have their service under this tariff canceled. Such customers will be subject to a disconnection charge equal to the utility reconnection charge listed in Section 102.1, Schedule X-9, and will be charged the energy and PCAC charges of the applicable Rg-1 or Gs-1 service tariffs for any billing period in question in addition to the customer charge of the CSH-1 tariff.
7. The utility shall install, own, and maintain all meters, timing devices associated with providing service under this tariff. These shall be provided at no cost to the customer.
8. Customers shall be responsible for all rewiring and other costs related to obtaining service under this tariff.
9. Installation and wiring of customer dual fuel space heating systems must conform with utility standards, such as enclosure in rigid conduit or armored cable. Installation and wiring shall be inspected and approved by utility personnel prior to service being rendered.
10. If a customer requires electrical service for his electric heating system during periods of disconnection for any reason, such customer will be subject to a disconnection charge equal to the utility reconnection charge listed in Section 102.1, Schedule X-9, and will be charged the energy and PCAC charges of the applicable Rg-1 or Gs-1 service tariffs for the billing period(s) in question in addition to the customer charge of the CSH-1 tariff. Reconnection of service under this tariff after such a period will result in a reconnection charge equal to that listed in Section 102.1, Schedule X-9. Reconnection will only be performed during regular office hours of the utility.
11. The customer shall be prepared to operate his dual fuel system during periods of maintenance on the customer electric heating load or the devices required for the implementation of this tariff. Maintenance work by the utility shall only be done during the regular office hours of the utility.

EFFECTIVE:

PSCW AUTHORIZATION:

RATE FILE

Sheet No. 1 of 1

Schedule No. Pgs-1

Public Service Commission of Wisconsin

Amendment No.

NORTH CENTRAL POWER COMPANY, INC.

Parallel Generation (20 kW or less) - Net Energy Billing

1. Effective In

All territories served by the utility.

2. Availability

Available for single-phase and three-phase customers where a part or all of the electrical requirements of the customer are supplied by the customer's generating facilities, where such facilities have a total generating capability of 20 kW or less, where such facilities are connected in parallel with the utility and where such facilities are approved by the utility.

3. Rate

The customer shall be billed monthly on a net energy basis, and shall pay the fixed charge and energy charge specified in the rate schedule under which he is served. If, in any month, the customer's bill has a credit balance of \$25 or less, the amount shall be credited to subsequent bills until a debit balance is reestablished. If the credit balance is more than \$25, the utility shall reimburse the customer by check upon request. Monthly credits shall be computed by taking the net excess kilowatt-hours produced times the sum of the applicable energy charge plus monthly power cost adjustment clause (PCAC).

4. Metering and Services Facilities

A customer who is served under a regular rate schedule shall have any ratchet and/or other device removed from his meter to allow reverse power flow and measurement of net energy used. Customer's eligible for net energy billing but with existing metering facilities equipped with ratchets or other devices preventing reverse registration (i.e. time-of-use metering facilities) may request that the utility install the necessary metering to permit such billing.

5. Customer Obligation

See Pgs-2 Sections 10 and 11.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY, INC.

Customer-Owned Generation Systems (Greater than 20 kW)

1. Effective In

All territories served by the utility

2. Availability

Available for single-phase and three-phase customers where a part or all of the electrical requirements of the customer are supplied by the customer's generating facilities, where such facilities have a total generating capability of greater than 20 kW and less than or equal to 100 kW, where such facilities are connected in parallel with the utility. Customers not desiring to sell energy under this rate have the right to negotiate a buy-back rate.

The energy rate indicated below is the minimum for electrical energy. Customers with generating facilities greater than 100 kW can negotiate a buy-back rate. Should the utility be unwilling to pay the minimum rate for electrical energy, the utility shall agree to transport such electrical energy to another utility that will pay such minimum rate. The utility shall recover actual costs of such transportation from the generating customer.

3. Rate

Customers shall receive monthly payments for all electricity delivered to the utility and shall be billed by the utility for metering and associated billing expenses specified in the latest rates of the wholesale supplier unless the latest rates of the wholesale supplier do not properly reflect avoided costs. In such event, the Commission, upon request, may determine appropriate rates. The utility shall have on file a copy of the latest customer-owned generation system rates for its wholesale supplier.

4. On-Peak Hours, Off-Peak Hours and Holidays

On-peak hours and off-peak hours and holidays are those specified in the wholesale suppliers latest rates.

5. Minimum Charge

The monthly minimum charge paid by the customer shall be the customer charge.

6. Power Factor

The customer shall operate on a net power factor of not less than 90 percent.

EFFECTIVE:

PSCW AUTHORIZATION:

Public Service Commission of Wisconsin

NORTH CENTRAL POWER COMPANY, INC.

Customer-Owned Generation Systems (Greater than 20 kW) continued

7. Negotiated Rates

Customers with generation systems greater than 100 kW can negotiate a buy-back rate.

Customers with generation systems greater than 20 kW and less than or equal to 100 kW have the right to negotiate a buy-back rate. The buy-back rate can not be greater than the full avoided cost.

The following are the required procedure guidelines:

- a. The utility must respond to the customer-owned generating system within 30 days of the initial written receipt of the customer-owned generating system proposal and within 30 days of receipt of a subsequent customer-owned generating system proposal;
- b. The utility's rejection of the customer-owned generating system proposal must be accompanied by a counter-offer relating to the specific subject matter of the customer-owned generating system proposal; and
- c. If the utility is unable to respond to the customer-owned generating system proposal within 30 days it shall inform the customer-owned generating system of:
 - 1) Specific information needed to evaluate the customer-owned generating system proposal.
 - 2) The precise difficulty encountered in evaluating the customer-owned generating system proposal.
 - 3) The estimated date that it will respond to the customer-owned generating system proposal.
- d. The Commission may become involved in the utility negotiations upon showing by either utility or the customer-owned generating system that a reasonable conclusion cannot be reached under the above guidelines. The Commission may provide a waiver to the guidelines and order new negotiation requirements so that a reasonable conclusion can be reached.
- e. A copy of all negotiated buy-back rates shall be sent to the Commission. These rates shall not be effective until the contract is placed on file by the Commission.

8. Charges for Energy Supplied by the Utility

Energy supplied by the utility to the customer shall be billed in accordance with the standard applicable rate schedules of the utility.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY, INC.

Customer-Owned Generation Systems (Greater than 20 kW) continued

9. Maintenance Rate

A customer-owned generation facility may be billed lower demand charges for energy purchased during scheduled maintenance provided written approval is obtained in advance from the utility. Demand charges other than "Customer Demand" shall be prorated if maintenance is scheduled such that the utility does not incur additional capacity costs. Said probation shall be the demand charge times the number of authorized days of scheduled maintenance divided by the number of days in the billing period.

10. Contract Required

A contract is required between the utility and the customer-owned generation facility. The contract shall specify safety, system protection, and power quality rules that generators must comply with. The contract shall require a minimum of \$100,000 liability insurance or proof of financial responsibility for the customer-owned generation system. Contracts with customer-owned generation facilities selling energy under the standard (non-negotiated) rate have no specific term or length. Contracts with customer-owned generation facilities selling energy under a negotiated rate shall contain performance requirements and be of sufficient length to ensure the utility avoids the costs for which the customer-owned generation facility has been paid.

11. Customer Obligation

a. Metering Facilities

The customer shall furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the utility to properly meter usage and sales to the utility.

b. Interconnection Costs

The owner of the generating facility shall be required to pay all interconnection costs, including metering, incurred by the utility. Said costs, including financing costs, shall be paid by the owner within two years of the installation date of the interconnection facilities.

c. Liability Insurance

The owner of the generating facility shall be required to have liability insurance on the generating facility of at least \$100,000 or be able to prove financial responsibility.

NORTH CENTRAL POWER COMPANY, INC.

Customer-Owned Generation Systems (Greater than 20 kW) continued

d. Interconnection and Operation (Safety and Power Quality) Requirements

Electric Service to a customer-owned electric generation installation may be disconnected for failure to comply with these requirements.

- 1) Interconnection of a generating facility with the utility system shall not be permitted until application has been made to and approval received from the electric utility. The utility may withhold approval only for good reason such as failure to comply with applicable utility or governmental rules or laws. The utility shall require a contract specifying reasonable technical connection and operating aspects for the parallel generating facility.
- 2) The utility may require that for each generating facility there be provided between the generator or generators and the utility system, a lockable load-break disconnect switch. For installations interconnected at greater 600 volts a fused cutout switch may be substituted, where practicable. The switches shall be accessible to the utility for the purpose of isolating the parallel generating facility from the utility system when necessary.
- 3) The utility shall require a separate distribution transformer for a customer having a generating facility where necessary, for reasons of public and employee safety or where the potential exists for the generating facility causing problems with the service of other customers. Ordinarily the requirement should not be necessary for an induction-type generator with a capacity of 5 kW or less, or other generating units of 10 kW or less that utilize line-connected inverters.
- 4) Where necessary, to avoid the potential for a facility causing problems with the service of other customers, the utility should limit the capacity and operating characteristics of single-phase motors. Ordinarily single-phase generators should be limited to a capacity of 10 kW or less.
- 5) The utility shall require that each generating facility have a system for automatically isolating the generator from the utility's system upon loss of the utility supply, unless the utility desires that the local generation be continued to supply isolated load. For synchronous and induction generators such protection against continued operation when isolated from the utility system will ordinarily consist of over-current protection, fuse or circuit breaker, plus a voltage or frequency controlled contractor which would automatically disconnect the unit whenever its output voltage or frequency drifted outside predetermined limits, such as plus or minus 10 percent of the rated values.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY, INC.

