

JACKSON ELECTRIC MEMBERSHIP CORPORATION

SCHEDULE QF

QUALIFYING FACILITIES SERVICE

AVAILABILITY:

To all qualified customers in the area served by the Cooperative.

APPLICABILITY:

For electric service to customers at one standard voltage and at one location.

MONTHLY RATE:

The total monthly charge will be the sum of the following:

Energy Charge (EC): An amount equal to total wholesale power costs, including base rate and delivery.

Facilities Charge (FC): An amount equal to 1/12 of the annual allocated cost of providing service consisting of the following components:

Operation and Maintenance
Customer Accounting
Customer Service
Sales
Administrative & General
Taxes
Capital Costs - Allocated Plant
Capital Costs - Direct Plant

Total Charge (TC): $TC = EC + FC$

Margin Cost (MC): An amount equal to:

$$MC = (.045 \times TC) + \$50$$

TERMS OF PAYMENT:

If the account is not paid by the due date, a late fee in the amount specified in the Service Rules and Regulations may be added to the account. Further failure to pay a bill may subject a customer to disconnection and/or disconnection charges in accordance with the Cooperative's rules and regulations.

All charges are subject to applicable taxes.

CONTRACT PERIOD:

As specified in the Agreement for Electric Service