

**SOUTHEASTERN INDIANA RURAL ELECTRIC MEMBERSHIP CORPORATION
POST OFFICE BOX 196, OSGOOD, INDIANA 47037**

SCHEDULE IPS – 4

LARGE INTERRUPTIBLE INDUSTRIAL POWER SERVICE

AVAILABILITY

Available in all territory served by the Cooperative, subject to the Cooperative's Service Rules and Regulations.

APPLICABILITY

Applicable to consumers with minimum demand requirements of 5,000 kw on a monthly basis, supplied at a single location where the Cooperative takes service under Hoosier Energy Rural Electric Cooperative, Inc.'s ("Hoosier Energy") Interruptible Power Tariff No. 2 (or its successors) to provide service to consumer.

DESCRIPTION OF SERVICE

Under this tariff, Hoosier Energy may request that the consumer interrupt its service at any time and for any reason during the period between 7:00 a.m. and 11:00 p.m., Eastern Standard Time daily. During periods of interruption, the consumer would reduce its Non-Coincident Demand during the interruption period to the Firm Contract Demand. Requests for interruption shall not exceed three hundred fifty (350) hours during a 12-month period nor shall any single request for interruption be for less than thirty (30) minutes or for more than ten (10) hours per calendar day, with unlimited requests for interruption per calendar day within these parameters. The total number of hours of interruption will be measured from April 1 each year to March 31 each respective following year. Hoosier Energy may request or cancel an interruption at any time during an hour, but shall give no less than one (1) hour notice when either requesting or canceling an interruption.

In the event of a system emergency, customers may be required to interrupt all or a part of their load, including their Firm Contract Demand. A system emergency is a condition that would threaten the reliability of the Hoosier Energy system.

MONTHLY RATE

Large Interruptible Industrial Power Service Tariff:

Service Charge	@	\$53.50 per month
Demand Charge		
Firm Contract Demand	@	\$12.51 per kW
Interruptible Demand	@	\$8.51 per kW
Energy Charge		
On-Peak	@	\$0.07471 per all kWh
Off-Peak	@	\$0.04371 per all kWh
Excess Net kVARh charge:		\$0.0065 per month

DETERMINATION OF RETAIL BILLING DEMANDS

Non-Coincident Demand

Non-Coincident Demand in the month of billing shall be the highest kW demand for any fixed 30-minute period occurring between the hours of 7:00 a.m. and 11:00 p.m. E.S.T. daily, during the billing month, adjusted for the power factor as required.

Interruptible Demand

Interruptible Demand, expressed in kilowatts, is defined as the Non-Coincident Demand, in excess of the Firm Demand for the month, with the minimum being 500 kW.

Firm Contract Demand

Firm Contract Demand is defined as the 30-minute fixed demand, expressed in kilowatts, which the consumer contracts for, as the maximum demand usage during the time of curtailment or interruption. The Firm Contract Demand quantity can be changed at consumer's request no more than once annually, provided that such request is submitted to Hoosier Energy no later than the last day of the month prior to the service anniversary date.

Minimum Billing Demand

There are two components of the minimum billing demand. The first component is the "Firm Contract Demand" and the second component is a minimum of 500 kW of interruptible load.

POWER FACTOR

The consumer agrees to maintain unit power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. If the power factor (leading or lagging) at the time of the Maximum Demand is determined to be less than 97%, the Maximum Demand shall be adjusted separately by multiplying the Maximum Demand by the ratio of the current target power factor percent (97%) and the measured actual power factor percent at the time of the Maximum Demand.

If the Average Monthly Power Factor (leading or lagging) is determined to be less than 95 percent, the "Excess Net kVARh" subject to the "Excess Net kVARh charge" is the difference between the actual measured Net kVARh amount and a calculated Net kVARh, based upon the recorded kWh for the month and the targeted average monthly power factor of 95%.

DETERMINATION OF "ON PEAK" AND "OFF PEAK" ENERGY

On-Peak:

For the months of June through August, excluding Independence Day, On-Peak Energy shall be all kilowatt-hours used during the period 11:00 a.m. to 9:00 p.m. E.S.T. – Monday through Friday.

