

RIDER G

RENEWABLE ENERGY PROGRAM

I. APPLICABILITY & AVAILABILITY

This Rider is available on a voluntary basis as a companion rate to any Customer who contracts with the Company for the purchase and retirement of renewable energy attributes (Renewable Energy) for all or a portion of the Customer's monthly consumption and who also purchases Electricity Supply Service in accordance with either Schedule 1, 1-CPP, 1P, 1S, 1T, 5, 5C, 5P, 6, 6TS, 10, 25, 29, GS-1, GS-2, GS-2T, GS-3, or GS-4.

This Rider is not applicable to Customers receiving temporary service, or Customers that are purchasing Electricity Supply Service from a Competitive Service Provider.

II. DEFINITION OF RENEWABLE ENERGY

Renewable Energy is defined in Section 56-576 of the Code of Virginia, as may be amended from time to time. Currently, Renewable Energy "*means energy derived from sunlight, wind, falling water, sustainable biomass, energy from waste, municipal solid waste, wave motion, tides, and geothermal power.*" Renewable Energy under the Rider consists of any combination of these generation resources which create a blend of renewable energy for the customer.

III. RENEWABLE ENERGY OPTIONS AND PARTICIPATION LEVELS

This Rider will provide the Customer the option to purchase Renewable Energy from generation facilities that use renewable energy resources to produce electricity.

A. The Rider provides two (2) Renewable Energy Options, based upon the Monthly Rate for Renewable Energy ("MRRE"), calculated as described in subsection IV. Customers shall select one of the following:

1. Renewable Energy Option 1

100% of the Customer's monthly consumption is subject to the MRRE. The formula for determining the amount that will be billed to a customer is:

$$\text{Monthly kWh consumption} \times \text{MRRE}$$

Where the current MRRE = 1.5 cents per kWh, or

2. Renewable Energy Option 2

A Customer designates his or her level of participation by choosing a fixed dollar contribution per month, in multiples of \$2.00, for the

RIDER G

RENEWABLE ENERGY PROGRAM

(Continued)

III. RENEWABLE ENERGY OPTIONS AND PARTICIPATION LEVELS (Continued)

purchase of Renewable Energy. The amount that will be billed to a Customer is the multiple selected by the Customer. The amount of Renewable Energy purchased by the Customer under this option is determined by the following formula:

Total dollar contribution / MRRE

Where the current MRRE = 1.5 cents per kWh

- B. The charges determined under this Rider shall be in addition to all other charges of the rate schedule, specified in I. above, under which the Customer is also receiving Electricity Supply Service.

IV. DERIVATION OF MONTHLY RATE FOR RENEWABLE ENERGY

The derivation of the MRRE, expressed in cents per kWh, is as follows:

$$\text{MRRE} = \text{CR} + \text{CSS}$$

Where

CR = 0.75 cents per kWh, the cost of procuring Renewable Energy derived from Renewable Energy Certificates (“RECs”). A REC is a tradable instrument that is equal to one megawatt hour of electricity or equivalent energy supplied by a renewable energy facility.

And

CSS = 0.75 cents per kWh, the cost of Support Services. “Support Services”, includes but is not limited to customer enrollment, customer service center support, reporting functions, customer education and program design consultation.

The cost of procuring Renewable Energy and Support Services used in the derivation of the MRRE is determined based upon a contract between the Company and a third party vendor selected through a competitive process whereby the Company issues a Request for Proposals requesting competitive bids for REC procurement services and Support Services. The Company will award a

RIDER G

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(Continued)

IV. DERIVATION OF MONTHLY RATE FOR RENEWABLE ENERGY (Continued)

contract (“Contract”) to the winning bidder (“Supplier”), such Contract to be effective for a three-year period beginning the following January 1. Every three years the Company will repeat the competitive process to ensure that its MRRE is compatible with market conditions for CR and CSS.

The CSS as determined by Contract through the competitive process will remain constant for the duration of the Contract.

The CR as determined by Contract will be based upon data including (a) current and expected market prices for RECs, (b) a market survey of the range of prices offered in renewable energy programs by other utilities, and (c) documentation from an independent source comparable to *Green Power Marketing in the United States: A Status Report* (Technical Report NREL/TP-670-42502, December 2007) regarding the prices for renewable energy offered by other utilities (collectively, “Market Support Data”). The Market Support Data will be filed with the Commission as validation of the computation for the CR component of the MRRE.

The MRRE is effective on January 1 and will remain in effect for at least one calendar year. If ongoing Market Support Data reflect that the CR should be adjusted, then revised Market Support Data and a revised computation of the MRRE will be filed with the Commission no later than November 1 of the year prior to the proposed effective January 1 date for the revised MRRE.

V. TERM OF CONTRACT

The Customer may terminate service under this Rider by giving the Company at least thirty (30) days’ prior notice. After receiving notice, the Company will terminate service under this Rider effective with, or prior to, the Customer’s next meter read date.