Large C&I New Load Market Pricing - NLMP **Electric**

EFFECTIVE IN All territory served.

AVAILABILITY
This schedule is available to large commercial and industrial customers who take service under the Cp or Cp-I2 rate schedules and have a minimum of 500 kW of new electric load for service on or after June 1, 2013. Cp-RR and RTMP customers will also be allowed to take service on or after January 1, 2014.

This tariff is available to existing accounts with a consumption history of 12 months or more at the service location for which this tariff will apply. The tariff rider is also available to new Customers that have less than a 12 month consumption history. This includes accounts for Customers that are new to the Company's service territory or existing Customers that are establishing a new facility with a new account within the Company's service territory for which the load level and profile is substantially different than the load level and profile at another facility or facilities at which the Customer has taken service from the Company.

Eligible Customers shall enter into a service agreement, cancellable without penalty with 30-days' notice of the service date by the Customer at any anniversary date of the service agreement. For customers currently served under the NLMP rider as of September 9, 2017, the Company will, upon a request from the customer, enter into a new service agreement on substantially the same terms and conditions for a mutually agreeable term.

R The tariff rider participation limit is a program maximum of 200 MW total load (baseline plus forecasted new load) unless otherwise approved by the Company.

New customers are eligible for either firm or non-firm service under this rider. Customers taking service under the non-firm option of this tariff rider will retain their eligibility for non-firm service once they no longer take service under this rider.

Basic Rate Design
Each participating customer with 12-months history at the service location will have unique Usage and Demand Baselines that reflect usage patterns and demand levels from a recent 12-month historical period. For new customer accounts, usage and demand baselines will be determined per the conditions and requirements outlined in the Baselines and Related Demands sections of this tariff rider.

Participating Customers will be charged their standard tariff rates on their actual monthly usage and demand up to their baseline levels. Incremental usage and demand above the baselines will be charged at market-based energy and incremental demand rates specified in this tariff rider. Except for any fuel cost adjustments, all other surcharges/credits, minimum charges, late payment charges, definitions and conditions of delivery that apply to base tariff service shall also apply to NLMP rider service, unless stated otherwise in this tariff rider.

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	Secondary	Primary	Transmission
Daily Scheduling Charge	$6.00	$6.00	$6.00

Baseline Charges

Baseline Firm Service:

For customers taking firm service under this tariff rider, Cp rates, definitions and rules apply to all usage and demand consumed that does not exceed the baseline for the month. If actual usage or demands are less than the Baselines for each, only the actual consumption will be billed.

Baseline Interruptible Service:

For customers taking interruptible service under this tariff rider, Cp-I2 rates, terms and conditions of delivery apply to all usage and demand consumed that does not exceed the baseline for the month. If actual usage or demands are less than the Baselines for each, only the actual consumption will be billed. This non-firm service is subject to interruptions by WPSC, the Midwest Independent System Operator (MISO), the American Transmission Company (ATC) or other regulating authorities.

Above Baseline Charges

Incremental Energy Above Baseline:

If actual energy consumed exceeds the Baseline in any hour of the billing month, this energy will be charged at the Incremental Energy Rate ("IER") which is comprised of the following components.

1. The MISO Day Ahead (DA) Locational Marginal Price (LMP) at the WPSC pricing node or its successor.
2. Transaction costs charged to the Company by MISO.
3. Distribution Losses. See Sheet No. E4.16.
4. Resource Adequacy charge based on the latest Auction Clearing price for the Local Resource Zone in which WPSC is located. This charge only applies to firm load.
5. Margin on Energy Above Baseline at $0.0005/kWh
6. Gross Receipts Tax of all other IER charges.
7. Any other credits or charges that may be authorized or mandated by the PSCW from time to time that would apply to incremental usage.
8. Any transmission costs charged to the Company from ATC or MISO or their successors for costs to provide transmission service to the customer.

The Incremental Energy Rate shall not be less than $0.007/kWh in any hour. Customers will be notified by e-mail of day-ahead Incremental Energy Rates by no later than one hour after the MISO notification of the market clearing price.

Incremental Demand Above Baseline

The Company will charge the customer for transmission costs that the Company is billed from ATC, MISO or their successors for costs to provide transmission service to the customer.

