## BUSINESS AND INDUSTRY

# MARKET-BASED PRICING: CURTAILABLE OPTION

As a commercial or industrial electric customer, you have the option of controlling your energy costs by voluntarily curtailing electricity usage during high price conditions. For your participation, you will receive an incentive payment based on the market price of energy when you curtail load.

This program is mutually beneficial for customers and for those of us who supply you with electric power. Large power users who have the flexibility to curtail load can generate new revenue, and we can better manage demand during periods of high pricing.



### **OVERVIEW**

The Market-Based Pricing: Curtailable Option extends to large retail electric customers the option (but not the obligation) to curtail load at periods of high daily or hourly prices, in exchange for a payment tied to the market price of energy at the time the customer curtails load.

This program is designed to be flexible, enabling you to opt for load curtailments only when they work for you. Anytime it is anticipated that the market price of energy will reach or exceed a minimum threshold established by you, you may be contacted by our supplier, WPPI Energy. We will then initiate a curtailment period with you by mutual agreement; however, you are under no obligation to agree to the curtailment.

This program was initially designed in response to customer interest following record-high electric prices in the summer of 1998, and was the first of its type in Wisconsin. As a participant in this program, you have the potential for significant market-based financial compensation while incurring minimal risk, cost or obligation.

### **HOW TO GET STARTED**

Contact us for more information.





- Available to any retail customer with an average monthly peak demand of 5,000 kilowatts (kW) or greater, and a firm load of 2,000 kW or greater that they are able to curtail during emergency situations.
- Load that is already designated as curtailable load under an existing contract with WPPI Energy is not eligible.

#### Terms and Conditions

- Participants are responsible for all metering upgrades, monitoring equipment or control devices that may be necessary to assure compliance with the program.
- Once a curtailment has been agreed to, WPPI Energy is required to pay you for for load curtailed and you are obligated to curtail according to the terms of a negotiated contract.
- Payments are made to participants only in months when transactions are arranged and occur.