For the months of December through February, excluding Christmas and New Years Day, On-Peak Energy shall be all kilowatt-hours used during the periods 7:00 a.m. to 10:00 a.m. E.S.T.

and 6:00 p.m. to 9:00 p.m. E.S.T. – Monday through Friday.

Off-Peak:

Off-Peak Energy shall be all kilowatt-hours used during all hours other than on-peak hours as described above.

Non-Compliance Charge

If the Non-Coincident Demand, expressed in kilowatts, is greater than the Firm Contract Demand during any measured 30-minute fixed demand interval when an interruption is called for by Hoosier Energy, the consumer will be assessed an additional noncompliance charge penalty of \$11.00 per kW of Non-Compliance Demand for the billing period. Furthermore, if during any measured 30-minute fixed demand interval during any curtailment or interruption period, the Non-Coincident Demand, expressed in kilowatts, is greater than the Firm Contract Demand by 10 percent, then such consumer shall not be eligible for this tariff for the next 12-month period starting with the first billing month after the month of failure to comply.

Non-Compliance Demand

If the maximum Non-Coincident Demand exceeds the contracted Firm Demand during a curtailment period, the Non-Compliance Demand, expressed in kilowatts, is the difference between the maximum Non-Coincident Demand occurring during curtailment and the Firm Demand.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the sum of:

- 1) The greater of:
 - a. All demand charges computed pursuant to this rate tariff, or
 - b. Firm Contract Demand kW X \$12.28 + \$4,140 (500 kW X \$8.28)
- 2) The greater of:
 - a. A charge of \$0.93 per kVA of required transformer capacity, or
 - b. The contract minimum
- 3) Energy and Service Charge
- 4) The charge for facilities from Hoosier Energy or the Cooperative specified in a supplemental contract.

TERMS AND CONDITIONS OF SERVICE

- 1) The applicant will be required to give satisfactory assurance as determined by the Cooperative, by means of a written contract as to the character, amount and duration of the business offered. Cooperative will expend a maximum of \$25,000 to extend electrical service to a new applicant pursuant to this rate tariff. Any additional expenditure required to provide electrical service shall be paid up front by the applicant.
- 2) In general, individual motors rated in excess of twenty (20) horsepower must be three-phase. Harmonic distortions must not exceed requirements of IEEE 519. Objectionable harmonics, as solely determined by the Cooperative, must be corrected by the consumer at consumer's expense.

- 3) Any transformers, wiring or regulation equipment, which may be required for consumers operations, shall be furnished by the consumer. Any overhead or underground wiring, poles, lines, or other electrical equipment beyond the metering point which are owned and maintained by the Cooperative shall remain the property of the Cooperative and the installation cost of those facilities shall be specified in a supplemental contract between the consumer and the Cooperative.

TERMS OF PAYMENT

The above rates are net. In the event the current monthly bill is not paid within seventeen (17) days from the date of the bill, the gross rates, which include a collection charge of five (5) percent on all net billing, shall apply. When the 17th day falls on Saturday, Sunday or a legal holiday, the first business day thereafter shall be added to the seventeen day net payment period.

INTERPRETATION OF SCHEDULE

The interpretation of, or the application by the Cooperative, or by any consumer, shall be subject to the Cooperative's Service Rules and Regulations.

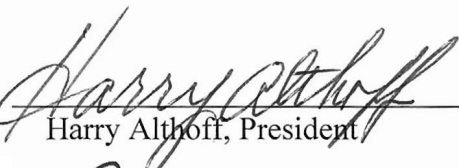
POWER COST ADJUSTMENT


The Energy Charge will be adjusted by the Power Cost Tracker as listed in Appendix "B" in effect and approved by the Cooperative's Board of Directors.

SCHEDULE OF MISCELLANEOUS CHARGES

See Appendix A

Approved: August 15, 2011
Effective: October 1, 2011

By: 
Harry Althoff, President

By: 
Darrell Smith, Secretary