

Snapping Shoals Electric Membership Corporation

Power Cost Adjustment Rider SCHEDULE PCA

Availability:

Available in all territory served by the Cooperative in accordance with the Service Rules and Regulations of the Cooperative.

Applicability:

Applicable as a modification of each rate of the Cooperative in which reference is made to the Power Cost Adjustment Rider, Schedule PCA. The rates of the Cooperative which refer to this schedule shall, unless otherwise specified by the Cooperative's Board of Directors, be increased or decreased in accordance with the following formula:

Rate (Monthly):

The rate for each metered kWh of energy sold shall be increased or decreased by a factor computed in accordance with the following formula:

PCA = (Actual Cost of Wholesale Power - Forecasted Cost of Wholesale Power, (WPCA)) + PDA / Total Applicable Retail Sales.

Where:

Actual Cost of Wholesale Power is the sum for the selected period of the Total Power Costs of the Oglethorpe Power Corporation (OPC) invoices, any prior period True Up amount related to OPC Total Power Costs, the Total Power Costs contained in the bills from Southeastern Power Administration (SEPA), the Total Power Costs of purchased power and other related costs from all other sources, demand side management, energy efficiency, energy conservation and any amount remaining in the **Power Cost Clearing Account**.

Power Cost Clearing Account is provided to compare the Actual Cost of Wholesale Power with the Forecasted Cost of Wholesale Power and accumulate any difference. Periodically, the account is reconciled and any difference between the actual and forecasted costs may be used in the calculation of the PCA for the next period.

Forecasted Cost of Wholesale Power is computed in accordance with the following formula:

Forecasted Cost of Wholesale Power = Actual Monthly kWh Purchased * Monthly Forecasted Wholesale Power Cost (expressed in cents/kWh)

The Monthly Forecasted Wholesale Power Cost is included as an attachment to this rate schedule. Annual adjustments may be necessary based on future cost projections.

Power Delivery Adjustment (PDA) = The factor set in the above formula for a twelve month period beginning each calendar year and approved by the Cooperative's Board of Directors. The

Effective: January 1, 2017

amount set will be such that the Cooperative will meet its mortgage covenants and maintain a sound financial position. Should, however, it appear at any time during the twelve-month period that continued use of the PCA 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 PCA factor, through the PDA, at the Board's approval to recover the applicable costs more accurately.

Total Applicable Retail Sales is the sum for the selected period of all metered kWh sold at retail under this rate schedule.

Attachment to Rate Schedule PCA

Monthly Forecasted Wholesale Power Cost (Cents/kWh)

January	8.00
February	8.00
March	8.00
April	8.00
May	8.00
June	8.00
July	8.00
August	8.00
September	8.00
October	8.00
November	8.00
December	8.00

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