STANDARD CONTRACT RIDER NO. 22
DEMAND-SIDE MANAGEMENT ADJUSTMENT
(Applicable to Rates RS, UW, CW, SS, SH, OES, SL, PL, PH, HL, CSC, MU-1, APL, and EVX)

In addition to the rates and charges set forth in the above mentioned Rates, a Demand-Side Management (DSM) Adjustment applicable for approximately twelve (12) months or until superseded by a subsequent factor shall be made in accordance with the following provisions:

A. The DSM adjustment shall be calculated by multiplying the KWH billed by an Adjustment Factor per KWH established according to the following formula:

$$DSM = \frac{P + LR}{S} \quad \text{(For each rate class)}$$

where:

1. "P" is the estimate of DSM program operating costs and any financial incentives and other DSM costs approved for recovery by the Commission for the period from January through December 2023 for the DSM programs described and approved in Cause Nos. 44792, 44945, and 45370.

2. "LR" is the estimate of lost revenues for the same estimated period set forth in "P", calculated as follows:

   (a) The participants for each program eligible for lost revenues recovery estimated for each of the twelve months; times
   (b) The reduction in energy and demand for each program to obtain the total reduction in energy and demand for all DSM programs summed by rate. This total times
   (c) The lost contribution to fixed costs for each rate, that is, the average marginal price by rate less the base cost of fuel and variable Operation & Maintenance expenses and/or the demand rate, to obtain the lost revenues by rate summed by rate class.

3. "S" is the estimated kilowatt-hour sales, for the same estimated period set forth in "P", consisting of the net sum in kilowatt-hours of:

   (a) Net generation,
   (b) Purchases and
   (c) Interchange-in, less
   (d) Inter-system Sales,
   (e) Energy Losses and Company Use

B. The DSM Adjustment Factor as computed above for each rate class shall be further modified to allow the recovery of utility receipts taxes and other similar revenue-based tax charges occasioned by the DSM adjustment revenues.

C. The DSM Adjustment Factor may be further modified to reflect the difference between the actual and estimated DSM Adjustment amounts and Customer participation levels.

STANDARD CONTRACT RIDER NO. 22 (Continued)

D. The DSM Adjustment Factor to be effective for all bills rendered for electric service after approval will be:

	Non-Opt Out Customers	Opt-Out 2023 Customers	Opt-Out 2022 Customers	Opt-Out 2021 Customers	Opt-Out 2020 Customers	Opt-Out 2019 Customers	Opt-Out 2018 Customers
Tariff Class	$/kWh	$/kWh	$/kWh	$/kWh	$/kWh	$/kWh	$/kWh
Rates RS, CW, and EVX (with associated Rate RS service)	0.004519	--	--	--	--	--	--
Rates SS, SH, OES, UW, CW, and EVX (with associated Rate SS service)	0.007516	0.003272	--	0.001604	0.000338	0.000319	0.000002
Rates PL, PH, HL, SL, and EVX (with associated SL service) customers	0.006120	0.003697	--	0.001763	0.001033	0.000488	0.000118
Rates MU-1 and APL	0.006550	0.003026	--	0.000000	0.000000	0.000000	0.000000

Note that customers who have elected to opt out effective January 1, 2017 or earlier (Opt-Out 2017 and earlier) will have a factor of zero under Standard Contract Rider No. 22.

E. Opt Out Procedures

Pursuant to Senate Enrolled Act 340, a customer shall be allowed to opt out of both participating in the Company's energy efficiency programs and paying the Standard Contract Rider No. 22 rate adjustment (except for the Standard Contract Rider No. 22 Opt Out Rate Adjustment, shown above), provided each of the following conditions are met:

1. The customer must receive service(s) at a single site (contiguous property) and must have greater than one (1) megawatt of demand in the preceding twelve (12) months, as measured by a single demand meter (a single service), at such single site.

Issued Pursuant to
Cause No. 43623 – DSM 22
Effective
December 30, 2022
Indiana Utility Regulatory Commission
Energy Division

STANDARD CONTRACT RIDER NO. 22 (Continued)

E. Opt Out Procedures (Continued)

8. Customers that opt out will remain liable for energy efficiency program costs that accrued or were incurred, or relate to energy efficiency investments made, before the date on which the opt out is effective, regardless of the date on which rates reflecting such costs are actually charged. Such costs may include costs related to evaluation, measurement and verification ("EM&V") required to be conducted after a customer opts out on projects completed under an energy efficiency program while the customer was a participant. In addition, such costs may include costs required by contracts executed prior to April 1, 2014 but incurred after the date of the Qualifying Customer's opt out. However, these costs shall be limited to fixed, administrative costs, including costs related to EM&V. A Qualifying Customer shall not be responsible for any program operating costs such as the payment of energy efficiency rebates or incentives, incurred following the effective date of its opt out, with exception of incentives or rebates that are paid on applications that have not closed out at the effective date of its opt out. If the Company makes subsequent changes to the allocation of energy efficiency program costs, Qualifying Customers that opted out of participation will continue to pay those costs based on the allocation in effect at the time of the notice of opt out. Any reconciliation of energy efficiency program costs will likewise be allocated in the same manner in effect at the time of the Qualifying Customer's notice of opt out.
9. A Qualifying Customer may opt back in effective the following billing cycle by requesting such opt-in at least five (5) days prior to the next billing cycle. Requests to opt in received less than five business days prior to the next billing cycle will be effective one month later. In order to opt back in, the Qualifying Customer must complete a form provided by the Company, or provide written notice to the Company in substantially the same format as the form provided by the Company that: (1) unequivocally indicates its desire to opt back in to the Company's energy efficiency program, (2) lists all sites (and all services at such sites) which the customer intends to opt in, (3) contains a statement that the customer understands that by opting in, it is required to participate in the program for at least three (3) years and pay related costs including lost revenues and incentives, and (4) confirms that the signatory has authority to make that decision for the customer. Only the qualifying accounts/sites identified in the letter will be opted back into the energy efficiency program, and a customer opting back in must opt back in for all accounts at a single site.
10. Once a customer opts back in, that customer must participate for at least three (3) years, and may only opt out effective January 1 of the year following the third year of participation. If the customer elects to opt out again before the end of the three (3) year period, it may do so, but remains liable for and must continue to pay rates that include energy efficiency program costs for the remainder of the three (3) year period. If a customer elects to opt back out after the three (3) year period, that customer shall be responsible for energy efficiency program costs as outlined for other customers who have opted out of the energy efficiency program.