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Continued from Sheet No. E7.01

Monthly Bill Calculations Using the Incremental Energy Rate

Total Incremental Energy charges for the month = $\sum[\text{IER}_{\text{hour}} \times (\text{Actual kWh}_{\text{hour}} - \text{Baseline kWh}_{\text{hour}})]$ for all hours in which Actual kWh_{hour} exceeds Baseline kWh_{hour}

Where:

	IER_{hour} =	The Incremental Energy Rate (defined above) for each individual hour.
	Actual kWh_{hour}	The actual kilowatt hours consumed in the same hour.
	Baseline kWh_{hour}	The Baseline kilowatt hours for the same hour.

Baselines and Related Demands

Each customer subscribing to this tariff rider will have two baselines for each month: one for each of weekday and weekend usage (energy) for Measured On-Peak Demand. The definitions of Measured On-peak Demand is as used in the Cp rate schedule.

The Usage Baselines for each month will represent the forecasted hourly load shapes for each average weekday and an average weekend. For example, the January weekday Usage Baseline represents the hourly usage forecast for an average January weekday. The January weekend Usage Baseline similarly reflects the hourly forecast for an average January weekend or holiday, and so on for each month of the year.

The Measured On-peak Demand Baseline for each month is a single number that represents the forecasted maximum on-peak demand for the month.

Substation Transformer Capacity: See CP rate schedule for charge. Customers that take service directly from the company-owned substation (i.e. Company owns no distribution facilities downstream of substation) will be classified as Transmission and receive the Substation Transformer Capacity charge.

Customer Demand: See CP rate schedule for specific customer demand charges. Customer Demand for incremental load will be optional as follows:

Option 1: Customers can choose to pay the Customer Demand charge on incremental load and will therefore be allocated an extension allowance for distribution upgrades.

Option2: Customers may forego the Customer Demand charge, but will then be responsible to pay the entire cost of required distribution upgrades. In cases where distribution upgrades have been made within the past five years in response to future load growth scenarios, customers will be subject to the language in section 3.b.(2)(d)(3) on page E11.09 of the tariff.

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Continued from Sheet No. E7.02

Determination of Baselines for Existing Customer accounts:
The Baseline Period for each customer account represents 12-months of recent historical period. Historical usage patterns and demand levels derived from the Baseline Period make up each Usage and Demand Baseline and are used for billing the corresponding months of the contract term; January Baseline numbers for each January billed month, and so on.

Some adjustments to the strict historical Baselines may be in conjunction with the Customer to eliminate data anomalies in the Baseline period that are not expected to recur.

Adjustments to the strict historical Baselines may be made under the following conditions:
1. To eliminate data anomalies in the Baseline period that are not expected to recur.
2. To reflect a systemic and permanent change in Customer production levels as a result of the implementation of energy efficiency, conservation, and process improvement measures, or through the installation of new equipment. The Customer must request a review of their historical Baseline period and provide the Company with supporting documentation, which in the judgment of the Company, after its review and verification, indicates that the reduction is permanent and due to the aforementioned measures. This adjustment shall be available beginning January 1, 2020 and will not take effect until the beginning of the billing period following the execution of an amended contract.Baseline adjustments pursuant to this condition,will not occur more than once in a 12 month period.

Determination of Baselines for New Customer accounts:
As defined in the Availability section of this tariff rider, New Customers are those without a 12-month history of energy consumption at the service location for which they seek service under the NLMP rider. This includes accounts of customers that are new to the Company's service territory. It also includes existing Customers that are establishing an account for a new facility within the Company's service territory for which the load level and profile is substantially different than the load level and profile at another facility or facilities at which the Customer has taken service from the Company. Customers cannot transfer load from another Wisconsin utility's service territory into the Company's territory in order to take advantage of this rate.

In the case of the existing Customer establishing a new facility, the Customer must demonstrate how the new facility differs from existing or prior facilities served by the Company such that consumption patterns or levels at the new facility are dissimilar to that of existing or past facilities. Higher or lower production capacity levels or production processes that are unique to the new facility are demonstrations of dissimilarity.

Baselines for New Customer accounts will be based on a realistic forecast, supplied by the Customer, of usage and demand for the new facility. To reflect potential growth in year one of the service agreement term, the Baselines will not reflect 100% of the forecasted year-one load. Rather Baseline levels will be agreed upon by the parties and will be no less than 70% of the forecasted consumption for year one of the service agreement.

