

THE NARRAGANSETT ELECTRIC COMPANY
LARGE DEMAND BACK-UP SERVICE RATE (B-32)
RETAIL DELIVERY SERVICE

AVAILABILITY

This service shall apply to Customers receiving service on any of the Company's retail delivery service tariffs who have a facility demand of 25 kilowatts or greater and meet the criteria identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Customers who receive incentive payments for the installation of non-emergency generation units configured for Combined Heat and Power ("CHP") through the Company's approved Energy Efficiency Plan after the effective date of this tariff, and who would otherwise be eligible for this rate, will receive retail delivery service on General C&I Rate G-02 or Large Demand Rate G-32, as applicable.

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company

EXEMPTION FOR CUSTOMER ACCOUNTS ASSOCIATED WITH ELIGIBLE NET METERING SYSTEMS

Customer accounts associated with Eligible Net Metering Systems, as defined in R.I Public Laws of 2011, Chapters 134 and 147, shall be exempt from back-up service rates commensurate with the size of the generating facility.

TYPES OF SERVICE

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

MONTHLY CHARGE

The Monthly Charge will be the sum of the Back-Up Service Charges and the Supplemental Service Charges, as stated below.

DETERMINATION OF BILLING DEMAND FOR BILLING SUPPLEMENTAL AND BACK-UP per kW (DEMAND) CHARGES

The Billing Demand for each month for purposes of billing Back-Up and Supplemental Service shall be the greatest of the following:

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- 1) The greatest fifteen-minute peak coincident demand of the generation meter(s) plus the demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kW;
- 2) 90% of the greatest fifteen-minute peak coincident demand of the generation meter(s) plus the demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) 75% of the greatest Demand as so determined above during the preceding eleven months.

BACK-UP RETAIL DELIVERY SERVICE

a) Rates for Back-Up Retail Delivery Service

Customer Charge per month See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates

Distribution Charge per kW See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates

The Distribution Charge per kW applicable to Back-up Retail Delivery Service shall be equal to \$7.35 (representing the base distribution kW charge applicable to Back-up Service as approved in R.I.P.U.C. Docket No. 4770), plus the approved Operation and Maintenance and CapEx factors applicable to Back-up Service, both per the Company's approved Infrastructure, Safety, and Reliability Plan, multiplied by a factor of 10%, representing the likelihood that, on average, an outage of an individual customer's generator will occur coincident with the Company's distribution system peak demand approximately 10% of the time.

b) Determination of Back-Up Service Kilowatt Demand

The Back-Up Service Demand shall be the greater of:

- 1) the fifteen-minute reading from the Customer's generation meter(s) as measured in kilowatts at the time of the Billing Demand in excess of 200 kW;
- 2) 90% of the fifteen-minute reading from the Customer's generation meter(s) as measured in kilovolt-amperes at the time of the Billing Demand in excess of 200 kW; or
- 3) One hundred percent (100%) of the greatest Back-up Service Demand as determined above during the preceding eleven (11) months.

c) Installation of Meters on Generation

The Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company's reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate.

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PEAK AND OFF-PEAK PERIODS

PEAK HOURS:	June - September	-- 8 a.m. - 10 p.m. Weekdays,
	December - February	-- 7 a.m. - 10 p.m. Weekdays
	October – November and	
	March - May	-- 8 a.m. - 9 p.m. Weekdays
OFF-PEAK HOURS:	All other hours	

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day.

SUPPLEMENTAL RETAIL DELIVERY SERVICE

a) Rates for Supplemental Retail Delivery Service

<u>Transmission Charge per kW</u>	See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates
<u>Distribution Charge per kW in excess of 200 kW</u>	See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates
<u>Distribution Charge per kWh</u>	See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates
<u>Non-Bypassable Transition Charge per kWh</u>	See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates

b) Assessment of Kilowatt-hour Charges

For purposes of billing kWh charges for Supplemental Distribution and Transmission Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 90% of the actual kVAh delivered.

