

APPENDIX A
WHOLESALE POWER ADJUSTMENT
WPA

APPLICABILITY – To be added to the monthly rate of each filed rate in which reference is made to the WPA.

CALCULATION – The Wholesale Power Adjustment (WPA) in dollars per kilowatt-hour shall be determined as follows:

$$F = A/B - 0.06029 + R$$

Where:

F = Wholesale Power Adjustment (WPA)

A = Total dollars of purchased power costs for the 12 months ending with the current month determined by applying the purchased power supplier's current month rates to the 12 month period

B = Applicable retail sales for the 12 months ending with the current month

R = Over/(Under) Recovery (See below)

WHOLESALE POWER ADJUSTMENT

Over/(Under) Recovery Calculation

At the end of each 12 month period a charge/(credit) per kilowatt hour shall be added to the customers monthly rate to account for the difference in Whitewater Valley's actual purchased power cost for the 12 month period and the amount it billed customers for purchased power through base rates plus the WPA. The charge/(credit) shall remain in effect for the following 10 months. The over/(under) recovery amount per kilowatt-hour shall be determined in the following manner:

$$R = (PPB + BAL - PPR) / S$$

Where:

R = Over/(Under) Recovery Factor per kilowatt-hour

PPB = Purchased Power Cost billed to Whitewater Valley's from its power supplier for the 12 month period

BAL = $(R * S) - (PPB - PPR + BAL)$ from the previous 12 month period

PPR = Purchased Power Cost recovered from customers through the application of base rates and the WPA

S = Estimated KWh Sales for 10 month billing period

Effective Date: May 1, 2010

Adopted by the Whitewater Valley REMC Board of Directors: February 25, 2010

Dale Walther, Secretary-Treasurer