



THIS RIDER, dated _____ 20 _____ ,
is attached to and becomes a part of an electric service agreement dated _____ 20 _____ ,
between _____ , herein
called the Customer, and The Detroit Edison Company, herein called the Company, for a supply of electric energy to the
Customer's premises located at _____

The Customer desires to run electrical generating equipment in parallel with the Company's system or the customer desires the Company to serve load that is normally served by another source of energy or by the customer's generator or prime mover and having written permission by the Company for parallel operation and agrees to take standby service under the provisions of the rider and also agrees to take supplemental service on one of the applicable filed rates listed on Standard Contract Rider No. 3.

The Company will set the standby contract capacity and will charge for standby service under the terms and conditions of Standard Contract Rider No. 3 - Parallel Operation and Standby Service. The terms and conditions and charges of this Rider as of this date as filed with and approved by the Michigan Public Service Commission are attached as Exhibit A. The terms and conditions and charges are subject to change from time to time by Order issued by the Michigan Public Service Commission.

Beginning on the effective date of this contract, the standby contract capacity will be set at the following. _____
_____, and thereafter will be subject to revision pursuant to
the terms and conditions in Standard Contract Rider No. 3.

Effective Date: The effective date for service under this contract will be the first day of the first billing cycle which is
scheduled to begin on _____ .

Contract Terms: The contract term is for a five-year period, unless terminated by mutual consent, and extending thereafter from month to month until terminated by mutual consent or by thirty days' written notice by either party.

Approval for Parallel Operation: As the Primary Service representative for The Detroit Edison Company , I hereby certify that I have inspected the facility and approve this Customer for parallel operation.

By _____ Date _____ Title: _____
Authorized Signature

Name: _____

Accepted
THE DETROIT EDISON COMPANY

By: _____
Authorized Signature

Name: _____

Title: _____

Company _____

Signature: _____

Name: _____

Title: _____

EXHIBIT "A"

Standard Contract Rider No. 3

Parallel Operation and Standby Service

APPLICABLE TO:	General Service Rate	Schedule Designation D3
	Interruptible General Service Rate	Schedule Designation D3.3
	Large General Service Rate	Schedule Designation D4
	Primary Supply Rate	Schedule Designation D6
	Alternative Primary Supply Rate	Schedule Designation D6.1
	Transitional Primary Supply Rate	Schedule Designation D7
	Interruptible Supply Rate	Schedule Designation D8
	Secondary Pumping	Schedule Designation E5

STANDBY SERVICE: Customers who desire the Company to serve the power supply requirements of load that is normally served by the customer's generator or prime mover must take standby service under the provisions of this rider unless otherwise exempted by order of the Michigan Public Service Commission and must take supplemental service on one of the applicable filed rates listed above. Customers who desire to run electrical generating equipment in parallel with the Company's system must have written permission by the company for parallel operation.

Customers purchasing their entire energy requirements from the Company with generators or prime movers installed for use only in emergency will not be considered as taking standby service.

All customers taking service under this rider must install the necessary equipment to permit metering. The Company will supply the metering equipment.

PARALLEL OPERATION: The customer must meet the interconnection requirements of Detroit Edison specified in "The Michigan Electric Utility Generator Interconnection Requirements" as approved by the Michigan Public Service Commission, and must enter into an Interconnection and Operating Agreement with the Company before parallel operation will be permitted. Operating in parallel with the Company's system without written approval by the Company of the interconnection and any subsequent changes to the interconnection will make the customer subject to disconnection.

Except for the acts or omissions of the Company's employees or agents which occur on the Customer's side of the point of interconnection the customer shall indemnify, defend and hold the Company and its officers, agents and employees harmless from any liabilities, claims, losses, demands, costs, damages or damage which (i) occur on the Customer's side of the point of interconnection resulting from the installation, maintenance, possession or operation of the Facility, or (ii) occur on the Company's side of the point of interconnection up to the first point of the Company's General Facility Protection if at the time of the injury or damage, the Company is not providing electric energy to the customer and the injury or damage was caused by the customer's intentional defeat of the protective relays.

