#### SPECIAL CONDITIONS: (continued)

10. Failure to Comply during an Exchange Event. The Company may take the following action if a Customer pledges, but does not reduce electricity usage per their curtailment pledge during an Exchange Event:

1st occurrence of noncompliance – The Customer shall provide the Company with a written explanation for noncompliance within 21 days at the conclusion of the Exchange Event.

2nd occurrence of noncompliance – The Company will limit the Customer’s Baseline Service Level for Exchange Events.

3rd occurrence of noncompliance – The Company will remove the Customer from the Energy Exchange program.

11. Early Termination. If the Customer is terminated from this program, the Customer shall be responsible for reimbursing the Company for setup costs associated with enrolling the Customer in this program. Setup costs include, but are not limited to, labor costs associated with enrolling the Customer in this program.

#### RULES AND REGULATIONS:

 Service under this schedule is subject to the General Rules and Regulations contained in the tariff of which this schedule is a part.