Customer-Owned Generation Systems (Greater than 20 kW) continued

Other suitable protective systems against abnormal voltages of frequencies may be accepted by the utility.

- 6) The utility shall require that the customer discontinue parallel generation operation when it so requests and the utility may isolate the generating installation from its system at times:
 - a) When considered necessary to facilitate maintenance or repair of utility facilities.
 - b) When considered necessary during system emergencies.
 - c) When considered necessary during such times as the generating facility is operating in a hazardous manner, or is operating such that it adversely affects service to other customers or to nearby communication systems or circuits.
- 7) The owner of the generating facility shall be required to make the equipment available and permit entry upon the property by electric and communication utility personnel at reasonable times for the purposes of testing isolation and protective equipment, and evaluating the quality of power delivered to the utility's system; and testing to determine whether the local generating facility is the source of any electric service or communication systems problems.
- 8) The power output of the generating facility shall be maintained such that the frequency and voltage are compatible with normal utility service and do not cause that utility service to fall outside the prescribed limits of Commission rules and other standard limitations.
- 9) The generating facility shall be operated so that variations from acceptable voltage levels and other service impairing disturbances do not result in adverse effects on the service or equipment of other customers, and in a manner which does not produce undesirable levels of harmonics in the utility power supply.
- 10) The owner of the generating facility shall be responsible for providing protection for the owner's installation equipment and for adhering to all applicable national, state and local codes. The design and configuration of certain generating equipment such as that utilizing line-commutated inverters sometimes requires an isolation transformer as part of the generating installation for safety and for protection of generating facilities.

NORTH CENTRAL POWER COMPANY, INC.

Customer-Owned Generation Systems (Greater than 20 kW) continued

12. Utility Obligation

a. Metering Facilities

The utility shall install appropriate metering facilities to record all flows of energy necessary to bill in accordance with the charges and credits of the rate schedule.

b. Notice to Communication Firms

Each electric utility shall notify telephone utility and cable television firms in the area when it knows that customer-owned generating facility is to be interconnected with its system. This notification shall be as early as practicable to permit coordinated analysis and testing in advance of interconnection, if considered necessary by the electric or telephone utility or cable television firm.

13. Right to Appeal

The owner of the generating facility interconnected or proposed to be interconnected with a utility system may appeal to the Commission should any requirement of the utility service rules filed in accordance with the provisions of 113.70 or the required contract be considered to be excessive or unreasonable. Such appeal will be reviewed and the customer notified of the Commission's determination.

APPENDIX E
Authorized Rule Changes

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

GENERAL SERVICE AND EXTENSION RULES
TABLE OF CONTENTS

| <u>Section Number</u> | <u>Name</u> | <u>Sheet Number</u> | |
|-------------------------------|--|---------------------|-----------------|
| 101 | <u>CONTRACT PROVISIONS</u> | | |
| 101.1 | Term of Contract..... | 5 | |
| 101.2 | Definitions and Classification of Customers | 5 | |
| 101.3 | Application of Rates and Combined Metering | 7 | |
| 101.4 | Availability of Service Voltages..... | 8 | |
| 101.5 | Dual Voltages..... | 8 | |
| 101.6 | Emergency Systems..... | 8 | |
| | Application for Service..... | * | |
| | Customer Deposits..... | * | |
| | <u>BILLING</u> | | |
| | Regular Billing..... | * | |
| | Budget Payment Plan.....(See OC-1) | * | |
| | Estimated Bill..... | * | |
| | Billing for Fractional Month Service..... | * | |
| | Failure of Meters to Register Properly..... | * | |
| | Billing for Energy Lost Due to Grounds on Customer's Equipment..... | * | |
| | Determination of Demand..... | * | |
| | Diversion of Service | * | |
| | <u>PAYMENT OF BILLS</u> | | |
| | Late Payment Charge..... | * | |
| | Disconnection and Refusal of Service | * | |
| | Deferred Payment Agreement..... | * | |
| | Notice of Disconnection | * | |
| 102 | <u>OTHER PROVISIONS</u> | | |
| 102.1 | Insufficient Fund Charge | 8 | (Also See OC-1) |
| 102.2 | Reconnection Billing | 8 | (Also See OC-1) |
| 102.3 | Reconnection of a Seasonal Customer's Service..... | 8 | (Also See OC-1) |
| 102.3a | Charges for New Accounts, Changes, Meter Readings, Meter Installation and Meter Testing | X-8 | U |
| 102.3b | Billing for Fractional Month Service..... | X-9 | U |
| TABLE OF CONTENTS (continued) | | | |

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

| <u>Section Number</u> | <u>Name</u> | <u>Sheet Number</u> | |
|---------------------------|--|-------------------------|---|
| 102 | <u>OTHER PROVISIONS</u> (continued) | | |
| 102.3c | Continuity of Service | X-9 | U |
| 102.4 | Overbilling of Customers..... | 9 | |
| | Access to Customer's Premises | * | |
| | Continuity of Service | * | |
| | Voltage Regulation | * | |
| 103 | <u>DEFINITIONS OF DISTRIBUTION AND SERVICE FACILITIES</u> | | |
| 103.1 | Overhead Service Drop..... | 10 | |
| 103.2 | Underground Service Lateral..... | 10 | |
| 103.3 | Distribution Facilities..... | 10 | |
| 103.4 | Underground Service Extension | 10 | |
| 103.5 | Service Entrance Equipment..... | 10 | |
| 103.6 | Service Facilities | 10 | |
| 104 | <u>UTILITY FACILITIES ON CUSTOMER'S PREMISES</u> | 11 | U |
| 105 | <u>CUSTOMER'S RESPONSIBILITY FOR UTILITY'S EQUIPMENT</u> .. | 11 | |
| 106 | <u>EXTENSION OF NEW SERVICE FACILITIES</u> | | |
| 106.1 | Application for Extension of New Service | 12 | |
| 106.2 | Wiring Affidavit..... | 12 | |
| 106.3 | Ownership of Extension..... | 12 | |
| 106.4 | Right-of-way for Extensions..... | 12 | |
| 106.5 | Construction Standards and Facilities Provided by Utility..... | 12 | |
| 106.6 | Point of Termination | 14 | |
| 106.7 | Meters | 15 | U |
| 106.8 | Metering Facilities | 15 | U |
| 106.9 | Number of Service Drops or Laterals Per Customer | 15 | |
| 106.10 | Overhead Service Drop..... | 16 | |
| 106.11 | Underground Service Lateral | 16 | |
| 106.12 | Transformers | 16 | |
| 106.13 | Nonstandard Service Facilities | 16 | |
| 106.14 | Extraordinary Investment by Utility for Extension | 16 | |

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

TABLE OF CONTENTS (continued)

| <u>Section Number</u> | <u>Name</u> | <u>Sheet Number</u> |
|---------------------------|---|-------------------------|
| 107 | <u>INSTALLATION CHARGES AND EMBEDDED COST CREDITS</u> | |
| 107.1 | Definitions of Equipment, Installation Charges and Embedded Cost Credits | 17 |
| 107.2 | Total Cost of Installation by Customer Classifications | 17 |
| 108 | <u>REFUNDS OF CUSTOMER CONTRIBUTIONS BY TYPE OF CUSTOMER</u> | |
| 108.1 | Eligibility for Refunds | 20 |
| 108.2 | Application of the Refund..... | 20 |
| 109 | <u>OVERHEAD SERVICE EXTENSIONS</u> | |
| 109.1 | Applicability | 21 |
| 109.2 | Contributions for Overhead Extension | 21 |
| 109.3 | Combination Single-Phase and Three-Phase Construction | 21 |
| 110 | <u>UNDERGROUND SERVICE EXTENSIONS</u> | |
| 110.1 | General Rules on Underground Service Extensions..... | 21 |
| 110.2 | Stipulations on Availability of Underground Service Extension..... | 22 |
| 110.3 | Contributions for Underground Extensions | 22 |
| 110.4 | Contribution for Added Costs Due to Unusual Conditions | 22 |
| 110.5 | Combination of Overhead and Underground Extension..... | 23 |
| 110.6 | Underground Distribution Areas..... | 23 U |
| 111 | <u>MODIFICATIONS TO EXISTING DISTRIBUTION AND SERVICE FACILITIES</u> | |
| 111.1 | Relocation and Rebuilding of Existing Distribution Facilities..... | 26 |
| 111.2 | Replacement of Overhead Distribution Facilities with Underground Distribution Facilities | 26 |
| 111.3 | Upgrade of Distribution Facilities Due to Change in Load | 27 |
| 111.4 | Upgrade of Service Facilities..... | 27 |

*See Wis. Admin. Code ch. PSC 113.