The Company shall indemnify, defend and hold the Customer and its officers, agents and employees harmless from any liabilities, claims, losses, demands, costs, damages or judgments, including reasonable attorneys' fees, arising out of all personal injuries or property damages which occur on the Company's side of the point of interconnection resulting from the installation, maintenance, possession or operation of the Company's General Facilities; (i) except for the acts or omissions of the Customer's employees or agents which occur on the Company's side of the point of interconnection; and (ii) except for those injuries or damages for which the Customer is to indemnify the Company pursuant to the preceding paragraph.

The Customer taking service under this rider shall maintain and furnish current evidence of comprehensive general liability insurance in the amount of \$2,000,000 per occurrence. This insurance can be a combination of primary and excess insurance. The Company shall be named as an additional insured under the customer's policy. The customer need not provide insurance if it can demonstrate that its current assets exceed current liabilities by \$7,500,000 or more. If the customer fails to provide insurance or does not meet the requirements of the preceding sentence for waiver of insurance, then the Company will purchase insurance in the amount of \$2,000,000 to protect the Company (but not the customer). The cost of such insurance will be paid by the customer. The customer's insurance, its waiver, or insurance purchased by the Company shall not limit the Customer's indemnity obligations. Parallel operation will not be permitted (or will be terminated) if the Customer fails to provide insurance, meet the waiver requirements or pay the cost of insurance obtained by the Company.

Standard Contract Rider No. 3 (Cont'd) Parallel Operation and Standby Service

STANDBY CONTRACT CAPACITY: Standby contract capacity in kW will be established for electric capacity sufficient to meet the customer's standby load according to the following method.

- (a) If the customer's generating unit has a least 5000 hours of metered operation with output greater than zero kW over the latest 12-month period, then the standby contract capacity for the next 12 months will be set at the 1001st highest hourly kW output.

At the customer's option, the standby contract capacity for June through October will be set at the 501st highest hourly kW output during the months of June through October and the standby contract capacity for November through May will be set at the 501st hourly kW output during the months of November through May. A customer may not later choose the 1001-hour determination above, unless with the Company's permission for permanent changes in the customer's facilities.

For multiple generating units, "output" means the simultaneous output of all units.

- (b) If the customer's generating unit does not have at least 5000 hours of metered operation with output greater than zero kW over the latest 12-month period, then the standby contract capacity will be set at the generator's nameplate rating for one year, after which time paragraph (a) above will apply if the generator's output has been greater than zero for at least 5000 hours. If not, then the standby contract capacity will continue at nameplate rating for the next 12-month period. Where multiple nameplate ratings are specified, the rating at 60 degrees Fahrenheit will be used.
- (c) For customers demonstrating unusual operating conditions, including but not limited to generation greater than the customer's own load, standby contract capacity may be set by mutual agreement of the Company and the customer.
- (d) For generators which do not operate during the months of November through May, standby contract capacity will be set at zero for November through May and will be set at the nameplate rating for June through October.
- (e) The standby contract capacity shall not be decreased over the life of the contract, except by mutual agreement of the Company and the customer for permanent changes in a customer's facilities and except as provided for in paragraph (f) below. Such a reduction in standby contract capacity will not be allowed more than once per year.
- (f) The standby contract capacity will be adjusted on an annual basis according to paragraphs (a) and (b) above.
- (g) For customers with multiple generating units which do not have 5000 hours of metered operation with simultaneous output greater than zero over the latest 12-month period, the standby contract capacity may be set by mutual agreement of the Company and the Customer for one year.
- (h) For the first time only that a customer takes service under this rider, if the customer has not previously operated in parallel with the company's system and if the customer's generating unit does not have at least 5000 hours of metered operation with output greater than zero over the latest 12-month period, then the standby contract capacity will be set at zero kW for 30 days, after which paragraph (b) above will apply.

SUPPLEMENTAL POWER: Supplemental power is electric energy and capacity provided by Detroit Edison to serve the customer's total internal load which is in addition to that portion of the customer's total internal load equal to the standby contract capacity. For each point of service, total internal load equals the output of the customer's generation plus the power supplied by the Company. Supplemental demand equals total internal load less standby contract capacity, but not less than zero. Supplemental power will be billed under the applicable rate schedule for supplemental service ("supplemental rate schedule").

METERING REQUIREMENTS: The output of customer generation or, if appropriate, the load served by another source of power or the customer's prime mover will be metered by Detroit Edison. For customers served on supplemental rate schedules D3, D3.3, D4, and E5, the entire load served by the Company will be metered with demand-recording equipment.

