

**SAWNEE ELECTRIC MEMBERSHIP CORPORATION**  
**WHOLESALE POWER COST ADJUSTMENT CLAUSE**  
**SCHEDULE R**

APPLICABILITY

As prescribed under the various rate schedules, the energy sold by the Cooperative shall be increased or decreased by a factor computed in accordance with the formula below. This factor shall be computed, no less than annually but more frequently if needed, for the periods January through December.

$$WPCA = \left[ \left( \frac{E}{\text{kWh}_p} \right) - ( B + CF ) \right] \div ( 1 - L )$$

Where:

- WPCA = Monthly wholesale power cost adjustment factor in dollars per kWh sold.
- kWh<sub>p</sub> = The estimated energy in kWh, purchased or generated for resale under this schedule, for the applicable calendar year.
- E = The estimated annual power production expense from all sources for the period of January through December.
- B = The base cost of wholesale power included in the Cooperative's retail rates. The current base cost of wholesale power is \$0.0517765 per kWh purchased.
- L = The projected annual energy loss percentage for the applicable calendar year.

CF = The WPCA correction factor will be set to zero (0) in the above formula for a twelve-month period beginning each calendar year. Should, however, it appear at any time during the twelve-month period that continued use of the WPCA factor then in effect for the remainder of the twelve-month period will result in a substantial under or over recovery of the Cooperative's wholesale power cost and other expenses/margins, the Cooperative shall modify the existing WPCA factor, through the Correction Factor to recover the applicable costs more accurately.

ADOPTED: JANUARY 21, 1993

EFFECTIVE: MARCH 1, 1993

REVISED: NOVEMBER 18, 1993

MAY 19, 1994

JUNE 9, 1994

AUGUST 18, 1994

OCTOBER 20, 1994

DECEMBER 15, 1994

DECEMBER 7, 1995

DECEMBER 27, 1996

APRIL 17, 1997

JUNE 19, 1997

DECEMBER 11, 1997

DECEMBER 17, 1998

DECEMBER 16, 1999

DECEMBER 14, 2000

DECEMBER 13, 2001

DECEMBER 12, 2002

DECEMBER 10, 2003

DECEMBER 16, 2004

DECEMBER 21, 2005

DECEMBER 14, 2006

DECEMBER 13, 2007

DECEMBER 11, 2008

DECEMBER 10, 2009

EFFECTIVE: JULY 1, 1994

EFFECTIVE: JULY 1, 1994

EFFECTIVE: AUGUST 18, 1994

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EFFECTIVE: JANUARY 1, 1997

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EFFECTIVE: JULY 2, 1997

EFFECTIVE: JANUARY 2, 1998

EFFECTIVE: JANUARY 5, 1999

EFFECTIVE: JANUARY 4, 2000

EFFECTIVE: JANUARY 4, 2001

EFFECTIVE: JANUARY 4, 2002

EFFECTIVE: JANUARY 6, 2003

EFFECTIVE: JANUARY 5, 2004

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EFFECTIVE: JANUARY 4, 2008

EFFECTIVE: JANUARY 5, 2009

EFFECTIVE: JANUARY 4, 2010