

MEMBER ENERGY EXCHANGE RIDER

Availability

The Member Energy Exchange Program is available to any general service member with 100 kW minimum demand reduction capability taking service concurrently under either rate schedule 46, 70 or 71. This rider provides Dakota Electric and its power supplier(s) with the opportunity to pay members for reducing their energy needs during certain peak periods. Member participation during each individual exchange period is strictly voluntary. Members may elect to participate in an individual exchange period or decline without explanation. This rider is available at the Cooperative's discretion.

Participation Requirements

The following participation requirements apply:

1. Member must provide a minimum electrical demand reduction of 100 kW;
2. Member loads covered by a load management program or rate are not eligible;
3. Member must reduce energy requirements for a minimum of two hours; and
4. Member may be required to reduce energy requirements for a maximum of six hours in any 24-hour period.

Notification and Pricing

Two options are available for customers participating in the Member Energy Exchange Program

Option A – This option is for a member requiring a 24-hour advance notice. Option A notification and pricing is as follows:

1. Member receives a day-ahead posted price;
2. Member indicates intended action plans for the next day;
3. Member receives a two-hour notification prior to the beginning of the energy reduction period;
4. Member curtails energy usage; and
5. Member receives a separate payment or a credit on the electric bill.

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Notification and Pricing (continued)

Option B – This option is for a member that can respond to a maximum two-hour notice. Option B notification and pricing is as follows:

1. Member receives a two-hour notification that includes the posted price prior to the beginning of the energy reduction period (Option B will be valued higher than Option A);
2. Member curtails energy usage; and
3. Member receives a separate payment or a credit on the electric bill.

Validation

The following metering and validation provisions will apply for participation in this program:

1. Member must have electronic 15-minute interval metering, interrogation software and telephone line;
2. An assessment of the verifiable energy reduction capability will be performed before a member may participate; and
3. The member's ability to reduce demand to the agreed-upon level will be tested and verified.