

# Standard Contract Rider No. 2



THIS CONTRACT, dated \_\_\_\_\_ 20 \_\_\_\_\_ ,  
 is attached to and becomes a part of an agreement dated \_\_\_\_\_ 20 \_\_\_\_\_ ,  
 between \_\_\_\_\_  
 herein called the Customer, and The Detroit Edison Company, herein called the Company, for a supply of electric energy to the Customer's  
 premises located at \_\_\_\_\_  
(Street Address)  
 \_\_\_\_\_  
(City-Village-Township)

The Customer hereby requests the installation of special equipment under terms and conditions of Standard Contract Rider No. 2 or temporary facilities.

The special equipment required for this service will be installed by the Company subject to special charges to the Customer. The applicable rules and tariffs presently in effect as filed with and approved by the Michigan Public Service Commission are printed on the following pages. The special charges are subject to change from time to time by order issued by the Michigan Public Service Commission. Any electric service taken under such circumstances, whether for firm load or otherwise, will be charged for at the rate schedule under which the Customer is taking service.

The Customer has agreed to take service on one of the following provisions:

- ( ) Special Installation—Rider No. 2, Option I
- ( ) Special Installation—Rider No. 2, Option II

Effective Date of this Contract \_\_\_\_\_

Accepted:

THE DETROIT EDISON COMPANY

By: \_\_\_\_\_  
Authorized Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

### 3. SERVICE CHARGE

There will be a monthly charge, upon the beginning of service, equal to one-half of one percent of the advance less any refund. This charge is required to cover property taxes, insurance and maintenance and is applicable as long as the service is used.

The Customer will pay to the Company an amount of \_\_\_\_\_, which is the total amount of the esti-

mated construction cost. In addition, the Customer will also pay a service charge per month of \_\_\_\_\_ to cover the fixed cost of the facility.

### Option II

#### 1. FINANCING

As an alternative to the Customer advancing the total amount of the estimated construction costs, the Company may finance the special or additional facilities. There would be a monthly service charge (or in special cases minimum charge, the application of which would be determined by the Company) of 1-1/2% of the investment in the special or additional facilities.

#### 2. ADJUSTMENT

(a) At the end of each year during the first five years the investment base will be reduced by 40% of the additional annual revenue from the metered use with an adjustment in the service charge. There will be no reduction in investment base or adjustment to the service charge for a second source of service supply or oversized equipment.

(b) If there is additional utilization by others of the lines or equipment during the first five years, there will be an adjustment to the investment base and service charge based on the prorata capacity used by others.

The total estimated investment in special or additional facilities is \_\_\_\_\_

The Customer will pay to the Company a monthly charge of \_\_\_\_\_, which represents 1-1/2% of this investment.

**CONTRACT TERM:** The rate for service is revised by this rider modifying the contract form prescribed for one of the applicable filed rates. The contract term as to special charge is for a five year period extending thereafter from month to month until terminated by mutual consent or by thirty days notice by either party—which may be given any time after the end of the fifth year.

**APPLICABLE TO:** All Filed Rates.

**SPECIAL INSTALLATION PROVISIONS:** The Company is, from time to time, required to install special facilities to accommodate extraordinary requirements of the customers. This results in investment in facilities that are provided for the exclusive use of the specific Customer and not available to the Company for general revenue purposes. Inasmuch as such installations do not provide the proportionality of revenue to investment available in the general case, the service supplied will be subject to the following conditions:

Where the Customer requests:

1. A second source of power to supply redundant service. \*The second source of power to customers served from the overhead distribution system will normally be supplied from the underground distribution system.
2. Special facilities for uses which in the opinion of the Company will be disturbing to the normally accepted quality of commercial power.
3. Oversized equipment.
4. Special facilities not otherwise covered under B3.3.

The special or additional facilities can be provided under two options.

### **Option I**

#### **1. ADVANCE**

Prior to construction the Customer will advance to the Company the total amount of the estimated construction costs.

#### **2. REFUND**

(a) The Company will refund to the Customer 40% of the additional annual revenue for each of the first five years of metered use. The refund, without interest, will be made one month after each full year of service. There will be no refunds for a second source of supply or oversized equipment.

(b) The Customer will be entitled to an additional refund if there is additional utilization of the equipment by others within the first five years of service. The refund will be based on the additional revenue received, the portion of equipment utilized and the time remaining to refund the original advance.

(c) The refund cannot exceed the advance under any condition.

\*Where Company policy prescribes two line service, provisions of this rider will not apply.