

**RUTHERFORD ELECTRIC MEMBERSHIP CORPORATION
FOREST CITY, NORTH CAROLINA**

**SCHEDULE I / RATE 16
INDUSTRIAL SERVICE**

AVAILABILITY

This Schedule is available for nonresidential service with installed transformer capacity in excess of 1,000 kVA. Service under this Schedule shall be used solely by the Consumer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other Schedule of the Cooperative, except at the option of the Cooperative, under special terms and conditions expressed in writing in the contract with the Consumer.

The obligations of the Cooperative in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Cooperative shall not be liable to any Consumer or applicant for power in the event it is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

Service will be three-phase alternating current, 60 hertz, supplied through one meter, at one delivery point, at one of the Cooperative's standard voltages. Consumer should ascertain the voltages available by inquiry at the nearest office of the Cooperative. All motors must be of types approved by the Cooperative, with minimum starting current and with controlling devices where necessary.

MONTHLY CHARGES

Basic Facilities Charge	\$24.50
Demand Charge:	
For the first 30 kW of Billing Demand per month	No Charge
For all over 30 kW of Billing Demand per month	\$ 3.95 per kW
Energy Charges:	
For the First 125 kWh per kW Billing Demand per month:	
For the first 3,000 kWh per month	12.073 cents per kWh
For the next 87,000 kWh per month	7.755 cents per kWh
For all over 90,000 kWh per month	6.210 cents per kWh
For the Next 275 kWh per kW Billing Demand per month:	
For the first 140,000 kWh per month	7.370 cents per kWh
For all over 140,000 kWh per month	6.890 cents per kWh
For all Over 400 kWh per kW Billing Demand per month:	
For all kWh per month	6.700 cents per kWh

POWER FACTOR ADJUSTMENT

When the power factor registered for the Consumer's requirements is less than 85%, the Cooperative may adjust the Consumer's maximum kW demand during the month by multiplying by 85% and dividing by the power factor in percent.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty days.

DETERMINATION OF BILLING DEMAND

Billing Demand shall be the maximum integrated fifteen-minute demand during the month for which the bill is rendered, but not less than 30 kilowatts, nor less than 50% of the contract demand, nor less than 50% of the maximum integrated fifteen-minute demand during the previous eleven months.

RUTHERFORD ELECTRIC MEMBERSHIP CORPORATION
Schedule I/Rate 16 - Industrial Service (continued)

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the highest one of the following charges:

1. The Basic Facilities Charge,
2. \$1.64 per kW of the maximum integrated fifteen-minute demand measured during the month for which the bill is rendered, or
3. The minimum monthly charge specified in the contract.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE

Any Consumer requiring service only during certain seasons not exceeding nine months per year may guarantee a minimum annual charge, in which case there shall be no minimum monthly charge. The minimum annual charge shall be sufficient to assure adequate compensation for the facilities installed to serve the Consumer and in no event shall it be less than twelve times the minimum monthly charge.

TERMS OF CONTRACT

The Consumer may be required to enter into a contract to purchase electricity from the Cooperative, including provisions for a minimum monthly charge or minimum annual charge as follows:

1. A contract for a minimum monthly charge shall be determined as follows:
\$1.64 per kW per month of demand determined (1) by a count of connected load in kW adjusted for diversity, (2) by test, or (3) in consideration of special or unusual characteristics of the type of service.
2. A contract for a minimum annual charge shall be determined as follows:
\$32.92 per kW of demand per year determined (1) by a count of connected load in kW adjusted for diversity, (2) by test, or (3) in consideration of special or unusual characteristics of the type of service requested. If no energy is used during certain months of the contract year, no monthly minimum will be billed. During months when energy is used, the total of the bills rendered will be credited to the annual minimum. At the end of the contract year, the Cooperative will bill the Consumer the difference between the annual minimum and the total of the monthly bills, if such total is less than the annual minimum. If the total of the monthly bills exceeds the annual minimum, the last bill of the calendar year will include only charges for use during the month for which bill is rendered.

Where it is necessary to extend or re-enforce existing distribution facilities or install more than 50 kVA of transformer capacity for the Consumer's load requirements, the minimum monthly or annual charge may be further increased to assure adequate compensation for the required investment.

PAYMENT

Each bill under this Schedule is due and payable on the date of the bill at the office of the Cooperative and is past due and delinquent on the fifteenth day after the date of the bill.

WHOLESALE POWER AND TIER ADJUSTMENT

Any power cost adjustment needed to recover wholesale power costs fully and any TIER adjustment needed to maintain the Cooperative's financial condition shall be reflected as an increase or decrease on a kWh basis on all power sold under this Schedule.

REPS ADJUSTMENT

The Cooperative's Renewable Energy Portfolio Standard (REPS) Adjustment is applicable to service under this Schedule. The REPS Adjustment is to recover the cost of compliance with North Carolina General Statute 62-133.8 ("Senate Bill 3") and North Carolina Utilities Commission Rule R8-67.

SALES TAX

Any applicable state and local sales taxes will be added to charges under this Schedule.

Effective for bills issued on and after April 1, 2017.