

HIGH LOAD FACTOR INCENTIVE SERVICE

I. AVAILABILITY

Service under this Rate Schedule is available throughout the Cooperative's service area in accordance with the Cooperative's established Rules and Regulations for Electric Service. Service hereunder is limited to Consumers who require an annual peak demand of at least 1,000 kW, and an annual load factor of at least 60%.

II. TYPE OF SERVICE

Service shall be three-phase, 60 Hertz, at available standard voltages. Protection of three-phase motors against single-phasing shall be the responsibility of the Consumer. Adequate overcurrent protection of all motors shall be the responsibility of the Consumer.

III. MONTHLY RATE FOR SERVICE

Demand Charge: \$4.00 per kVA of Billing Demand

Energy Charges:	First 5,000 kWh @	4.243 cents per kWh
	Next 245,000 kWh @	3.543 cents per kWh
	Over 250,000 kWh @	2.843 cents per kWh

IV. DETERMINATION OF MONTHLY BILLING DEMAND

- A. In each of the months May, June, July, August, and September, the Billing Demand shall be the higher of the following:
1. 1,000 kW
 2. The Consumer's contribution to the Maximum Point of Delivery Demand for the Billing Month.
- B. In all other months, the Billing Demand shall be 100% of the Consumer's highest Billing Demand during the previous May-September period.
- C. When load is added and no billing history exists, the Billing Demand shall be the highest monthly demand experienced to date until each of the months of May, June, July, August, and September have elapsed.

V. DEMAND DISCOUNT

The following reduction per kW will be applied based upon the Consumer's load factor over the previous 12 billing months, as follows:

<u>Load Factor</u>	<u>HLF Reduction</u>
At least 60% but less than 70%	\$0.68 per kW
At least 70% but less than 80%	\$1.02 per kW
80% and above	\$1.36 per kW

VI. POWER COST ADJUSTMENT

The above charges shall be increased as determined under Power Cost Adjustment Clause PCA-SL.

VII. FACILITIES CHARGE

The Cooperative may require a Facilities Charge based upon a load's operating characteristics and/or the amount of investment required to provide service. Such Facilities Charge shall be in addition to all other charges specified in this rate schedule. The Facilities Charge shall be agreed upon between the Cooperative and the Consumer based upon the cost of facilities and the anticipated annual charges required. Such agreement shall be in writing and made part of the electric service agreement.

VIII. POWER FACTOR ADJUSTMENT

Power factor correction and/or improvement by the member is encouraged under this schedule. SLECA will provide power factor measurements for the member's load at costs provided for in the Cooperative's conditions of service.

IX. MINIMUM MONTHLY CHARGE

The minimum monthly charge, exclusive of any facilities charge that may apply, shall be the higher of the following:

- A. As specified in the contract for service.
- B. The actual demand charge as set forth hereinabove.

SOUTH LOUISIANA ELECTRIC COOPERATIVE ASSN.
LOUISIANA TARIFF
Issued: January 30, 2002
Revision: Original
RATE SCHEDULE HLF

SECTION II - RATE SCHEDULES
Effective: January 30, 2002
Canceling: N/A
Authority: LPSC Ltr 1/30/02
PAGE 3 OF 3

X. USE OF SERVICE

Electric service furnished under this rate shall not be used by the Consumer as standby, auxiliary, or supplemental service to engines or other prime movers, or to any other source of power. Consumer shall not resell any power purchased under this rate.

XI. APPLICABILITY

Service under this rate is applicable based upon the provision of and benefits resulting from the wholesale HLF Rate of Louisiana Generating, LLC. In the event that Louisiana Generating HLF rate ceases to be available for whatever reason, the Cooperative reserves the right to discontinue this rate schedule and serve the Consumer under a different rate schedule to be determined based upon the Consumer's service characteristics.

XII. TERM

This rate schedule shall be in effect until December 31, 2004.

XIII. TERMS OF PAYMENT

The above rates are net, the gross rate being 5% higher on the bill. In the event the current monthly bill is not paid within twenty (20) days from the date of the bill, the gross rate shall apply.