SERVICE CLASSIFICATION NO. 1 (Continued)

SPECIAL PROVISIONS: (Continued)

(C) Short Term Service

Customers desiring service under this Service Classification for less than six months, where service is already installed, shall pay in advance the contract minimum as specified under "Minimum Charge Each Contract Each Location" or under an applicable line extension agreement, or, if the estimated bill for two months or such shorter period as service may be desired exceeds the contract minimum, the Company reserves the right to request a deposit equal to this estimated bill. A part of a month shall be considered a full month for computing all charges hereunder.

(D) Budget Billing (Optional)

Any customer taking service hereunder may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section No. 7 of this Schedule.

(E) Redistribution

Submetering may be available under certain conditions as contained in General Information Section No. 8 of this Schedule.

(F) Heat Pump Space Conditioning (Optional)

Any customer taking service under this Service Classification who uses a heat pump as the major source of space conditioning shall pay a Delivery Charge of 2.178¢ per kWh for all monthly usage in excess of 500 kWh during the billing months of October through May. Customers taking service under this Special Provision who use an electric water heater as the primary source of domestic water heating, must install an insulation wrap on the water heater and shall pay a Delivery Charge of 4.567¢ per kWh for all monthly usage in excess of 500 kWh up to 1,000 kWh during the billing months of June through September. This Special Provision may not be used in conjunction with Special Provisions A, B, or C of this Service Classification. Except for usage as stated above, the provisions of RATES – MONTHLY shall apply.

This special provision is closed to new customers effective July 1, 2011.