For purposes of billing kWh charges for Last Resort Service, Non-Bypassable Transition Charge, and Energy Efficiency Programs, Customers will be billed on actual kWh delivered by the Company.

c) Determination of Kilowatt Demand

The Supplemental Distribution Service Demand for each month shall be the Billing Demand in excess of the Back-up Service Demand, but in no case less than 0 kW.

The Supplemental Transmission Service Demand for each month shall be the greater of:

- 1) The fifteen-minute peak from the meter(s) at the Customer's service entrance(s) as measured in kW at the time of Billing Demand; or
- 2) 90% of the fifteen-minute peak demand from the meter(s) at the Customer's service entrance(s) as measured in kilovolt-amperes at the time of Billing Demand.

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OPTIONAL DETERMINATION OF DEMAND

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) and (2) set forth above for Billing Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, the Distribution Charge per kW, the Distribution Charge per kWh, the Transmission Charge per kW, and the Transmission Charge per kWh for Supplemental Service will be increased by 20% during any such period.

In addition, the Company may, at its discretion, agree to a lower demand determination for Back-Up Service below fifteen-minute peak coincident demand of the generation meter(s) if a Customer has installed equipment or configured its facilities in such a manner that automatically limits the requirement for Back-Up Service to the lower agreed-upon demand. Under such a situation, the Customer must demonstrate to the Company's reasonable satisfaction that the Customer's facilities are configured so as to limit the demand that can be placed on the distribution system, or must install and maintain, at no cost to the Company, an automated demand limiter or other similar device as agreed to by the Company which limits deliveries to the Customer over the Company's distribution system based on the lower agreed-upon demand. This equipment can not adversely affect the operation of the Company's distribution system or service to other customers. Such interruptible Back-Up Service shall be negotiated by the Customer and the Company under a separate contract which shall be specific to an individual customer's circumstances.

RATE ADJUSTMENT PROVISIONS

The charges for delivery service under this rate shall be subject to adjustment pursuant to the following provisions:

- Customer Credit Provision
- Energy Efficiency Programs Provision
- Infrastructure, Safety, and Reliability Provision
- Last Resort Service Adjustment Provision
- LIHEAP Enhancement Plan Provision
- Long Term Contracting for Renewable Energy Recovery Provision
- Long Term Contracting for Renewable Energy Recovery Reconciliation Provision
- Net Metering Provision
- Pension Adjustment Mechanism Provision
- Performance Incentive Recovery Provision
- Qualifying Facilities Power Purchase Rate
- Renewable Energy Growth Program Cost Recovery Provision
- Residential Assistance Provision
- Revenue Decoupling Mechanism Provision
- Storm Fund Replenishment Provision
- Transition Cost Adjustment Provision
- Transmission Service Cost Adjustment Provision

LAST RESORT SERVICE

Any Customer served under this rate who is eligible for Last Resort Service shall receive such service pursuant to the Last Resort Service tariff. This provision shall not apply for Back-Up Retail Delivery Service and

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shall only apply to Supplemental Retail Delivery Service.

CREDIT FOR HIGH VOLTAGE DELIVERY

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit per kilowatt of supplemental distribution billing demand for such month shall be allowed against the amount determined under the preceding provisions. See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates.

An additional credit per kilowatt of the supplemental distribution billing demand for such month shall also be allowed if the Customer accepts delivery at transmission level voltage, not less than 69 kV, and the Company is saved the cost of installing any transformer and associated equipment. See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Charge per kW and the Distribution Charge per kWh.

HIGH-VOLTAGE METERING ADJUSTMENT

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

SECOND FEEDER SERVICE

Except as provided below, Customers receiving second feeder service shall pay a charge per 90% of KVA of reserved second feeder capability. See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Line Extension and Construction Advance Policy 3 shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional charge per 90% of KVA of reserved second feeder capability equal to the credit for high voltage delivery for customers taking service at not less than 2400 volts shall be charged if an additional transformer is required at the Customer's facility. See R.I.P.U.C. No. 2095, Summary of Retail Delivery Rates

GROSS EARNINGS TAX

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the

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Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(7) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.