

BARC ELECTRIC COOPERATIVE

POWER COST ADJUSTMENT SCHEDULE PCA

AVAILABILITY

Available in all territory served by the Cooperative, subject to the Cooperative's Terms and Conditions of Service.

APPLICABILITY

This schedule is applicable to and becomes a part of each electric rate schedule in which reference is made to Power Cost Adjustment, Schedule PCA. The Cooperative shall apply a uniform per kWh charge or credit to applicable sales in accordance with the following terms. All definitions and calculations shall be in reference to the total Cooperative system but shall exclude any kWh sales, kWh purchases, and Power Supply Service revenues and power costs related to service to any customer under an electric service tariff that separately provides for a direct pass through of purchased power expense.

DEFINITIONS

PCA	=	Power cost adjustment factor.
ESS Revenue	=	Revenue produced by the base Electricity Supply Service Charge part of each tariff excluding subscription revenues associated with the Cooperative's Community Solar Electric Service, Schedule PV.
PSS Base	=	\$0.07181 per kWh sold reflecting the annual system average base ESS Revenue per kWh sold.
Rate Year	=	The rate year is the twelve-month period beginning with the month in which a change in the PCA will occur that is not solely due to a change in EAr
kWhs	=	The total projected kWh to be sold in the applicable Rate Year excluding kWh sales associated with the Cooperative's Community Solar Electric Service, Schedule PV.
PCp	=	The projected total cost of purchased power for the applicable Rate Year from all sources, including costs associated with the Energy Adjustment part of the ODEC Tariff, that will be charged to Account 555.

DEFINITIONS (continued)

O	=	Any Over Recovery balance recorded on the Cooperative's balance sheet as of the most recent accounting month available.
U	=	Any Under Recovery balance recorded on the Cooperative's balance sheet as of the most recent accounting month available.
EA	=	ODEC's Energy Adjustment rate from time to time, expressed in dollars per kWh.
ODEC Factor	=	The going level ratio of annual ODEC kWh purchased to total annual kWh purchased based on historical data or projected data.
Loss Factor	=	One minus the estimated kWh loss percentage based on historical data.

FORMULA

In any month there is a change in: a) the ODEC base rates, b) the SEPA rates or capacity allocation that would materially affect the overall cost of power per kWh, or c) a purchase power price or volume change pursuant to a non-ODEC/non SEPA power supply contract that would materially affect the overall cost of power per kWh, for application in each month thereafter until changed in accordance with this tariff, a PCA will be computed as follows:

$$PCA = \frac{PCp - O + U}{\text{kWhs}} - \text{PSS Base} + \text{EAr}$$

Where;

EAr will be zero unless there is a change in the EA relative to the EA used for PCp in which case EAr will be calculated as follows and the PCA will be modified to reflect the new EAr:

$$EAr = (\text{New EA} - \text{EA included in PCp}) \times \text{ODEC Factor} \div \text{Loss Factor}$$

OVER AND UNDER RECOVERY AMOUNT

The over or under recovery of power cost will be calculated and booked monthly based on the difference between actual purchased power costs in the month (including any charge or credit for an ODEC margin stabilization adjustment booked to account 555 beginning in fiscal year 2023. Any Margin stabilization booked to account 555 in fiscal year 2022 will not be included in over or under recovery of power cost.) and revenues booked in the month equal to the base ESS Revenues plus the PCA revenues. Booked revenues and kWh sales will be net of any

applicable unbilled adjustments. (Over) and Under Recovery Amounts, if any, will be recorded to account 253.00, Deferred Credit – PCA.

MODIFICATIONS TO THE PCA

The intent of the PCA is to recover the Cooperative's purchased power cost on a dollar-for-dollar basis. At any time, the Cooperative may re-calculate the PCA to minimize (over) or under recovery of power cost if actual data and more current information for the remainder of the applicable rate year indicate that the PCp, kWhs, or both have sufficiently changed to warrant a change in the PCA, or if the (Over) or Under Recovery Amounts become excessive. At a minimum, the PCA will be recalculated once in any twelve-month period to adjust for any accumulated Over or Under Recovery Amount.

RATE YEAR

The rate year is the twelve-month period beginning with the month in which a change in the PCA will occur that is not solely due to a change in EAr.