

Energy Adjustment Clause - Rider No. 4

Applicable to Large Power Service; Rate Code 05:

The four purchased power components in Rate Code 05 and their base costs included in the base rates of the Cooperatives rate schedule are listed below:

2000

|  |                 |
|--|-----------------|
| (B1)= Peak Ratchet Demand (6 month)        | \$5.45/kW*      |
| (B2)= Monthly Coincident Demand (12 month) | \$4.28/kW*      |
| (B3)= Hourly Demand                        | \$0.007500/kWh* |
| (B4)= Energy                               | \$0.017894/kWh* |

The energy adjustment clause shall provide for the changing of the four purchased power components whenever the cost for these components is adjusted by the power supplier. Prior to each billing cycle the Cooperative shall determine the adjustment amount to be charged for each energy unit consumed under rates set forth by the Iowa Utilities Board. Calculations are as follows:

PEAK RATCHET DEMAND:

(Purchase Peak Demand Cost \$/kW - B1) = EO1 (\$/kW)

COINCIDENT MONTHLY DEMAND:

(Purchase Monthly Demand Cost \$/kW - B2) = EO2 (\$/kW)

HOURLY DEMAND:

(Purchase Hourly Demand Cost/kWh Sold) - B3 = EO3 (\$/kWh)

ENERGY:

(Purchase Energy Cost/kWh Sold) - B4 = EO4 (\$/kWh)

The energy cost adjustment (EO1 - EO4) for each component will be determined from the current month wholesale power bill and applied to the Cooperative's current month billing, rounded on a consistent basis to the nearest \$0.01/kW and \$0.0001/kWh.

\* Test year base information - 12 months ending December 2000 (adjusted)