

RIDER FOR ENERGY COST ADJUSTMENT (ECA)

Rate Designation: EECA

Application

The energy adjustment clause is applicable to all rate schedules.

The charges for all kilowatt-hours of energy supplied shall be increased or decreased by an energy adjustment charge or credit to reflect unanticipated changes in total generation and transmission costs. Any bill may be adjusted for variations in the total cost of generation and transmission to Waverly Utilities using the Energy Cost Adjustment (ECA.) Such ECA will be applied when revenue over or under collection occurs due to unexpected increases in the cost of purchased power, generation or transmission.

ECA Calculation

ECA = (6 Month Rolling Total Generation and Transmission Costs (\$) / Total 6 Months Rolling Retail KWH Sales) - Base ECA

Definition of Terms

Total Generation and Transmission Costs include:

Purchased cost of energy from wholesale power providers

Cost of generating energy

Cost to deliver energy (transmission)

Less Generation and Transmission Credits

Total 6 Month Rolling Total Generation and Transmission Costs –Based on the most recent 6 months of actual costs

Total 6 Month Rolling Retail KWH Sales-Based on the most recent 6 months of actual kWh Sales.

Base ECA = \$0.0635