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

TABLE OF CONTENTS (continued)

| <u>Section Number</u> | <u>Name</u> | <u>Sheet Number</u> |
|-----------------------|---|---------------------|
| 112 | <u>EXTENSION OR MODIFICATION OF TRANSMISSION FACILITIES TO RETAIL CUSTOMERS</u> | 28 |
| 113 | <u>TEMPORARY SERVICE</u> | 28 |
| 114 | <u>TEMPORARY SERVICE FOR CONSTRUCTION</u> | 29 |
| 115 | <u>EMERGENCY SERVICE</u> | 29 |
| 116 | <u>GENERAL RULES ON CUSTOMER UTILIZATION EQUIPMENT</u> . | 29 U |
| 117 | <u>MOTORS AND MOTOR CONTROL</u> | 30 |
| 118 | <u>MISCELLANEOUS EQUIPMENT</u> | 32 U |
| 119 | <u>PRIVATE POWER PLANTS</u> | 33 |
| 120 | <u>PAYMENT FOR CONTRIBUTION IN AID OF CONSTRUCTION ...</u> | 33 U |
| | <u>GASEOUS TUBE LIGHTING</u> | * |
| | <u>ELECTRIC WELDERS</u> | * |
| 121 | <u>STRAY VOLTAGE SERVICE</u> | 34 |

*See Wis. Admin. Code ch. PSC 113.

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

101 CONTRACT PROVISIONS

101.1 Term of Contract

All agreements for service shall be for a period of one year unless otherwise specified in the contract. Contracts are automatically renewed at the end of their term under conditions stated in the contract.

No agent or employee of the utility shall have the power to, or shall amend, modify, alter, or waive any of the rates or rules of the utility or bind the utility by making any representation not incorporated in the contract.

Contracts shall not be transferred unless authorized by the utility; new occupants of premises previously receiving service must make official application to the utility before commencing the use of service.

Customers who have been receiving service must notify the utility when discontinuing service; otherwise, they will be liable for the use of the service by their successors should said successors refuse to pay.

101.2 Definitions and Classification of Customers

An electric customer or unit of service shall consist of any contiguous aggregation of space or area occupied for a distinct purpose such as a residence, apartment, flat, store, farm, office, factory, etc., which is equipped with one or more fixtures for rendering service separate and distinct from other users. The public portions of buildings, such as hallways, toilets, etc., may be treated separately depending on the requirements.

Unless otherwise defined, the ultimate use of energy purchased by the customer(s) determines the rate schedule applicable to their installation. Electric customers in general may be classified as follows:

- Residential Customers
- General Service Customers
- Power Service Customers
- Public Street and Highway Lighting Customers
- Interdepartmental
- Miscellaneous Customers
- Rural Customers

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

101.2 Definition and Classification of Customers (continued)

101.2a Residential Customers

A residential customer is defined to include each separate house, apartment, flat or other living quarters occupied by a person or persons constituting a distinct household and using energy for general household purposes. Lighting use may be extended to include the use of energy for lighting the land and buildings which are adjacent to, connected with, and used exclusively by the residence being served. Each dwelling in a multi-unit building constructed after March 1, 1980 (or constructed before March 1, 1980, and converted to a multi-unit use after March 24, 1987) shall have installed a separate electric meter for each such dwelling or unit.

U

101.2b General Service Customers

A general service customer is defined to include each separate business enterprise, occupation or institution, taking service through a single meter, occupying for its exclusive use any unit or units of space such as an entire building, entire floor, suite of rooms or a single room, and using energy for general purposes as the schedule of rates applicable to the particular installation may permit. Each dwelling in a multi-unit building constructed after March 1, 1980 (or constructed before March 1, 1980, and converted to multi-unit use after March 24, 1987) shall have installed a separate electric meter for each unit.

U

If the customer uses service for both residential and commercial purposes, the customer shall be classified as a commercial customer if the commercial usage is more than 10 percent of the customer's total usage.

U

101.2c Power Service Customers

A power service customer is defined to include each residence, separate business enterprise or institution occupying for its exclusive use, any unit or units of space, such as an entire building, entire floor, suite of rooms or a single room, and using energy for driving motors or other electrical loads larger than permitted on the utility's other rate schedules.

101.2d Public Street and Highway Lighting Customers

A public street or highway lighting customer is defined to include governmental agencies that take service for the purpose of lighting public streets, highways or traffic signs.

101.2e Interdepartmental

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

An interdepartmental customer is defined to include service for pumping water by the municipal water department and/or pumping sewage by the municipal sewage department of a municipality, which also operates an electric utility.

101.2g Urban Rate Area

The boundaries of an existing urban rate area are expanded to include permanent single-phase rural U customers adjacent to an urban rate area when the number of customers (delivery locations not number of meters) served within a circle having a diameter of 800 feet, is six or more. A customer located outside of the urban rate area who in the opinion of the company can be served from the local secondary distribution system may be served at the urban rate.

All other areas shall be rural rate areas.

101.3 Application of Rates and Combined Metering

The schedules of rates apply when electricity is furnished in any month to one customer at one location for a class of service through one meter. The schedules of rates are based on delivery and billing service to the ultimate user for retail service and do not permit resale or distribution.

For all extensions of new or increased service, each unit must be separately metered before service will be rendered.

Where a customer occupies more than one unit of space, each unit will be metered separately and a separate bill will be computed and rendered based on the readings of each individual meter unless a customer makes arrangements with a utility to provide the approved circuits and loops by which the different units can be connected and all energy metered through one meter.

For installations existing before March 1, 1980, such as an apartment or multiple residential unit where it is customary to include electric service with the rent or combine all service on one meter, it may be billed on the residential or commercial rate at the option of the customer. If billed on the residential rate, each apartment or unit, occupied or unoccupied, will be considered as a separate unit U in determining the basis for billing. For every four apartments or residential units or fraction thereof in the building, one fixed charge shall be applied. Janitor's quarters will be classed as an apartment.

Where a commercial and one or more residential units are combined so as to obtain electric service through one meter, the general service rate will be applied.

101.4 Availability of Service Voltages

Service may be taken at the following service voltages:

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

| | |
|--------------|---------------------------|
| Single-phase | 120 volt 2 wire |
| | 120/240 volt 3 wire |
| Three-phase | 120/208 volt 4 wire-wye |
| | 120/240 volt 4 wire-delta |
| | 277/480 volt 4 wire-wye |

Other specific voltages may be available, if approved by the utility.

101.5 Dual Voltages

If a customer requires service at a voltage other than that offered by the utility or at more than one voltage, the customer shall furnish and maintain the additional equipment required. If the customer's service requires two or more transformer settings or points of delivery to a structure, the customer shall also furnish and maintain the additional equipment required.

101.6 Emergency Systems

Where emergency systems in buildings are so wired as to require a separate meter, the energy so metered will be billed as a separate customer. Emergency systems are systems supplying power and illumination essential to safety, life and property where such systems or circuits are legally required by municipal, state, federal or other codes, or by any governmental agency having jurisdiction.

Emergency illumination shall include only the required exit lights and other lights specified as necessary to provide sufficient illumination.

102 OTHER PROVISIONS

102.1 Insufficient Fund Charge (See Schedule OC-1)

102.2 Reconnection Billing (See Schedule OC-1)

102.3 Reconnection of a Seasonal Customer's Service (See Schedule OC-1)

102.3a Charges for New Accounts, Changes, Meter Reading, Meter Installation and Meter Testing

- a. For a new account or for changing an existing account to a new customer on a regular monthly reading date: \$10.00.
- b. For reading a meter or meters at one service location for a change of customers on an account or at a customer's request: \$25.00.
- c. To install a meter at an existing service: \$35.00.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- d. If a customer requests a meter test at an interval less than 12 months since the last meter test, and the meter is found to be registering accurately, the customer will be required to pay a \$40.00 charge.

102.3b Billing for Fractional Month Service

When a customer commences or discontinues service between regular monthly meter reading dates, the utility will bill the customer as follows:

U

- a. When a customer discontinues service ten (10) days or less from the previous month's meter reading date, the consumption will be included in the following month's billing.
- b. When a customer commences service ten days or less from the following month's meter reading, the consumption will be included in the following month's billing.
- c. When a customer commences service more than ten (10) days before the month's regular meter reading or discontinues service more than ten (10) days after the previous month's meter reading, the service will be billed as regular monthly service.

102.3c Continuity of Service

The utility reserves the right to curtail or temporarily interrupt the customer's service when necessary to make repair, replacement or changes to the utility's facilities either on or off the customer's premises.

U

The utility will make an effort to notify its customers of a planned interruption of service in advance by use of the local news media and/or telephoning.

102.4 Over billing of Customers

In the event the utility becomes aware of an overbilling of a customer, the utility shall promptly correct the billing error and notify the customer of the circumstances surrounding the overbilling. The utility shall then determine the time period during which the overbilling occurred. In making this determination, the utility shall apply Public Service Commission of Wisconsin rules and utility rules and tariffs.

Once the utility has determined the period of overbilling, the utility shall calculate the amount that it has overbilled the customer. The utility shall then make a refund to the customer of the amount of the overbilling, together with interest as calculated pursuant to Wis. Admin. Code ch. PSC 113. Except as otherwise provided in Wis. Admin. Code ch. PSC 113, the maximum refund to the customer shall be for a time period not to exceed six years from the date the overbilling was discovered pursuant to Wis. Stat. § 893.93(1)(a).

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

All overbilling disputes arising under this section shall be taken to the PSC for resolution.

103 DEFINITION OF DISTRIBUTION AND SERVICE FACILITIES

103.1 Overhead Service Drop

The overhead service drop is the overhead wire between the last pole or other aerial support of the distribution system and the point of attachment to the customer’s service entrance equipment. It is normally located over the customer’s property.

103.2 Underground Service Lateral

The underground service lateral is the underground service wire between the distribution system, including any risers at a pole or other structure, and the service entrance equipment. It is normally located on the customer’s property.

