

**STANDARD CONTRACT RIDER NO. 6.3
OPTIONAL HIGH EFFICIENCY
RESIDENTIAL SERVICE**

Availability

Available only for residential service through one meter to individual Customers whose maximum load requirements do not exceed 75 kilowatts and who meet the availability requirements set forth in this Rider. This rider is no longer available after December 15, 2006 for existing home heating and cooling equipment replacements. Customers currently being provided service under this rider or who have started construction of a residential dwelling prior to December 1, 2006 can continue being provided service under this rider until this rider is terminated. New homes with an account start date on or before December 1, 2006 must be completed by March 1, 2007 to qualify for this rider.

Character of Service

Alternating current, sixty Hertz, single phase at a voltage of approximately 120/240 volts three-wire, or 120/208 volts three-wire as designated by the Company.

Rate*

Connection Charge	\$9.40
First 300 kWh	\$0.092945 per kWh
Next 700 kWh	\$0.054178 per kWh
Over 1000 kWh (kWh usage for the billing cycle months of July through October).....	\$0.044464 per kWh
(kWh usage for the billing cycle months of November through June)	\$0.037794 per kWh

Monthly Minimum Charge

The minimum charge shall be the Connection Charge.

Reconnection Charge

When the service has been turned off by Company for nonpayment of bills, a reconnection charge must be paid by Customer before such service is reconnected. (See Section 12 of General Terms and Conditions for Electric Service).

When a reconnection of service is made for a Customer at the same location more often than once in a twelve-month period and service has in each case been disconnected at the Customer's request, a charge may be made by the Company for such reconnection of service.

Equalized Monthly Payment Plan

Company may, upon the request of Customer, bill Customer, commencing with the next full month's bill and for the next successive 10 months, an amount equal to one-twelfth (1/12) of the estimated cost for all electric service rendered at the premises during the next twelve-month period under this rate schedule. During the first eleven months the cost of each month's service calculated under this rate schedule will be charged to Customer's account, and all payments made by Customer will be credited to this account. The bill rendered for the twelfth month will include the adjustment for the difference between the actual billing for the first eleven months and the payments made by Customer during the same period.

If at any time during the first eleven months it is apparent that Customer's expected use of service has been over or under estimated, Company shall have the right to revise the estimate and modify the succeeding monthly billings accordingly. When the monthly payments have been re-estimated, Company will advise Customer of the revised amount to be paid.

Budget Billing Plan

Company may, upon the request of Customer, bill Customer, commencing with the next full month's bill and for the next two successive months, an amount equal to one-twelfth (1/12) of the cost for all electric service rendered at the premises during the immediately preceding twelve-month period under this rate schedule. An updated amount to be billed Customer for each of the next three consecutive months shall be calculated to be the amount equal to one-twelfth (1/12) of the cost for all electric service rendered at the premises during the then immediately preceding twelve-month period under this rate schedule. Customer's bill for each month of subsequent quarterly periods shall be similarly calculated. The cost of each month's service calculated under this rate schedule will be charged to Customer's account, and all payments made by

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Budget Billing Plan (Contd.)

Customer will be credited to this account. At the end of the initial twelve-month period that Customer's request is in effect, and at the end of each twelve-month period thereafter that Customer's request is in effect, Company will determine the difference between the cost for actual electric service rendered at the premises under this rate schedule and the amounts billed Customer for those twelve months, and Company shall add or subtract, as appropriate, one-twelfth (1/12) of that difference to each of the next twelve bills to be sent to Customer.

If at any time it is apparent that Customer's expected use of service has been over or under estimated, Company shall have the right to revise the estimate and modify the succeeding billings accordingly. When the billings have been re-estimated, Company will advise Customer of the revised amount to be paid.

Special Terms and Conditions

This Rider shall be limited to residential Customers who meet the following availability requirements:

- A. For single family, multi-family or mobile homes, the space conditioning system shall include either an air-to-air or geothermal water source or earth coupled electric heat pump with a SEER of 14.0 or higher or have an EER of 10.5 or higher as rated by Air Conditioning and Refrigeration Institute (ARI) Standards.
- B. If the construction of the home was completed prior to April 6, 1990, the air supply duct system must meet air flow requirements for all living areas as required by heat loss/gain calculations. If the construction of the home was completed on or after April 6, 1990, the air supply duct system must meet the standards set forth by ACCA (Air Conditioning Contractors of America) Manual D and must meet air flow requirements for all living areas as required by heat loss/gain calculations. All HVAC duct work not installed within the heated envelope must be insulated to a minimum R-19.
- C. Space conditioning systems installed on or after April 6, 1990 shall be installed by a Refrigeration Service Engineers Society (RSES) or North American Technical Excellence (NATE) heat pump certified technician.
- D. The home must be constructed to meet the State Building Code requirements for thermal insulation levels as set forth in the Indiana Energy Conservation Code (675-IAC-19).

Company will perform on-site inspections to verify that Customer meets the above availability requirements.

*Subject to the applicable rate adjustment riders listed in Appendix A.