GENERAL INFORMATION

PART II - RULES AND REGULATIONS

3. METERING (Cont'd)

B. DISTRIBUTION CUSTOMER OWNED METERS

2. Measurement of Consumption (Cont'd)

d. Meter Reading

(i) Non-Hourly Meter Read Collection and Communication

As detailed in the Distribution Operating Agreement, the Distribution Provider is responsible for performing meter reading activities, including, but not limited to, obtaining meter reads, performing high-low reviews of meter reads compared to historical data, and communicating meter read data to the Distribution Customer.

(ii) Hourly Meter Data Transfer

Hourly meter data will be generated daily for each Retail Customer with an hourly meter and made available to the Distribution Customer serving the Retail Customer.

The Distribution Customer will notify the Distribution Provider of any inquiry by a Retail Customer regarding a claim of excessive consumption or inaccurate metering. The Distribution Provider shall be responsible for performing an inspection of the meter as specified in the Distribution Operating Agreement.

e. Metering Adjustment

Metering will normally be at the delivery voltage. The Distribution Provider may, at its option, meter service at a voltage either higher or lower than the voltage of delivery, in which case the appropriate following adjustment shall be made:

(i) When secondary service is metered on the primary side of the Distribution Provider's transformers, calculated transformer losses will be subtracted from measured demand and energy prior to billing.

(ii) When primary service is metered on the secondary side of the Retail Customer's transformers, calculated transformer losses will be added to measured demand and energy prior to billing.

Calculated transformer losses will be based on data published by the transformer manufacturer, when available, or on data published by the General Electric Company for transformers of similar voltage, type and size. No-load losses will be based on data assuming 730 hours per month. Load losses will be determined by multiplying metered demand and energy, respectively, by individually calculated factors developed in accordance with generally accepted engineering principles assuming 730 hours per month and taking cognizance of the full load capacity of the transformer, the Retail Customer's average peak load, the load factor and average power factor of the load. Such factors will be reviewed annually or as load changes require.

(Continued on next leaf)