103.3 Distribution Facilities

All primary and secondary voltage wire or cable and its supports, trenches, connection equipment, enclosures, and control equipment which is used to extend the distribution system from existing facilities to a point of connection with the service facilities. The cost of right-of-way preparation and restoration to the original condition, where appropriate, shall be included in the cost of distribution facilities.

103.4 Underground Service Extension

Consists of an underground service lateral and necessary distribution line, if any. In no case shall it consist of separate segments of underground construction separated by overhead construction. The length of each underground service extension shall be the length of the cable route from the beginning of the trench to the point of termination at the applicant’s service facilities.

103.5 Service Entrance Equipment

Consists of the meter socket and related overhead masthead or conduit for underground service. This equipment is provided by the customer and is generally located on or in the customer’s building.

103.6 Service Facilities

The service facilities include the standard transformer, standard overhead service drop or standard underground service lateral and standard meter.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

104 UTILITY FACILITIES ON CUSTOMER’S PREMISES

This rule shall apply to the distribution facilities required to service either a group of customers in multi-tenancy premises or a single customer where, in either case, the utility finds that it is necessary to install portions of such facilities on the premises being served. Such customer or property owner, when requested by the utility, shall make provision on their property for the installation of utility-owned facilities required for service(s) in accordance with the following:

Utility facilities shall consist of those which, in the opinion of the utility, are necessary to furnish adequate service at the utility-owned junction boxes on or adjacent to the enclosure of the utility substation or at customer-owned service entrance facilities. The utility will not supply wiring in or on a building beyond the junction box or on a building beyond the service entrance facilities. The utility will design such installations and will install facilities, which in its opinion are most economical or feasible to the utility, under the conditions met. At each installation the utility shall have the option of extending its primary conductors to two or more substations conveniently located with respect to the customers to be served or to furnish service to all customers from the substation. Where the utility’s installation is located in a property owner’s building, the applicable provisions of the Wisconsin State Electrical Code shall be observed.

A customer or property owner shall furnish, own and maintain the necessary indoor conduits, indoor or outdoor enclosures, vaults, building structural supports and accessories as specified by the utility.

If a customer or property owner requests any changes in the plan proposed by the utility, the customer **U** shall pay the utility the estimated excess cost of the substituted installation. The utility shall require that these costs be paid in advance of construction.

105 CUSTOMERS’ RESPONSIBILITY FOR UTILITY’S EQUIPMENT

The customer shall be responsible for all damage to the utility’s equipment, and for all loss resulting from interference or tampering therewith, caused by the customer or the customer’s permittees, including compensation for consumed energy not recorded upon the meter. (See Wis. Admin. Code ch. PSC 113.)

Meters, service entrance switches, and service entrance outlets are sealed by the utility and such seals shall not be broken or tampered with in any manner without the consent of the utility except in cases of emergency. The utility should be notified as soon as possible after a seal has been broken.

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

106 EXTENSION OF NEW SERVICE FACILITIES

106.1 Application For Extension of New Service

Each request for extension of new service will require a written application for service in which the applicant agrees to pay any required contribution in aid of construction. The utility may require that the contribution in aid of construction be paid in advance of construction or may, at the utility’s option, offer customers an installment payment plan.

106.2 Wiring Affidavit

The contractor or person responsible for the installation of the customer’s electric wiring, appliances and other equipment related to each type of service shall deliver a notarized affidavit on a form supplied by the utility attesting to the fact that the work complies with the Wisconsin State Electrical Code and the service rules of the utility. Affidavits must clearly indicate the nature of the work done (such as residential wiring, residential fixtures, garage wiring, range, heaters, motors, or other wiring or equipment). For those cases involving wiring changes or additions which require the meter(s) to be replaced or relocated, or which require inspection by the utility, the affidavit shall include an itemized copy of the connected load, including lights, motors and appliances. Where such changes require new service entrances at a new location, the existing service entrance should not be disconnected before the new service entrance is ready for connection and operation.

If, upon inspection by the utility, installations are found to contain discrepancies, such discrepancies shall be corrected before permanent connection of service will be completed. Or, at its option, the utility may mail the customer a written request demanding conformity within a 10-day period or any prior service connection made by the utility will be disconnected.

The utility normally connects the service entrance wires to the service wires. No one else shall make these connections without the specific approval from the utility, in which case the customer shall assume responsibility for any damage that may result from making these connections. The utility will not be responsible for damage or injury resulting from unauthorized disconnection or reconnection of service wires.

106.3 Ownership of Extension

The title to every extension at all times is with the utility. The utility reserves the right at all times to add additional customers to an extension and make new extensions to an existing extension, under the provisions of these rules, without procuring the consent of any customer or customers contributing to the original construction costs, and without incurring any liability for refunding contributions except as additional customers may be added as provided for herein. (See Wis. Admin. Code ch. PSC 113, Refunds.)

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

106.4 Right-of-way For Extensions

106.4a Overhead Facilities

The applicant(s) for service shall furnish right-of-way easements and permits with clearing rights, without cost to the utility adequate for the line extensions necessary to serve them and along a route approved by the utility. Clearing shall either:

- (1.) Be done by the applicant(s); or
- (2.) Be done by the utility. In this case, the applicant shall, in advance of the clearing work, make a contribution to the utility in an amount equal to the utility's estimate of the cost thereof. Such a contribution shall be nonrefundable, except that after completion of the extension the utility will determine the actual cost of clearing work, recompute the contribution required, and will refund the excess, if any, of the contribution over that required as based on such actual cost.

106.4b Underground Facilities

The applicant(s) shall secure for the utility, without cost to the utility, such easements as the utility may require for the installation, maintenance or replacement of the underground lateral and necessary distribution line extension.

The applicant shall inform the utility of any known or expected underground obstructions within the cable routes on their property (septic tanks, drainage tile, etc.). Any earth fill added to bring the cable route to final grade prior to the underground construction shall not contain large rocks, boulders, debris or rubbish.

In the event of future changes in grade levels by the customer that would materially change the depth of cover over underground conductors, or affect transformer locations, the landowner shall notify the utility in advance of grading, and shall pay the utility its cost of moving or replacing its equipment to accommodate the change in grade. Such charge will also be made for changes in buildings, structures, foundations, walls, or other obstructions.

106.5 Construction Standards and Facilities Provided by Utility

The utility shall provide safe, reliable service with extensions that conform, to the extent possible, to each of the following standards:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

106.5 Construction Standards and Facilities Provided by Utility (continued)

- (1.) Route: The utility shall make the extension over the most direct route that is the least expensive and least environmentally degrading. The customer shall provide or shall be responsible for the cost of all right-of-way easements, and permits necessary for the utility to install, maintain or replace distribution facilities. The customer shall either clear and grade such property or pay the utility to clear and grade such property. The customer is responsible for the cost of restoration of the property after the utility has completed installation and backfilling where applicable.
- (2.) Design: The utility shall design and install facilities to deliver service to the customer and the area at the lowest reasonable cost. The facilities shall comply with accepted engineering and planning practices. The design shall consider reasonable needs for probable growth in the area and local land use planning. Unwarranted excess capacity that would result in unnecessary cost increases to the utility and its customers shall be avoided. The utility shall be responsible for the incremental cost of distribution facilities that are in excess of standard design for the customer and normal area growth.
- (3.) Efficient Use: The utility’s extension rules shall discourage the inefficient use of electricity by appropriately relating costs to the charges made for extensions.
- (4.) Cost Estimates: The utility shall engineer and estimate the cost of each extension based on reasonable current costs. Current costs may be estimated using job specific costs, average costs per foot or unit, or other costing method as appropriate.

106.6 Point of Termination

The applicant for new service may select, with the approval of the utility, the point at which the utility will deliver service at applicant-owned terminating facilities. The applicant will furnish, own and maintain circuits, meter socket and equipment beyond such point, except for metering equipment.

It is necessary that a customer’s service entrance facilities be located at a point most readily accessible to the utility’s distribution system. It is desirable, and often necessary, to avoid crossing adjacent property with service drops or laterals. If the distribution system is established in the rear of the premises, the service entrance must be brought to the rear of the building. Where the distribution system is located on the street or where no distribution system has been established, the customer shall request the utility to specify an acceptable location of the service entrance facilities. The utility will furnish this information in writing upon request.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

106.7 Meters

Meters will be furnished and installed by the utility. The customer, however, must furnish the meter socket and all necessary extra wiring to meet the meter connection and must furnish a safe and convenient place for the meter(s) where it will not be subject to adverse operating conditions. Where the customer has changed this condition by remodeling or adding to a building, thereby making the meter inaccessible, the utility will notify the customer in writing to correct the condition. U

In the event a customer desires an additional meter installed for their own convenience, the installation shall be entirely at the cost of the customer, including the cost of the meter. U

106.8 Metering Facilities

Meter sockets shall be approved by the utility and installed by the customer on the exterior of the building, a pole or pedestal as determined by the customer's need. Customer's service facilities, customer-owned yard light, or other equipment shall not be installed on a utility-owned pole. U

When a residence is built in the rural area and underground service is used, the meter may be placed on the customer's pole if permission is obtained from the utility prior to installation.

Any meter located other than as described above shall be approved in writing by the utility prior to installation or it shall be changed by the customer to conform to the utility standards.

