

# ECONOMIC DEVELOPMENT RIDER

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## Availability

This Rider is available to new qualifying members of the cooperative or current members of the cooperative who have a qualifying load expansion which is not classified as Retail or Public Administration by the North American Industry Classification System (NAICS).

This Rider will be available for a period of 48 months commencing January 1, 2019. The availability of this Rider is limited to an aggregate amount of 100 MW demand across the Hoosier Energy power network.

## Applicability

Southeastern Indiana REMC shall make available this Economic Development Rider to qualifying members of the cooperative for new or expanding electric power consumers that meet all of the following conditions:

- a) The new or expanding cooperative member must meet the Applicability standards of one of the following retail tariffs for power service for the new or expanded load of any such consumer:
  1. Schedule IPS-1 Industrial Power Service
  2. Schedule IP-1 Industrial Power Service
  3. Schedule UIPS-1 – Unbundled Large Industrial Power Service
  4. Schedule CPS-1 – Commercial Power Service
  5. Schedule C5 Large Power Service – High Load Factor
- b) The new or expanded electric power service of any such consumer must have a minimum monthly demand of 500 kW but may not exceed 25,000 kW. Special Contracts may be available for projects with estimated loads exceeding 25,000 kW or have other unique characteristics. Contracts will be subject to approval by the Southeastern Indiana REMC Board of Directors. Expanded electric power service is in addition to the load utilized by the consumer prior to such expansion and such expanded load shall be metered separately except in cases where Hoosier Energy determines that locational, engineering or operational factors prevent it. The cost of the EDR meter, including PTs and CTs, shall be paid by Hoosier Energy.
- c) The new or expanded electric power service of any such consumer must meet one of the following economic development criteria:

1. 25 full-time equivalent employees (FTE); or
  2. Capital investment of at least eight million dollars (\$8,000,000); or
  3. 10 full-time equivalent employees (FTE) and a minimum capital investment of one million dollars (\$1,000,000).
- d) To be eligible to use the Rider, a consumer must certify in writing one of the following:
1. Affirm the Economic Development Rider was a factor in selecting the location for new or expanded electric power service; or
  2. Received state, local or other public incentives; or
  3. Choice of power supplier was a factor in deciding the location for new or expanded electric power service.

### Economic Development Rider Discounts

The following discounts will apply to the total monthly bill, excluding all of the following: Service access fees, security lighting charges, Appendix A – Miscellaneous Charges – Non-Recurring, excess facility amortization charges and applicable taxes.

Year 1	30%
Year 2	25%
Year 3	20%
Year 4	15%
Year 5	10%
Year 6	5%

### Contract Terms

Any qualifying new or expanded electric power service must be contracted for and among the consumer, Southeastern Indiana REMC and Hoosier Energy, REC for a term of ten (10) years. The contract must include a minimum monthly billing demand of 500 kW for new or expanded electric power service. The minimum monthly billing demand charge for loads served under this Rider shall be as stated in the Cooperative's applicable retail tariff or supplemental contract for electric service. The contract shall also include other terms and conditions determined to be necessary or advisable in connection with offering service pursuant to this Rider. Southeastern Indiana REMC or Hoosier Energy reserves the right to immediately terminate service pursuant to this Rider if the consumer fails to comply with the Applicability requirements or any contract provisions at any time during the term of the contract.



## Economic Development Rider

Approved: August 20, 2018

Effective: October 1, 2018

If the consumer ceases the operation for which this Rider was approved, the member cooperative and Hoosier Energy may require the consumer to repay Rider reductions received according to the following schedule:

<u>Year in which operation ceased</u>	<u>Amount of discount subject to reimbursement</u>
Years 1 to 4	100%
Year 5	85%
Year 6	70%
Year 7	55%
Year 8	40%
Year 9	25%
Year 10	10%

### Conditions of Service

The consumer may request an effective date of the Rider that is no later than twelve (12) months after the Start Date. The Start Date is defined as the date of a written notification letter in which the utility notifies the consumer that permanent full requirements electric service is available for their use.

If the full-time equivalent employee (FTE) criterion was a condition of eligibility for the Rider, the consumer must submit an annual report of FTEs. Failure to maintain adequate FTEs may result in the loss of Rider discounts.

Approved: August 20, 2018

Effective: October 1, 2018

By: \_\_\_\_\_

Chris Schmaltz, President

By: \_\_\_\_\_

Vince Moster, Secretary