

SCHEDULE 15

Power Factor Correction Service

I. GENERAL

In accordance with Good Utility Practice, a Transmission Customer supplying capacity and energy to loads within the Transmission Provider's Balancing Authority Area is required to maintain a power factor within the same range as applicable to comparably configured and located loads on the Transmission System. The power factor range shall be as specified by the Transmission Provider in the Transmission Customer's Service Agreement where applicable.

The power factor correction charge applies whenever the maximum actual measured lagging reactive (kVar) requirement is greater than the requirement corresponding to a power factor as specified in the Service Agreement. The charge will also apply whenever the maximum actual measured leading reactive (kVar) requirement is greater than the requirement corresponding to a power factor as specified in the Service Agreement.

Power factor correction service is to be provided by the Transmission Provider by making arrangements with the Transmission Owner that provides this service for the Transmission Provider's Transmission System. The Transmission Customer must purchase this service from the Transmission Provider. The charges for such service will be based on the rates set forth below.

II. RATES

The charge collected through this schedule shall represent a pass-through of the costs charged by the Transmission Owner based on the Transmission Owner's power factor correction

schedule on file with the Commission. The Transmission Provider shall pass through the revenues it receives for the service to the Transmission Owner providing the power factor correction service.