ELECTRIC TARIFF

Schedule No. E-USBC-1

ELECTRIC UNIVERSAL SYSTEM BENEFITS CHARGE

APPLICABILITY: Applicable to all retail electric service Customers for service provided by the Utility.

PURPOSE: The purpose of this Rate Schedule is to recover the costs associated with public purpose programs for cost-effective local energy conservation, low-income weatherization and low-income bill assistance.

RATES:

<table>
<thead>
<tr>
<th>Effective Dates: On and After January 1, 1999</th>
<th>($) /kWh/Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$0.001334</td>
</tr>
<tr>
<td>GS-1 &amp; GS-2 under 1000 kW</td>
<td>$0.001143</td>
</tr>
<tr>
<td>GS-1 &amp; GS-2 over 1000 kW</td>
<td>$0.000900</td>
</tr>
<tr>
<td>Irrigation</td>
<td>$0.001144</td>
</tr>
<tr>
<td>Lighting</td>
<td>$0.003404</td>
</tr>
<tr>
<td>ASiMi</td>
<td>$0.000900</td>
</tr>
</tbody>
</table>

APPLICATION OF RATES:

Monthly Billing: Each month, the USBC Charge shall be the product of the actual monthly consumption, in kWh, delivered at Customer’s meter times the applicable rate set forth above.

SPECIAL TERMS AND CONDITIONS:

1. Definitions: The definitions of the principal terms used in this Rate Schedule are contained in Rule No. 1.

2. Non-Bypassable Charge: Customer shall be required to pay the applicable USBC Charge set forth above, even if Customer has physically bypassed either the Utility’s transmission or distribution facilities.

3. Large Customer Accounts: Any large GS-1 or GS-2 Customer with an individual account having a load greater than 1,000 kilowatts per month, calculated by dividing the Customer’s total previous calendar year’s maximum monthly demands for that account by 12, shall qualify for service under this Sub-Paragraph. All other non-residential demand metered accounts of a Customer satisfying this requirement shall be included with the Customer’s qualifying load and charged the applicable rate set forth above under RATES for GS-1 & GS-2 over 1000 kW, for all kWh usage, and all loads of such Customer shall be eligible for inclusion in the following calculation:

(continued)
ELECTRIC TARIFF

Schedule No. E-USBC-1

ELECTRIC UNIVERSAL SYSTEM BENEFITS CHARGE

A. Customer shall be charged an annual USBC assessment equal to the lesser of:

(1) $500,000, less the customer credits provided for in B. below; or

(2) The product of 0.9 mills per kilowatt hour multiplied by Customer's annual kilowatt hour purchases, less customer credits provided for in B. below.

B. Customers shall receive a credit toward their annual USBC assessment for internal expenditures and activities that qualify as a universal system benefits program expenditure, which include, but are not limited to:

(1) Expenditures that result in a reduction in the consumption of electrical energy at Customer's facility; and/or

(2) Expenditures for the purchase of power at retail or wholesale that are for the acquisition or support of renewable energy or conservation-related activities.

Customer and Utility shall mutually agree to either: 1) a lump sum payment, up to Customer's annual USBC assessment, 2) a monthly credit on Customer's bill, or 3) a combination of Nos. 1) and 2) herein.

C. Customer credits resulting from expenditures and activities that qualify as a universal system benefits program expenditure that exceed Customer's annual USBC assessment shall be carried forward and credited to Customer's future year's annual USBC assessment(s) until the total amount of the qualifying credits have been credited to Customer's account.

D. Application for a USBC credit request must be received prior to November 30 to be treated in the current calendar year. Credit requests received after November 30 in any calendar year shall be treated in the subsequent calendar year.

SERVICE AND RATES SUBJECT TO COMMISSION JURISDICTION: All rates and service conditions under this Rate Schedule are governed by the rules and regulations of the Public Service Commission of Montana and are subject to revision as the Commission may duly authorize in the exercise of its jurisdiction.

Date Approved: June 25, 2002
Docket No.: D2001.1.5 (Order 6353c)
Agenda No.: 

Effective for service rendered on or after July 1, 2002

PUBLIC SERVICE COMMISSION

Rhonda Simons
Secretary
ELECTRIC TARIFF

Schedule No. E-USBC-1

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PUBLIC SERVICE COMMISSION

Cherda Simmons Secretary