

BOARD OF PUBLIC UTILITIES, CITY OF McPHERSON, KANSAS
Electric Service Schedule

MWS-13: Municipal Wholesale Service

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Availability:

Electric service is available under Schedule MWS-11 in accordance with the McPherson BPU's Terms and Conditions or Billing Practices for providing electric service.

Application:

At points on the Board's existing distribution facilities within or immediately adjacent to municipalities in which the Board provides wholesale electric service through one (1) meter.

Character of Service:

Alternating current, approximately sixty (60) cycles, three phases, and at voltage the McPherson BPU has available for service required.

Monthly Charges:

Energy Charge: \$0.0265 per kWh for the first 200 kWh per kVA of billing capacity

\$0.0235 per kWh for all kWh over 200 kWh per kVA of billing capacity

Demand Charge: \$2.80 per kVA for all kVA of billing capacity

Energy Adder Adjustment: Energy Adder Adjustment multiplied by kWh usage

Purchased Capacity Charge: Purchased Capacity Charge multiplied by the billing capacity

Transmission Charge: Transmission Charge multiplied by the billing capacity

City Transfer Charge: City Transfer Charge multiplied by kWh usage

Energy Adder Adjustment:

The above energy charges are based on net bus bar energy charges of \$0.02000 incurred by the McPherson BPU, exclusive of any capacity charges.

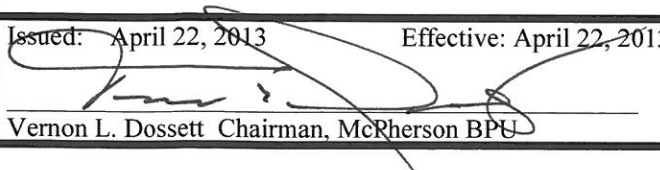
The energy charges listed above will increase or decrease in the amount that the cost of energy incurred by the McPherson BPU varies from a base of \$0.02000 per net kWh times a 1.06 line loss multiplier to the nearest \$0.00001 per net kWh.

Purchased Capacity Charge:

Customers billed in connection with this rate schedule are subject to a Purchased Capacity Charge. For this rate class, the Purchased Capacity Charge is calculated based on the estimated annual net cost of electric capacity to be purchased by the McPherson BPU for that year and this rate class's estimated contribution to the maximum coincident peak of the electric system for June, July and August of that year, divided by this rate class's projected billing capacity for that

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year. The Purchased Capacity Charge is billed monthly as dollars and cents per kVA.

At the end of each year, or other period as deemed appropriate by the McPherson BPU, the Purchased Capacity Charge shall be modified, as necessary, to match the estimated annual net cost of electric capacity to be purchased by the McPherson BPU for the following year, relative to this rate class's estimated contribution to the annual maximum coincident peak of the electric system for the corresponding year, plus an adjustment equaling the actual over or under recovery of revenue from Purchased Capacity Charges from the prior year.

Transmission Charge:

Customers billed in connection with this rate schedule are subject to a Transmission Charge. For this rate class, the Transmission Charge is calculated based on the estimated annual net cost of transmission services to be purchased by the McPherson BPU for that year and this rate class's estimated contribution to the maximum coincident peak of the electric system for June, July and August of that year, divided by this rate class's projected billing capacity for that year. The Transmission Charge is billed monthly as dollars and cents per kVA.

At the end of each year, or other period as deemed appropriate by the McPherson BPU, the Transmission Charge shall be modified, as necessary, to match the estimated annual net cost of transmission services to be purchased by the McPherson BPU for the following year, relative to this rate class's estimated contribution to the annual maximum coincident peak of the electric system for the corresponding year, plus an adjustment equaling the actual over or under recovery of revenue from Transmission Charges from the prior year.

City Transfer Charge:

All energy billed in connection with this rate schedule is subject to a City Transfer Charge, billed monthly as mils per net kWh to the nearest \$0.00001 per net kWh. The City Transfer Charge was enacted to recover funds for transfers made by the McPherson BPU to the City of McPherson as Payments in Lieu of Taxes.

The City Transfer Charge will be modified as necessary to provide a matching of the total mandated Transfer set forth by the Governing Body of the City of McPherson, Kansas.

Billing Capacity:

Billing Capacity shall be customer's maximum average kVA demand during a fifteen (15) minute period occurring June, July, or August.

Revision of Billing Capacity will be marked upward in any of the months of occurrence in June, July, and August. Revision of Billing Capacity to a lesser number will be instituted in the billing month of September on the basis of marking the highest fifteen (15) minute demand which occurred in the previous June, July, and August. That revised billing demand will remain constant throughout the next twelve months unless marked upward in the subsequent months of June, July, and August, or as stated in the following paragraph.

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If the maximum fifteen (15) minute average demand of any current off-peak month exceeds the Billing Capacity of the previous months of June, July, and August, then the Billing Capacity starting that month shall not be less than seventy percent (70%) of that month's peak demand or the normal peak billing, whichever is greater.

The Billing Capacity shall be determined by dividing the maximum fifteen (15) minute average kW by the power factor or the fifteen (15) minute average kVA. Power factor shall be determined from the ratio of the monthly kilovar-hours delivered to customer to the monthly kilowatt-hours delivered to customer during the month of maximum kW demand. Kilovar-hours flows from customer to McPherson, if any, will be disregarded.

Line Loss Adjustment:

The above rates apply to all Schedule MWS-11 customers within three (3) miles of the city limits of McPherson, Kansas. For those customers further than eight (8) miles, a two (2%) percent surcharge will be added to the entire bill for line loss adjustment.

Amounts added to or deducted from bills due to each of the above adjustments shall not be reduced by any other adjustment or discount, nor shall such amounts reduce the minimum bill.

Payment Information:

The sum of the Demand Charge, Purchased Capacity Charge, and Transmission Charge constitutes the minimum monthly bill for all electric service accounts under this rate schedule.

In the event the customer orders a disconnection and reconnection of electric service at the same premises within a period of twelve (12) months, the McPherson BPU may collect as a reconnection charge the sum of such minimum bills as would have accrued during period of disconnection.

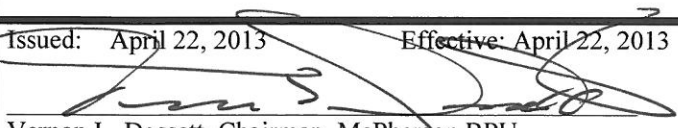
All payments due under this contract to the McPherson BPU shall be due and payable at the office of the McPherson BPU in McPherson, Kansas on or before the 15th day of each calendar month following the month during which the current was consumed. A statement of the amount due for the preceding month shall be rendered to Schedule MWS-11 customers about the 1st day of each succeeding month. In the event the Schedule MWS-11 customer should fail or refuse to pay for electric current consumed as herein provided, then McPherson BPU shall have the right to discontinue its service under this contract, and not resume it until all delinquent amounts are paid in full.

Notes:

1. MWS-13 McPherson Wholesale Service replaced MWS-11. Billing Capacity and other clarifying language was added in the MWS-13 revision.

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