Standard Contract Rider No. 3 (Cont'd) Parallel Operation and Standby Service

RATES:

Power Supply Charges:

Monthly Generation Reservation Fee:

\$0.63 times the standby contract capacity in kW, per month.

Demand Charges:

A daily on-peak demand charge for back-up or maintenance demand will be charged based on the determination of supplemental and back-up or maintenance power coincident with the daily highest 30-minute integrated reading during on-peak hours of the demand meter which measures the total load served by Detroit Edison.

The daily on-peak demand charge for back-up power is \$0.73 per kW per day. Back-up demand equals standby contract capacity minus the 30-minute output of the customer's generator, but not less than zero, and not greater than the total load served by the Company, measured during periods other than maintenance periods as defined below. If the customer's total internal load is less than or equal to the output of the generator, then back-up demand will be zero for that day.

The daily on-peak demand charge for maintenance power is \$0.40 per kW per day. Maintenance demand equals standby contract capacity minus the 30-minute output of the customer's generator, but not less than zero, and not greater than the total load served by the Company, during maintenance periods as defined below. If the customer's total internal load is less than or equal to the output of the generator, then maintenance demand will be zero for that day.

Energy Charge:

An energy charge for back-up and maintenance power will be charged based on standby contract capacity less the output of the customer's generator, but not less than zero. For customers served on supplemental rate schedules D4, D6, D6.1, D7 and D8, the energy charge will be the D6 on-peak energy charge, 2.364¢ per kWh, plus appropriate credits and surcharges, including but not limited to off-peak credit, voltage level credit, and substation credit. For customers served on supplemental rate schedules D3, D3.3, and E5, the energy charge will be the applicable energy charge plus surcharges less a credit per kWh equal to the non-generation fixed charge per kW, \$3.80, divided by 500, applied to the first 500 hours use of standby contract capacity per month for back-up or maintenance power. The energy as stated herein, is also subject to the provision of schedule designation B-4.6 PSCR clause.

Waivers and limits for demand/energy rates:

For customers served on supplemental rates schedules D4, D6, D6.1 and D8, the following applies.

If the total of daily demand charges for the month is less than the monthly generation reservation fee, then the daily demand charges will be waived for that month.

If the total of daily demand charges for the month is greater than the monthly generation reservation fee, then the generation reservation fee will be waived for that month.

If the total of daily demand charges for the month is greater than the D6 on-peak billing demand charge times the standby contract capacity plus the difference between the product of the D6 maximum demand charge times the standby contract capacity and the standby distribution charges, then the customer will pay the D6 on-peak billing demand charge times the standby contract capacity plus the above difference. For customers on supplemental rate schedule D4, the above difference will be set to zero.

Waivers and limits for energy-only rates:

For customers served on supplemental rates schedules D3, D3.3, and E5, the following applies.

If the total of daily demand charges for the month is less than the monthly generation reservation fee, then the daily demand charges will be waived for that month.

If the total of daily demand charges for the month is greater than the monthly generation reservation fee, then the daily demand charges will be waived for that month provided that the supplemental rate continues as an energy-only rate. If not, then paragraphs (6)(b) and (6)(c) above will apply.

Standard Contract Rider No. 3 (Cont'd) Parallel Operation and Standby Service

Power Supply Pricing Option:

This option is available to customers desiring to have power supply standby energy service priced on the basis of the real time MISO locational hourly marginal energy price for the Detroit Edison-appropriate load node. Standby energy service is limited to unforeseen generator outages, deviations from standby contract capacity and maintenance. In addition to the MISO locational hourly marginal energy price the following charges will also apply:

0.55¢/kWh for MISO network transmission costs and MISO energy market costs plus,

An administrative charge of 0.20¢/kWh plus,

A voltage level service adder of 1% for transmission, 2% for subtransmission, 7% for primary, and 12% for secondary.

This option will continue until the latter of March 31, 2008 or twelve months from the date of filing of the general electric rate case ordered by the Commission in MPSC Case No. U-14399.

Delivery Charges:

Service Charge:

\$210.00 per customer per month for customers served at primary voltages and above.

