

RIDER EMC**EMPOWER MARYLAND CHARGE**EmPOWER Maryland Charge

Service rates are subject to the recovery of Commission-approved EmPOWER Maryland energy efficiency program expenditures through a surcharge mechanism referred to hereafter as the EmPOWER Maryland Charge (EMC). Energy efficiency program expenditures include program design costs and implementation costs such as member education, marketing, rebates, incentives, enrollment bonuses, gift cards, bill credits, buy-downs, capital, measurement and verification (M&V) and evaluation, and all other costs and expenses incurred in the delivery of Commission-approved EmPOWER Maryland energy efficiency programs and pilots.

EMC APPLICATION

The EMC applies to the Residential, General Service Non-Demand, General Service Demand, and Large Power rate schedules.

EMC CALCULATION

The EMC is:

Residential Service: \$0.00592 per kWh.
GSND, GSD, LP: \$0.00470 per kWh.

The EMC is calculated through the formula:

$$EMC = [(E + C + A) / S]$$

Where:

- E = Annual approved amortization of Commission-approved EmPOWER Maryland energy efficiency program expenditures. Such costs may be amortized on a straight-line basis over a period not to exceed five years, the unamortized balance earning interest at the Company's rate of return ("ROR"). The ROR is imputed from the Company's debt service coverage ratio.
- C = Annual correction mechanism to true-up the difference between EmPower Maryland-related costs incurred and revenues collected under the prior EMC surcharge factor.
- A = Amount of EmPower Maryland program costs approved to be recovered as an annual expense.
- S = Twelve-month kWh sales forecast beginning with the effective date of the EMC.