

SOUTH CENTRAL INDIANA RURAL ELECTRIC MEMBERSHIP CORPORATION

**RESIDENTIAL AIR SOURCE HEAT PUMP RATE
RATE SCHEDULE – RS-HP
EFFECTIVE SEPTEMBER 1, 2010**

Availability

Available as an optional rate to any residential or farm consumer of the Corporation for single-phase electric service at a single delivery point who has an air source heat pump with natural gas or LP gas backup. The air source heat pump system must not have any auxiliary emergency resistance heat installed. A representative of the Corporation must certify the air source heat pump as meeting the requirements of this rate schedule. A Demand Response Unit (DRU) must be installed that allows for control of the air conditioning load during peak periods as determined by the Corporation. The rated capacity of any motor served under this schedule in excess of ten (10) horsepower shall be subject to the approval of the Corporation. **A consumer choosing this optional rate must remain on the rate for a minimum of six months. Consumers opting to change to a different rate schedule after the six month minimum period must wait a minimum of six months before returning to this optional rate.**

Type of Service

Single-phase sixty (60) cycles at 120/240 secondary voltage.

Monthly Rate

Fixed Charge:

Minimum Monthly Charge	\$33.04
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Energy Charge:

Purchased Power – June, July, August	\$.1030 per KWH
Purchased Power – December, January, February	\$.0533 per KWH
Purchased Power – March, April, May, September, October, November	\$.0533 per KWH
SCI Distribution Cost – All KWH	\$.0217 per KWH

Hoosier Energy Adjustment

The above rates may be subject from time to time to a purchased power cost adjustment tracking factor as deemed appropriate by the Board of Directors of the Corporation. The purchased power cost adjustment tracking factor applicable hereto is shown in Appendix A.

Minimum Monthly Billing

The minimum monthly billing under the above rate shall be \$33.04.

Terms of Payment

The above rate is net, the gross rate being 5% higher on the current net monthly bill. In the event the current monthly bill is not paid within seventeen (17) days of the bill date, the gross rate shall apply. When the seventeenth day falls on Sunday or any other legal holiday, the first business day thereafter shall be added to the seventeen-day period. If a delinquent balance exists, all payments will be first applied to such delinquent balance.

Conditions of Service

All wiring, poles, lines, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer. The cost of special controls needed for the utilization of this rate shall be paid by the consumer choosing this optional rate.

Miscellaneous Nonrecurring Charges

Consumers served under this rate schedule shall be subject to the miscellaneous nonrecurring charges as stated in Appendix C, which may be charged to the consumer as applicable.

Operation Roundup®

Consumers served under this rate schedule may voluntarily participate in the Operation Roundup® program as described in Appendix D.

Interpretation of Schedule

The interpretation of or the application by the Corporation or by any consumer of all rates, rules, and regulations included in this rate schedule shall be subject to review by the Board of Directors of the Corporation, consistent with its service rules and regulations or policies, except as otherwise provided by law.

Rate Schedule Modifications

All rate schedules and charges, as well as the Corporation's service rules and regulations or policies, may be amended or modified, in whole or in part, at any time as deemed appropriate by the Corporation's Board of Directors.