\$ 70.00 per customer per month for customers served at secondary voltages.

Distribution Charge:

Distribution charges will be as follows. For standby contract capacity set according to paragraph (d) of the "Standby Contract Capacity" section above, the charge for all months will be based on the standby contract capacity specified for June through October.

\$2.37 per kW at transmission voltage applied to the standby contract capacity

\$2.77 per kW at subtransmission voltage applied to the standby contract capacity

\$4.77 per kW at primary voltage applied to the standby contract capacity

4.409¢ per kWh of secondary standby energy delivered

Substation Credit: Available to customers served at subtransmission voltage level (24 to 41.6 kW) or higher who provide the on-site substation including all necessary transforming, controlling, and protective equipment. A credit of \$.30 per kW shall be applied to the non-generation charge per kW of standby capacity.

MAINTENANCE PERIODS: A customer may specify, subject to conditions below set by the Company, up to 20 on-peak days during a year as maintenance days. In addition, the day after Thanksgiving and on-peak days occurring during the period from December 24 through January 1 plus contiguous recognized legal holidays may be scheduled as maintenance days subject to conditions below excluding (d). A maintenance day is a calendar 24-hour day.

Conditions:

- (a) The customer must request maintenance days in writing.
- (b) The Company must receive the request at least 45 days before the first requested maintenance day.
- (c) Requests will be honored according to the date received.
- (d) Requests may be refused by the Company if they conflict with the Company's own schedule of maintenance and expected demands. The Company will offer alternative maintenance days.
- (e) After the Company and the customer have agreed upon maintenance days, if there is a substantial change in circumstances which make the agreed upon schedule impractical for either party, the other party upon request shall make reasonable efforts to adjust the schedule in a manner that is mutually agreeable.

ADJUSTMENT OF PRIOR RATCHETS: When a customer takes standby service under Rider No. 3, the setting or the increasing or decreasing of standby contract capacity will affect the existing ratchet levels on the supplemental rate as follows:

Standard Contract Rider No. 3 (Cont'd) Parallel Operation and Standby Service

- (a) An amount in kW equal to the initial standby contract capacity (or to the increase or decrease) will be subtracted from (or subtracted from or added to) the existing ratcheted maximum demand level for customers on supplemental rates D6, D6.1, D7 and D8.
- (b) An amount in kW equal to 65% of the initial standby contract capacity (or of the increase or decrease) will be subtracted from (or subtracted from or added to) the existing ratcheted on-peak billing demand level for customers on supplemental rates D4, D6, D6.1, D7, and D8.

INTERRUPTIBLE STANDBY SERVICE:

- (a) Interruptible standby service is supplied in conjunction with supplemental rates D8 and D3.3, provided that the customer qualifies for D8 or D3.3 under the provisions of the respective rates.
- (b) For customers taking service on supplemental rate D8, the daily demand charge for back-up power and maintenance power will be waived on a day that the Company requests interruption, provided that the customer is assessed neither a non-interruption fee nor a non-interruption penalty under the terms of the D8 rates.
- (c) For customers taking service on supplemental rate D3.3, the customer's generator, prime mover, or other source of energy must be connected only to the interruptible circuit. The energy charge for back-up power and maintenance power will be the same as the energy charge for the D3.3 rate. The daily demand charge will be waived on a day that the Company interrupts the circuit.
- (d) Interruptible standby service will also be supplied in conjunction with any new interruptible supplemental rates approved by the Michigan Public Service Commission after January 1, 1989, under terms to be incorporated in this section.

LATE PAYMENT CHARGE: See Schedule Designation B-2.10.

SCHEDULE OF ON-PEAK HOURS: See Schedule Designation B-4.4

POWER FACTOR CLAUSE: The rates and charges under this tariff are based on the customer maintaining a power factor of not less than 85% lagging. Customers are responsible for correcting power factors less than 70% at their own expense. The size, type and location of any power factor correction equipment must be approved by the Company. Such approval will not be unreasonably withheld. A penalty will be applied to the total amount of the monthly billing for supplemental and standby service for power factor below 85% lagging in accordance with the table in Power Factor Determination, Schedule Designation B-4.5. The penalty will not be applied to the on-peak billing demand ratchet nor to the minimum contract demand of the supplemental rate, but will be applied to metered quantities.