If the service agreement continues into a second or subsequent years, the Baselines used in year one will be adjusted to new Baselines for the remaining contract term to reflect the percentage of actual usage in year one, rather than the percentage of the original forecast of year-one usage. For example, if the initial Baseline agreed upon was at 70% of the year-one energy forecast and the

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The Baseline for the second or subsequent years may be adjusted to reflect a systemic and permanent change in Customer production levels as a result of the implementation of energy efficiency, conservation, and process improvement measures, or through the installation of new equipment. The Customer must request a review of their historical Baseline period and provide the Company with supporting documentation, which in the judgment of the Company, after its review and verification, indicates that the reduction is permanent and due to the aforementioned measures. This adjustment shall be available beginning January 1, 2020 and will not take effect until the beginning of the billing period following the execution of an amended contract. Baseline adjustments pursuant to this condition will not occur more than once in a 12 month period.

Forecast was 10,000 MWh, then the initial Baseline would reflect 7,000 MWh of usage. If actual consumption in year one was 11,000 MWh, the Baseline would be adjusted for subsequent years to reflect 70% of 11,000 MWh or 7,700 MWh.

CONDITIONS OF DELIVERY

1. Customers subscribing to this tariff rider will implement all energy efficiency measure that are economically efficient, based upon the customer’s analysis.

2. Customers subscribing to this tariff rider shall enter into a Service Agreement for a mutually agreeable term. Cp-I2 customers may choose to elect a firm service level, per the terms and conditions of the CP-I2 rate schedule up to the customer’s established baseline.

3. Baselines for existing Customer accounts will not change for the duration of the Service Agreement, except as noted to reflect the implementation of energy efficiency, conservation, and process improvement measures, or through the installation of new equipment. Baselines for New Customer accounts will not change for the duration of the Service Agreement except as noted to reflect 1) an adjustment between year-one forecasted and year-one actual consumption for Customer starting without 12 months of consumption history at the service location, or 2) the implementation of energy efficiency, conservation, and process improvement measures, or through the installation of new equipment.

4. The component of the Incremental Energy Rate related to transaction charges from MISO and the Incremental Transmission Charge on Billed Demand above the Baseline representing charges from the ATC and MISO are subject to revision as needed.

5. Participants will start on the NLMP tariff rider at the beginning of the billing period after a contract is signed, the additional minimum increment of new demand is demonstrated and price communication processes are functioning. Service will be available to Cp customers starting June 1, 2013.

6. The Customer can terminate service under this tariff rider, without penalty, with 30 days’ notice at any contract anniversary date. A Customer that terminates service under this tariff rider will not be allowed back on the rider for one year from the time of their early termination. Customers that return after an early termination will have new Baseline values that reflect recent historical consumption at the time that the customer returns to service under this tariff rider.

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Continued from Sheet No. E7.04

7. A designee or designees of the Customer will be notified by e-mail of Day Ahead LMP rates no later than one hour after the MISO notification of the market clearing price. It is the responsibility of the Customer to notify the Company if they did not receive the Day Ahead pricing for that day.

   Customer subscribing to the Interruptible options of this tariff rider will be subject to emergency and economic curtailments and interruption terms, provisions and penalties outlined in the CP-I2 rate schedule. Not
N withstanding the terms of the underlying base rate schedules, the Company
N shall maintain control over the customer’s non-firm load at all times.
N This control will involve a notification and/or control scheme that is
N mutually agreed upon by the Company and the customer and will be reflected
N in the contract. The Company shall provide a minimum of two hours’ notice
N before each interruption. This is subject to change due to unmanageable
N capacity situations which could require interruption of loads to maintain
N system standards of operation.

8. Usage Baselines and NLMP pricing, terms and conditions do not apply to any energy consumed during the interruption event. Once an interruption event is over, pricing, terms and conditions of delivery revert to those of the NLMP tariff rider.

9. All other terms and conditions of the Cp and Cp-I2 rate schedules apply to Customer accounts taking the Firm Service option under this tariff rider.

10. The Power Factor Clause is applicable to the customer’s total load.

11. Customers shall maintain a minimum of 500 kW of new load for eight out of the 12 months in the contract service year. Failure to meet this criteria will result in the customer being removed from this rate. Company will provide 30 days written notice to customer.

12. To provide transparency of rate design to prospective or participating customers, a greater level of detail than is practical to include here, as it relates to calculations used in developing the Incremental Energy Rate (IER), is available upon customer request.

13. Customers that require no upgrades to Company or ATC facilities will be added to the sign-up queue on a first come, first served basis. Customers will be removed from the queue if they have not demonstrated the minimum 500 kW of new load within 60 days. Customers requiring upgrades to Company or ATC facilities will be added to the queue when an extension contract with the Company has been executed.

Power Factor Clause See Sched. CpX starting on Sheet E6.64
Special Rules See Sched. CpX starting on Sheet E6.64