

SCHEDULE R

RESIDENTIAL SERVICE

AVAILABILITY

Available throughout the area served by the Cooperative to individual residences and individually metered dwelling units in multiple-occupancy buildings where the use is for residential purposes and for farm operations where electricity for both farm and residential purposes is delivered through the same meter, subject to the established rules and regulations of the Cooperative. Without the written permission of the Cooperative, the rated capacity of single-phase motors shall not be in excess of five horsepower (5 hp).

TYPE OF SERVICE

Single-phase or three-phase, 60 hertz, at standard secondary voltages of the Cooperative.

RATES

Customers receiving Standard Offer Service as defined in the General Terms and Conditions will pay A) the Standard Offer Service Charge, B) the Distribution Charge, and C) the Facilities Charge. These Customers will also pay the monthly purchased power cost adjustment.

Customers choosing an alternative Electricity Supplier as defined in the General Terms and Conditions will pay B) the Distribution Charge, and C) the Facilities Charge. These Customers will not pay the monthly purchased power cost adjustment. Such rates are exclusive of all applicable alternative Electricity Supplier rates and charges.

	Billing Months of May - September (Summer)	Billing Months of October - April (Winter)
A. Standard Offer Service		
All kilowatt-hours	\$ 0.0621 per kWh	\$ 0.0674 per kWh
B. Distribution Charge		
All kilowatt-hours	\$ 0.04300 per kWh	\$ 0.04300 per kWh
C. Facilities Charge	\$ 9.50 per month	\$ 9.50 per month

MINIMUM MONTHLY BILL

The minimum monthly bill under the above rate shall be the Facilities charge plus USP charge.

APPLICABLE RIDERS

BSA	- Appendix B, Sheet 102
DR-R, GSND, GSD	- Appendix B, Sheet 104
EMC	- Appendix B, Sheet 112
RGGI	- Appendix B, Sheet 130
USP	- Appendix B, Sheet 132

PURCHASED POWER COST ADJUSTMENT CLAUSE

Charges for Standard Offer Service (SOS) Customers are subject to a monthly Purchased Power Cost Adjustment (PPCA), which may be a charge or a credit. The PPCA is calculated monthly to recover differences between the actual costs incurred for power supply for SOS Customers and the amount of costs recovered from SOS Customers through the SOS base charges, including differences in projected versus actual load management credits. The monthly PPCA factor will be calculated using twelve-months of historic and projected power supply costs, kWh sales, load management credits, and the cumulative over/under recovery balance. The factor will be revised each month based upon the most recent monthly information.

The formula used in the PPCA Model to true-up the actual purchased power costs to the projected base cost of purchased power built into the SOS rates is:

$$PPCA = (PC - S * B + R) / S$$

Where,

PC = power costs, including load management credits

S = kWh sales

B = base SOS rate

R = cumulative over/under recovery

PUBLIC SERVICE COMPANY FRANCHISE TAX

A charge each month of 0.062 cents per kWh shall be applied to all kWh sales.

MARYLAND ENVIRONMENTAL SURCHARGE

A charge each month shall be applied to all kWh sales at the current rate set by the Maryland Public Service Commission.

TERMS OF PAYMENT

The above rates are net, the gross rate being 1.5 percent higher. In the event the current monthly bill is not paid within 20 days after the rendition of the bill, the gross rate shall apply. If the bill remains unpaid before the end of the next nominal billing period, an additional charge to be made equal to 1.5 percent will be assessed on any portion of the original amount which remains unpaid at the time, and at the end of the second nominal billing interval, an additional charge to be made equal to 2 percent will be assessed on any portion of the original amount which remains unpaid at that time. The total of the charges should not exceed 5 percent of the original unpaid amount.