Meters, service entrance switches, and service entrance outlets are sealed by the utility and such seals shall not be broken or tampered with without the consent of the utility except in cases of emergency. The utility should be notified as soon as possible after a seal has been broken. U

106.9 Number of Service Drops or Laterals Per Customer

The utility shall provide standard overhead service drops and standard underground service laterals at no charge to the customers.

Not more than one service drop or service lateral will be installed to the same building or utilization point except:

- (1.) Where more than one point of delivery is necessary because of voltage regulation, governmental requirements or regulatory orders.
- (2.) In a large installation (large power only) where, in the opinion of the utility, more than one service drop or lateral is necessary to meet the load requirements.

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

(3.) In row houses and other multiple occupancy buildings having areas separated by firewalls in compliance with the Wisconsin State Electrical Code.

106.9 Number of Service Drops or Laterals Per Customer (continued)

If an existing customer with a single-phase service drop or lateral requests three-phase service, the customer shall rewire their equipment to operate from the three-phase service drop or lateral before three-phase service will be extended. The single-phase service drop or lateral will be removed from service after the three-phase service has been extended.

106.10 Overhead Service Drop

A standard overhead service drop shall be furnished by the utility to a suitable support on the customer’s premises. The utility will provide supplemental information to the customer indicating the equipment that the customer shall install, own and maintain. This material will also indicate what Wisconsin State Electric Code provisions and city ordinances must be complied with for the installation of this equipment.

106.11 Underground Service Lateral

A standard underground service lateral shall be furnished by the utility to suitable service equipment on the customer’s premises. This equipment shall be installed on the customer’s building at a location approved by the utility.

The utility will provide supplemental information indicating what equipment the customer shall install, own and maintain for underground service and indicate what provisions of the Wisconsin State Electric Code and city ordinances must be complied with for the installation of this equipment.

106.12 Transformers

The utility shall provide standard design transformers necessary to serve the customer’s load at no charge.

106.13 Nonstandard Service Facilities

If the proposed extension requires nonstandard service facilities or if the customer requests nonstandard facilities, the utility may require that the customer pay a contribution in advance of construction for the cost of the facilities in excess of the cost of standard design facilities.

106.14 Extraordinary Investment by Utility for Extension

Proposed extensions may be reviewed for economic considerations. If the cost of an extension exceeds five times the average embedded cost to serve a customer in the same class as the customer for whom the extension is to be made, the utility may require a contract with the customer. Under the

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

terms of the contract, the customer may be required to pay the recurring estimated operation and maintenance expenses associated with that portion of the extension that is in excess of five times the average embedded cost at the time the extension was made. The reasons and supporting analysis for each contract will be furnished the customer and the Public Service Commission of Wisconsin (Commission), in writing. The utility will inform the customer of the customer’s right to ask the Commission for a review of the extension costs and contract provisions. The utility will notify the Commission in writing, when a service extension is denied, including the reasons for denial.

107 INSTALLATION CHARGES AND EMBEDDED COST CREDITS

107.1 Definition of Equipment, Installation Charges and Embedded Cost Credits

For purposes of implementing these installation charges the following definitions shall apply:

107.1a Customer Classifications

Customer classifications are based on usage characteristics. Each classification has a distinct installation charge and embedded cost credit. For definitions of distribution and service facilities installed in new installations see Section 103. Examples of customer classifications are as follows:

- (1.) Residential Service
- (2.) General Service
- (3.) Power Service
- (4.) Street Lighting

107.1b Total Cost of Installation

The total cost of an extension shall be defined as the cost of the extension of primary and secondary lines, (excluding the standard meter, the necessary standard service drop or service lateral and individual standard transformer capacity); reconstruction of existing main feeders including changing from single-phase to three-phase or construction of new feeders made necessary solely by addition of such customers; the cost of tree trimming or right of way clearing; securing easements; moving conflicting facilities; and all other costs incidental to furnishing service. The customer is responsible for the cost of restoration of the property after the utility has completed installation and backfilling where applicable. This definition applies to both overhead and underground distribution systems. If it is found to be advisable for the utility to install facilities in excess of that required to serve the new customer applying for service, the added cost of these facilities will not be used in determining the cost of the extension.

107.1c Installation Charge

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

The installation charge is the total cost of installation less the average depreciated embedded cost of the distribution system (excluding cost of the standard transformer and service facilities). Seasonal customers shall receive one-half the average embedded cost allowance of a year-round customer for the same customer classification.

107.1d Average Depreciated Embedded Cost

The Public Service Commission of Wisconsin determines the embedded cost of the distribution system (excluding the standard transformer and service facilities) for each customer classification, as indicated below. The average depreciated embedded cost by customer classification is listed in Schedule OC-1.

- (1.) Residential Service: The average depreciated embedded cost is determined by dividing the original cost less the estimated accrued depreciation of the distribution system and less customer contributions and advances for construction allocated to this customer classification by the number of customers in the group.
- (2.) Apartment and Rental Units Separately Metered: The owner of an apartment or rental unit applying for an extension of service shall receive the same average depreciated embedded cost credit, that applies for residential service, per unit metered.
- (3.) Subdividers and Residential Developers: The same average depreciated embedded cost credit, that applies for residential service, would apply per unit energized within five years from the installation of the contributed extension.
- (4.) General Service (Including Multi-Unit Dwellings If Billed on One Meter): The average depreciated embedded cost credit is determined the same way as Residential.
- (5.) Power Service: The embedded allowance is determined by dividing the original cost less the estimated accrued depreciation of the distribution system and less customer contributions and advances for construction allocated to this customer classification by the estimated average billed demand of these customers. When there is an upgrade, the average billed demand is the difference between the averaged billed demand before and after the upgrade.
- (6.) Street Lighting: The dollar amount per fixture is determined by dividing the overall depreciated cost of the distribution facilities allocated to the street lighting class, less credits for past customer contributions and advances for construction, by the total number of lighting fixtures in that classification.

All average depreciated embedded costs (by rate class) shall be subject to review by the Public Service Commission of Wisconsin, as part of each general rate case proceeding.

EFFECTIVE:
PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

107.2 Total Cost of Installation by Customer Classification

107.2a Residential, General Service, Power Service, and Street Lighting Classes:

Will be charged the total installation cost less the average depreciated embedded cost as defined in Section 107.1d.

107.2b Residential and Commercial Developers and Subdividers:

Residential and Commercial developers and subdividers of single- and two-family subdivisions shall pay, as a minimum, a partially refundable contribution which is the estimated cost of distribution facilities to be installed for the area being developed. The average depreciated embedded cost is refundable as structures are built and connected to the electric utility facilities, as defined in Section 107.1d.

107.2c Installation Charges for Multi-Family Residential Housing Units:

Will be the total installation cost less the average depreciated embedded cost, as defined in Section 107.1d, per each living unit in the multi-family building.

107.2d Other Installation Charges

In addition to the installation charges provided above, the utility may require the customer to pay, in advance of construction, the estimated direct costs for those distribution service facilities which,

- (1.) Are in excess of standard utility design and construction,
- (2.) Follow a route different than the most direct route as in Wis. Admin. Code ch. PSC 113, as determined by the utility, or
- (3.) Require abnormally high installation costs due to abnormal soil conditions, including trenching in rocky soil, frozen ground, or other similar conditions. (Winter construction will normally apply between December 1 and April 1.)

All such payments for these conditions are subject to partial refund as additional customers connect.

107.2e Adjustments to Estimates of the Total Cost of Installation

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

Section 107.2 explains the method for estimating the total cost of installation. The utility shall adjust its estimate of construction costs to reflect the costs that are actually incurred. Upon completion of an **U** installation which differs from the utility's original cost estimate, a recalculation of the customer contribution shall be made using the same method as was used to determine the original contribution. If said recalculation differs by more than \$20 from original estimate, a refund or additional billing shall be rendered to the customer.

108 REFUNDS OF CUSTOMER CONTRIBUTIONS BY TYPE OF CUSTOMER

108.1 Eligibility for Refunds

The utility shall make refunds to a customer who made a contribution for an extension (a contributed extension) when the utility makes an extension from the contributed extension to a second customer that does not require a contribution from the second customer (a non-contributed extension).

In all cases, refunds to the customer making the original contributions shall be limited to the first five years from the installation date. The utility shall make the refund to the customer who made the original contribution or the current property owner of record unless it has a written record from that customer assigning the refund rights to another customer.

108.2 Application of the Refund

- (1.) When additional customers are connected to an existing extension, which required an installation charge from the original customer for whom the extension was first made, that original customer may receive a refund from the utility.
- (2.) If the cost of adding a new customer to an existing extension is less than the average depreciated embedded cost, the new customer will be charged nothing. The original contributor of the extension shall be refunded the difference between the average depreciated embedded cost and the cost of adding the new customer.
- (3.) If the cost of additional distribution facilities exceeds the average depreciated embedded cost of a customer classification, the construction will be considered a new extension. In this case no refund is due the original contributor.
- (4.) The original contributor shall receive refunds, if any, for only the first five years from the date the original extension is energized.
- (5.) Refunds shall be made to the original contributing customer by the utility within 20 days after the additional customer's cost of installation is determined.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

The amount of the refund shall be based on the embedded cost allowance in effect at the time the contributed extension was installed, or the current embedded cost allowance, whichever is greater. In no case shall the total refund exceed the total installation charge.

109 OVERHEAD SERVICE EXTENSIONS

109.1 Applicability

The rules of this section apply to the extension of overhead electric service to all classes of retail customers requesting new service in all areas served by the utility.

The utility will extend electric service to a new customer(s) or existing customer(s) furnished by means of extending its overhead distribution system, except that three-phase service may be furnished by means of phase conversion equipment from a single-phase line.

109.2 Contributions for Overhead Extension

The charge for all overhead extensions shall be the total cost of installation as defined in Section 107.2 less the average depreciated embedded cost. (See Section 107.1d)

109.3 Combination Single-Phase and Three-Phase Construction

In the event an extension is partially or completely supported on structures used for supporting transmission circuits, or in the event the extension is built to serve both single-phase customers and three-phase customers, the utility will compute, and apportion among the customers served, the extension contribution requirements and contribution refund rights in a fair and equitable manner consistent with the pertinent facts, and will retain in its files a memorandum of such computation and apportionment. The contribution requirement of the single-phase customers shall not be greater than would have been the case if an extension (complying with present engineering standards) had been constructed to serve only the single-phase customers.

110 UNDERGROUND SERVICE EXTENSIONS

110.1 General Rules on Underground Service Extensions

The utility will extend utility-standard underground service to all classes of retail customers requesting new service in all areas served by the utility.

110.2 Stipulations on Availability of Underground Service Extensions

Underground service extensions to be furnished by the utility are limited to those which may be placed in locations where grade levels and other conditions are satisfactory to the utility, such as

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

across residential or farm yards or commercial premises or along driveways. The route of the underground construction must be clear of any trees, brush, fences or other surface obstructions that would interfere with normal operation of trenching equipment. Trench backfill shall consist of the original soil and shall not be power tamped. Lawn and landscaping restoration shall be the applicant's responsibility.

Underground service extension in locations such as beneath undeveloped land, quarries, gravel pits, swamps and water will not be furnished except by written approval of the utility for each installation.

The utility will not install an underground service extension where engineering, operating, construction, safety or legal problems would, in the utility's judgment, make it inadvisable to perform the installation, unless these problems can be resolved by the payment of contributions and/or the charges as provided for in these extension rules.

Notification must be given to the utility sufficiently in advance of construction so that a sequence of construction can be provided for and the work coordinated with other utilities involved.

If the trench cannot for any reason be dug prior to the freezing of the soil, the utility may temporarily install secondary voltage conductors in suitable mechanical protection on top of the ground and dig the trench when the ground is thawed.

The utility shall not be prevented from installing underground electric equipment where necessary by reason of physical conditions or congestion in the area, when this type of construction is the most economical type for the conditions.

110.3 Contributions for Underground Extensions

The charge for all underground extensions shall be the total cost of the installation as defined in Section 107, less the average depreciated embedded cost as defined in Section 107.1d.

110.4 Contribution for Added Costs Due to Unusual Conditions

For unusual construction costs a contribution is required which may be subject to a partial refund as additional customers attach. The cost shall include:

- (1.) An amount equal to the estimated cost of boring or pavement cutting required or where conductors must be installed in rocky soil, frozen ground, or other similar conditions.
- (2.) An amount equal to the cost of any special requirements such as municipal requirements, rearrangement of facilities due to a change of plans or the need for an underground service extension different from or more elaborate than the utility's standard underground construction.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- (3.) An amount equal to the estimated additional cost for trenching through any area where normal plowing and trenching methods cannot be used, for example, ledge rock, boulders, land-fill, etc.

Upon completion of the construction, if the actual amount of such extra cost is less than the estimated amount, the utility will refund the difference between the estimated and actual costs.

110.5 Combination of Overhead and Underground Extension

In accepting an application for underground electric service under this schedule, the utility does not undertake to avoid the construction of overhead lines in the neighborhood, which may be necessary to serve customers who demand and have the right to receive service from overhead lines. However, in order to avoid duplication of facilities, applicants for electric service whose premises can be served from an underground distribution system that has previously been installed adjacent to the applicant’s premises shall be required to be served by an underground lateral from such system and shall pay the contributions and charges required in these extension rules.

110.6 Underground Distribution Areas

110.6a General Rules on Underground Distribution Areas

The utility will install utility-standard single-phase underground electric distribution system in accordance with this schedule where required by ordinance or when requested by and agreed to by the property owner(s) or developer or subdivider of the land area to be served. (However, all lines exceeding 15,000 volts in such areas may be overhead.)

Electric distribution facilities provided for under this rule are only for providing service to permanent buildings. The utility will own and maintain the underground conductors and appurtenances, and the character and location of such facilities shall be at the discretion of the utility.

110.6b Establishment of Underground Distribution Areas

- (1.) Subdivisions

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- a. For purposes of this schedule a subdivision shall be defined as a division of lands consisting of five or more contiguous lots. Lots directly across a street from each other are considered to be contiguous.

- b. To qualify as an underground distribution area the property owner(s) or land developer or subdivider shall have provided a suitable recorded plat of the subdivision with deed restrictions, all satisfactory to the utility, to require all utility service to be supplied by underground lines and prohibiting overhead lines, except for lines exceeding 15,000 volts, and with easements shown.

- c. An area that qualifies as a subdivision may be established as an underground distribution area in either of the two following ways:
 - (1) All new subdivisions not already receiving electric service are defined as underground distribution areas where by ordinance the electric distribution systems are required to be underground.
 - (2) A group of property owners or land developer or subdivider may request that an area be served by an underground distribution system. Such area shall be specifically defined and of reasonably regular shape.

- (2.) Mobile Home Courts: A new mobile home court or an expansion of an existing mobile home court, may be established as an under-ground distribution area where:
 - a. The court consists of five or more established mobile home locations, all of which are contiguous.

 - b. Occupancy of the mobile homes is to be on a year-round basis.

 - c. The owner of the mobile home court provides the utility a written commitment that all utility service will be supplied by underground lines and prohibiting any overhead lines, except for lines exceeding 15,000 volts.

- (3.) Condominium Developments and Apartment House Complexes: A new residential condominium development, apartment house complex or an expansion of an existing such housing facility may be established as an underground distribution area where:
 - a. The condominium or apartment complex consists of five or more dwelling units.

 - b. The developer provides the utility a written commitment that all utility service will be supplied by underground lines and prohibiting any overhead lines, except for lines exceeding 15,000 volts.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- (4.) Easements: The property owner(s) or land developer or subdivider shall have secured for the utility, at no cost to the utility, such easements as the utility may require for the installation, operation and maintenance of its facilities including but not limited to easements for its transformers and switches. The property owner(s) or land developer or subdivider shall inform the utility of any known or expected underground obstructions within the cable routes. Any earth fill added to easements to bring the grade to final level shall not contain any large rocks, boulders, debris or rubbish.

In subdivisions, easements shall be provided along side lot lines as necessary for underground cables to street light locations approved by appropriate governmental authority.

- (5.) Expansion of Underground Distribution Areas: An established underground distribution area may be expanded to include such lots or building sites as are contiguous to it which are not already served by overhead lines. The owners of such lots shall be responsible for seeing that the lots meet the requirements specified above for the underground distribution area to which it is contiguous.

110.6c Contribution and Charges for Extension

- (1.) Contribution for Construction Within Underground Distribution Area: All of the provisions of contributions for construction of underground extensions will apply except that the extension allowance will apply to those lots at which dwelling units are occupied or under construction (construction has proceeded above the foundation level) only. The utility shall require that the contribution in aid of construction be paid in advance of construction. U

- (2.) Distribution Line to Underground Distribution Area: Where an extension of the utility's existing distribution system is required in order to reach the underground distribution area, said extension will normally be overhead construction. The extension allowance for the overhead distribution line will apply to those lots on which dwelling units are occupied or under construction (construction beyond the foundation level) only. The utility shall require that the contribution in aid of construction be paid in advance of construction. If required by statute or ordinance, or if required by the conditions in the judgment of the utility, all or a portion of the extension will be underground. A refundable contribution as provided in Section 110.6c(1), will apply. U

111 MODIFICATIONS TO EXISTING DISTRIBUTION AND SERVICE FACILITIES

111.1 Relocation and Rebuilding of Existing Distribution Facilities

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- (1.) Where responsibility can be determined by the utility, the customer responsible for relocation, rebuilding, or other modification of existing distribution facilities shall pay a contribution based on the following:

Estimated direct cost of new facilities
 Less: Accrued depreciation of facilities to be removed
 Less: Estimated net salvage of the facilities to be removed
 Plus: Estimated cost of removal of existing distribution facilities
 Equals: Charge for modifications to existing facilities

The costs and credits of the above shall be determined from the available records of the utility. The utility shall endeavor to maintain records that permit a reasonable calculation of these costs and credits. The contribution shall be refundable when the extension is less than the embedded allowance as per Section 108, Refunds to Customers.

- (2.) Where the utility chooses to relocate its distribution system and it is practicable to bring a service drop or lateral to the existing service entrance facilities, the utility will make the necessary changes in the customer’s wiring and service equipment without expense to the customer.
- (3.) In the event that the utility is ordered by a unit of government to move its distribution facilities, a new service drop will be installed, where practicable, to the existing service location without expense to the customer. If, in the opinion of the utility, it is not practicable to utilize the existing service entrance facilities, the utility will specify a new service location. The utility is not required to furnish new service entrance, cable, conduct, or service equipment unless it makes a practice of supplying this equipment. The utility shall, however, run a service drop to the nearest point on each building served from the new location and remove the old service drop without expense to the customer.

111.2 Replacement of Overhead Distribution Facilities with Underground Distribution Facilities

A customer requesting the utility to replace existing overhead distribution facilities with underground distribution facilities shall pay the contribution in aid of construction and receive refunds as shown in Section 111.1(1) above.

111.3 Upgrade of Distribution Facilities Due to Change in Load

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

Customers who request an upgrading of the utility distribution facilities due to a change in the character of their load shall pay for the construction costs incurred by the utility to provide the requested additional facilities.

- (1.) Demand Schedule: Customers who are served under a demand rate schedule shall receive an embedded cost allowance. The kilowatts of demand to be used in determining the allowance shall be the customer’s average billed demand after the upgrade less the customer’s average billed demand before the upgrade.
- (2.) Customers Transferring to a Different Energy-Only Classification: If a customer served under an energy-only sub-classification prior to the upgrade qualifies for a different energy-only sub-classification after the upgrade, the customer shall receive a cost allowance equal to the difference between the two embedded cost allowances.
- (3.) Customers Transferring to a Demand Classification: If a customer is served under an energy-only classification prior to the upgrade, the customer shall receive an embedded cost allowance. The kilowatts of demand to be used in determining the allowance shall be the customer’s average billed demand after the upgrade less an estimate of the customer’s prior average demand.

111.4 Upgrade of Service Facilities

- (1.) Overhead Service Drop: The utility shall not charge the customer to upgrade an overhead service drop with a larger size overhead service drop up to the maximum standard size.
- (2.) Underground Service Lateral: The utility shall not charge the customer to upgrade an underground service lateral with a larger size underground service lateral up to the maximum standard size.
- (3.) Overhead Service Drop to Underground Service Lateral: The utility shall require a contribution from a customer requesting to have an overhead service drop upgraded to an underground service lateral. The contribution shall be equal to the cost of the underground service lateral less the cost of an equivalent overhead service drop.
- (4.) Transformers: The utility shall not charge the customers to upgrade their transformer to the maximum standard capacity.

112 EXTENSIONS OR MODIFICATIONS OF TRANSMISSION FACILITIES TO RETAIL CUSTOMERS

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

Before a utility extends or modifies its transmission facilities to a retail customer, the utility shall require a contract between the utility and the customer which describes the facilities to be constructed, such as the cost of construction, apportions the responsibility for the construction costs between the utility and the customer, and provides a supporting analysis for the construction and the cost apportionment. The utility shall submit the contract to the Commission for approval. The Commission shall review the contract to assess whether existing ratepayers would be adversely affected by the proposed extension or modification. If the Commission does not respond to the utility within 20 working days from the date of receipt, the contract is approved.

113 TEMPORARY SERVICE

The utility will extend its service to fairs, carnivals and like short-time gatherings and uses (not including short-time uses in the nature of auxiliary, stand-by or seasonal use) under the following rules:

- (1.) The customer will agree to reimburse the utility for its expenditures in extending service.
- (2.) The cost of extending service shall include all items of labor and materials, with the customary overhead charges, necessary to furnish the customer with the service requested. It shall also include any costs involved in the dismantling of materials and their return to stock. Where materials dismantled have a salvage value, the cost of extending service will be credited with such salvage value.
- (3.) All energy will be measured at one standard voltage at some convenient point designated by the utility.
- (4.) The customer will make the necessary arrangements and provide for the necessary equipment in the event more than one voltage is required.
- (5.) The cost of all construction (labor and materials) necessary to distribute energy on the premises occupied by the customer will be borne by the customer.
- (6.) The utility may require the customer to make an advance deposit sufficient to cover the costs of extending service and the estimated bill for energy.
- (7.) The rates applicable in the area where temporary service is rendered shall be applied in determining the customer's bill.

114 TEMPORARY SERVICE FOR CONSTRUCTION

- (1.) The provisions of Section 113 of these rules shall apply for temporary service for construction. A maximum charge of \$233.00 shall apply.

U

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- (2.) Temporary service shall be given to a customer connection only when constructed in accordance with the sketch as provided by the utility. The post supporting the unit shall be located as near as possible to the location of permanent service to the building. Abnormal conditions involving compliance with the foregoing provision will be cleared with the utility and permission granted by the utility prior to locating the customer connection.
- (3.) All temporary service shall be maintained in a safe manner in order to keep the utility harmless from injury to persons or property. The service shall remain temporary only for a reasonable time and must be made permanent when the utility directs such action.
- (4.) Should the customer elect to receive permanent service the installation charges for extension of new electric service as provided for in Section 107 will apply. Credit shall be given for the payment already made for that portion of the temporary service facilities that can be used for permanent service without modification.

115 EMERGENCY SERVICE

A customer purchasing electric service from the utility under any of the utility's filed rates for firm service, and requesting a reserve line or a separate service connection other than that from which regular service is obtained should consult the utility to determine if such service is available.

The utility may supply emergency service facilities under the terms of a special contract, providing the customer shall pay all costs associated with such facilities. The utility will then provide the emergency service distribution facilities required.

116 GENERAL RULES ON CUSTOMER UTILIZATION EQUIPMENT

The rules in this section are designed to assist in maintaining a high standard of electric service for all classes of customers with maximum economy based on electric service rules of the Public Service Commission of Wisconsin governing the variation of voltage at customer service entrances.

Before installing any utilization equipment, it shall be the customer's responsibility to notify the utility of the planned addition. The utility will advise customers concerning a specific installation on request. The utility will not test or investigate any customer's equipment except when necessary to determine the cause of substandard voltage conditions. The utility shall, at all reasonable times, have the right to enter a customer's premises to examine the customer's equipment. The utility shall refuse to connect service or will suspend service when such equipment does not conform to these rules and it has not been corrected after reasonable notice.

U

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

All wiring and other electrical equipment on the premises furnished by the customer shall be installed and maintained by the customer at all times in conformity with the requirements of the Wisconsin State Electrical Code and with the Rules and Regulations of the utility.

Electrical apparatus to be used in connection with and operated by energy furnished by the utility shall be of such design and construction, and installed and operated in such manner, so as not to interfere unreasonably with the utility's service to other consumers. In the event that such apparatus does not comply with the above requirements, the utility may discontinue service until the customer has remedied the conditions causing interference with the utility's service to other consumers. The utility may require the installation of a separate power service to serve equipment which does not conform to the rules which govern lighting service or to serve other devices which are likely to interfere with standard voltage regulation.

Where a customer connects single-phase equipment to a three-phase service, the single-phase equipment shall be connected to prevent unbalance of the loads on the three-phase service in excess of 10 percent. A power factor of 80 percent (or as otherwise specified in the company's tariffs) shall be maintained by the customer. When these requirements cannot be met, the customer shall apply for a separate single-phase service.

U

It shall be the customer's responsibility to install any protective devices such as time-delay under-voltage relays, phase reversal relays, devices to protect against unbalanced phase operation of three-phase equipment and any other device necessary to prevent damage to utilization equipment that might result from imperfections in the supply of power.

117 MOTORS AND MOTOR CONTROL

In order to prevent impairment of service to other customers, it is necessary to establish limits for the allowable starting currents for motors. Before selecting motor equipment, the customer should consult the utility to determine the specific voltages available at any location.

When a motor is used to drive equipment that requires varying torque during each cycle of operation, such as a compressor or reciprocating pump, the combined installation should have enough momentum in its moving parts so that its operation will not interfere unduly with service to other customers.

(1.) Types of motor service available on general service lighting rates, single-phase only are as follows:

- a. Single-phase fractional horsepower motors: Automatically controlled and frequently started, whose locked rotor currents do not exceed 23 amperes may be connected to 120-volt circuits.

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- b. Single-phase motors, one horsepower or less: Manually controlled or infrequently started, whose locked rotor currents do not exceed 50 amperes may be connected to 120-volt circuits. No single-phase motor larger than 1 horsepower shall be operated on a 120-volt circuit.
 - c. Infrequently started single-phase motors of 10 horsepower or less may be connected to 240-volt other circuits if their locked rotor currents do not exceed the values shown in the next section describing motor service available on power rates.
 - d. In urban areas infrequently started three-phase motors of 10 horsepower or less; connected through single-phase to three-phase converters may be used on other circuits.
 - e. Single-phase motors above 10 horsepower are not permitted in rural areas.
- (2.) Types of motor service available on power rates and combined light and power rates, single-phase and three-phase are as follows:
- a. Motors with long periods of continuous operation under maximum load conditions and having not more than four starts per hour may be connected if their locked rotor currents do not exceed those listed in the following table. Consult the utility where these conditions cannot be met, or where equipment ratings and/or starting characteristics exceed the values in the table below:

Motor Starting Table

| <u>Motors Rated</u> | <u>Total Locked Rotor Current Not to Exceed</u> |
|---|---|
| 120 Volts, Single-Phase | 50 Amperes |
| 240 Volts, Single-Phase 2 Horsepower or Less | 60 Amperes |
| 2 to 6.5 Horsepower | 60 Amperes Plus 20 Amperes Per Horsepower in Excess of 2 Horsepower |
| 6.5 to 15 Horsepower | 150 Amperes Plus 10 Amperes Per Horsepower in Excess of 6.5 Horsepower |
| 240 Volts, Three-Phase 2 Horsepower or Less | 50 Amperes |

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

2 to 19.9 Horsepower 50 Amperes Plus 14 Amperes Per
Horsepower in Excess of 2 Horsepower

20 to 40 Horsepower 300 Amperes Plus 4 Amperes Per
Horsepower in Excess of 20 Horsepower

50 Horsepower and Over 8 Amperes Per Horsepower

- b. Motors above 10 horsepower rating are to be three-phase.
- c. New installation of motors of 50 horsepower or larger should be approved by the utility as to motor type, starting and protective equipment, and as to availability of an adequate power supply at the proposed location.
- d. Motors subject to frequent starts, such as elevator and hoist motors, when connected to the secondary distribution system, should have their starting current limited to 100 amperes.
- e. For motors of higher voltage rating than shown in the motor starting table, the allowable currents are inversely proportional to the voltages.

118 MISCELLANEOUS EQUIPMENT

X-ray equipment operated on lighting or combined lighting and power services shall have input currents not exceeding 24 amperes without specific approval of the utility.

The installation or use of heated sidewalks is prohibited as specified in Section 101.124 or Wisconsin Statutes. **U**

All other equipment not specifically provided for in this section will be subject to approval of the utility on the basis of starting currents specified herein for motors with the same frequency of starting. Customers are advised to consult the utility before connecting any such apparatus.

119 PRIVATE POWER PLANTS

No generator may be electrically connected to the utility's lines or equipment without the written consent of the utility and with adequate physical arrangements to prevent hazard to life and damage to utility property.

After advance written notice and advance approval by the utility, a customer may install their own standby emergency generating equipment and connect it to the customer's wiring systems, provided the connection is through a double-throw switch or other means which will prevent accidental

EFFECTIVE:
PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

electrical connection of the generator to the utility’s facilities at any time. All cost of installation and equipment shall be borne by the customer. The customer shall not operate such equipment until inspection by the utility has been completed. In the event that any customer wishes to engage in parallel operation with the facilities of the utility, service will not be rendered to such customer until a written contract has been entered upon between the customer and the utility and the conditions of delivery of electric energy are fully outlined therein.

See Wis. Admin. Code ch. PSC 114 (Wisconsin State Electrical Code).

120 PAYMENT FOR CONTRIBUTION IN AID OF CONSTRUCTION

Each request for extension of new service will require a written application for service agreeing to pay the contribution required, if any. The utility shall require that the contribution in aid of construction be paid in advance of construction.

U

121 STRAY VOLTAGE SERVICE

- (1.) Under normal operating conditions, a neutral-to-earth current or voltage may exist on the grounded or grounding conductors or other conductive objects on the customer’s premises. The source of the current or voltage may be located on the premises, off the premises, or a combination of both. Upon the customer’s request, the utility will investigate inquiries associated with neutral-to-earth current or voltage concerns.
- (2.) Stray voltage is a 60 Hz steady state AC RMS voltage that can be measured across a 500-ohm shunt resistor, which has been connected between two points that livestock may contact simultaneously. “Steady state” means the value of a current or voltage after all transients have decayed to a negligible value. “Transients” mean changes in the steady state current or voltage caused by faults, operation of protective devices, switching, reclosing, tap changing, motor starts or stops, motor stalls or other phenomena that are temporary in nature. The Public Service Commission of Wisconsin has defined the "level of concern" as 1 volt or 2 milliamperes (mA) AC RMS steady state at cow contact.

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

- (3.) If a customer requests stray voltage investigative analysis more than two times in a 12-month period, and the utility has not found stray voltage above the level of concern in any of these analyses, the utility may charge a fee for any further stray voltage analyses it performs during the remainder of the 12-month period. The fee may not exceed \$320, which is estimated to be the cost of the additional requested service.
- (4.) Following a determination by the utility that, under normal operating conditions, the contribution to animal contact current from off-farm sources is in excess of 1 mA, the utility shall implement, at its expense, measures to reduce this contribution to below 1.0 mA. For farm facilities housing livestock where stray voltage from off-farm sources is a concern, it may be necessary under certain conditions to modify the farm or utility electrical system, or both.
- (5.) The utility shall, based on a technical and economic analysis of acceptable alternatives for lowering levels of stray voltage at the given location, determine whether long-term system modification should be on-farm, off-farm or both. If the utility, with the consent of the customer, chooses to install a long-term mitigation device (e.g., an electronic grounding system or equipotential plane) on farm property, the customer will assume ownership of the device. The utility will respond to reasonable customer requests regarding maintenance of the device. The customer is responsible for the daily monitoring and energy costs of the on-farm mitigation device, if any. The customer may be required to sign a Stray Voltage Reduction Agreement prior to installation of an on-farm mitigation device.
- (6.) The utility will not install any mitigation device(s) where its stray voltage investigation reveals unsafe conditions, or the inspection report of a state certified commercial electrical inspector or a state certified master electrician reveals that conditions do not comply with applicable electrical codes. If the utility’s investigation reveals unsafe conditions, the utility shall notify the customer of the problems found and the potential hazards, and shall recommend the customer take prompt action to remedy the hazard.
- (7.) In the event modification of on-farm or off-farms systems, to reduce off-farm stray voltage contribution, is not required, the customer may request separation of primary and secondary neutrals. The neutral reconnection device(s) [“isolator(s)”] used for this purpose shall be approved for use by the utility and the Public Service Commission of Wisconsin. Prior to installation, the customer shall submit an application form, a satisfactory farm wiring inspection report which has been issued by a state certified commercial electrical inspector or a state certified master electrician, and submit payment for all costs associated with the neutral separation. The customer may be required to sign a Customer Requested Neutral Separation Agreement and may also be required to sign a Hold Harmless/Indemnification Agreement and Release approved by the Public Service Commission of Wisconsin. Separation costs shall include labor, equipment, and materials [excluding the isolator(s)]

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

necessary for both isolator(s) installation and a post-separation analysis of possible bypass circuitry. Costs may vary and may, therefore, be subject to a specific determination for each farm location. The isolator(s) shall be owned by the utility and shall be leased to the customer at a lease rate of \$35.00 per isolator, per month. This lease rate includes an appropriate amortized fee to cover the cost of an annual inspection designed to assess isolator effectiveness and to ensure that the isolator(s) continues to perform its intended function of neutral reconnection under fault conditions. Lease agreement shall require monthly billings.

- (8.) If within one year of the date of installation of a customer-requested isolator(s), the customer requests isolator(s) removal, the utility shall refund to the customer all lease amounts which the customer has paid to date.
- (9.) Where modifications to on-farm or off-farm systems to reduce off-farm contribution is required but cannot be accomplished within five working days, the utility may install a temporary isolator(s). The customer may be required to sign a Temporary Neutral Separation Agreement prior to installation. The utility must remove the isolator(s) and reconnect the neutrals within 90 days, unless it receives a waiver from the Public Service Commission of Wisconsin or the customer completes a Customer Requested Neutral Separation Agreement. Upon receiving a completed Customer Requested Neutral Separation Agreement, the utility (not the customer) will provide the inspection of farm wiring by a state certified master electrician or state certified commercial electrical inspector. If any wiring code violations are found and the customer corrects them within 60 days, the utility will keep the isolator(s) in place. Otherwise, it must remove the isolator(s) and substitute another mitigation technique to reduce off-farm stray voltage to 1.0 mA or less.
- (10.) Should the customer whose neutrals were temporarily separated as provided for in (9.) above desire the isolator(s) be left in place following the required reduction of off-farm stray voltage contribution, the customer may request the continuation of this service in accordance with the terms and conditions established in (7.) above. The agreement shall be contingent on receipt of a satisfactory wiring inspection report issued by a state certified commercial electrical inspector or a state certified master electrician. Initial installation costs will be waived.
- (11.) At farm locations where primary and secondary neutrals have been separated at the request of the customer as provided for in (7.) and (9.) above, cost-free stray voltage investigative services may be limited to an annual investigation that determines the effectiveness of the isolator and isolation and an analysis of utility facilities only. If the customer requests on-farm stray voltage analysis or additional determinations of isolation effectiveness, the Utility may charge a \$320 analysis fee.
- (12.) Numerous locations exist where primary and secondary neutrals have been separated for various reasons prior to the order date, July 16, 1996. As stray voltage investigations are

EFFECTIVE:

PSCW AUTHORIZATION:

NORTH CENTRAL POWER COMPANY INC.

ELECTRIC RULES

performed at these locations, either at customer request or incident to existing utility isolator removal efforts or system modifications, and the utility's stray voltage contribution under normal operating conditions is determined to be less than 1.0 mA, these customers shall become subject to all of the conditions set forth above.

- (13.) Prior to July 16, 1996, the utilities shall perform the required stray voltage investigation and separate the primary and secondary neutrals within 45 days of the receipt of a Public Service Commission of Wisconsin approved Isolation Request form and a satisfactory farm wiring inspection report which has been issued by a state certified commercial electrical inspector or a state certified master electrician. Subsequent to July 16, 1996, the utilities shall perform the investigation and separation within 30 days of the receipt of the above-referenced documentation. The utility shall not be required to initiate the neutral separation work requested prior to receipt by the utility of full payment for all costs associated with the neutral separation, as specified in (7.) above.
- (14.) The utility may not install, or permit the continued use of, an isolator(s) at locations where livestock are not and/or no longer will be housed.
- (15.) The company may supply service at one point to a customer for distribution by the customer to a number of buildings owned by the customer, provided that such buildings are located on contiguous properties including those directly across public thoroughfares.