



RATE RIDER TRR TRANSITIONAL RATE RIDER

By order of the Alabama Public Service Commission dated September 14, 2021 in Informal Docket # U-5399.

PAGE Page 1 of 3	EFFECTIVE DATE October, 2021 Billings	REVISION Original
----------------------------	---	-----------------------------

AVAILABILITY

Available in all areas served from the interconnected system of the Company.

APPLICABILITY

Applicable to qualifying Customers whose account for electric service includes an active rate schedule that is being withdrawn or redesigned, and for which an authorized application of this Rate Rider is intended to abate bill impacts arising during a period of transition from the withdrawn rate or redesigned rate, as defined herein, to a currently available rate schedule for electric service.

Service under this Rate Rider shall not be combined with Rate Rider EDI.

TERMS

As used in this Rate Rider, the following terms have the following meanings:

“Base rate charges” means all electric service-related charges on Customer’s bill for electric service, except charges pursuant to Rate ECR, Rate Rider NDR, adjustments under Rate T, applicable revenue taxes and any future surcharges and reserves.

“Redesigned Rate” means an electric service rate schedule whose design has been modified to reflect changes in the seasonal costs of providing electric service and to better enable the recovery of such costs, and which has been made effective for billings by order of the Alabama Public Service Commission. The operation of Rate CNP, Rate ECR, Rate RSE, Rate NDR or Rate T alone does not render a rate schedule a Redesigned Rate, nor does a modification to the terms of a rate schedule that is ministerial or clarifying in nature.

“Sunset Period” means a term of not less than twelve (12) months, the end of which marks the official cancellation of a Withdrawn Rate and the requirement for any Customer continuing to take electric service under such rate to transition to a currently available rate. Any rate schedule for which a Sunset Period is in effect shall be closed to new customers.

“Withdrawn Rate” means an electric service rate schedule previously offered by the Company and that has been withdrawn from future service offering by order of the Alabama Public Service Commission, to respond to changes in seasonal costs of providing electric service and to better enable the recovery of such costs.



RATE RIDER TRR TRANSITIONAL RATE RIDER

By order of the Alabama Public Service Commission dated September 14, 2021 in Informal Docket # U-5399.

PAGE Page 2 of 3	EFFECTIVE DATE October, 2021 Billings	REVISION Original
----------------------------	---	-----------------------------

TRANSITIONAL SERVICE DISCOUNT

A Customer with one or more accounts eligible for service under this Rate Rider shall receive a Transitional Service Discount on the monthly base rate charges assessed under the Customer's effective rate schedule for electric service during the Transitional Period. For each eligible account, the Company shall calculate the Transitional Service Discount by taking the monthly base rate charges incurred by Customer for electric service under the Customer's effective rate schedule during the Transitional Period and multiplying that amount by the applicable Transitional Service Discount percentage corresponding to the applicable year of the Transition Period. The resulting product shall then be deducted from the Customer's total bill.

Transitional Service Discount assignments shall be implemented in accordance with an order by the Alabama Public Service Commission. Every Transitional Service Discount assignment shall include a specific Transitional Period (i.e., term) with corresponding Transitional Service Discount percentages for each year of the Transitional Period, the combined effect of which is intended to yield a ratable transition, on average, for the affected customer group. In no single year shall the Transitional Service Discount percentage exceed 30 percent, and no Transitional Period shall have a term that exceeds 10 years. In addition, Transitional Service Discount assignments shall include the following information, as applicable:

- (i) For customers affected by a Withdrawn Rate, the Company shall provide the currently available rate schedule(s) to which customers can transition electric service and remain eligible to receive a discount under this Rate Rider;
- (ii) For customers affected by a Withdrawn Rate, an available rate schedule will be assigned to any customers who do not make an election among optional rate schedule prior to the end of the Sunset Period;
- (iii) The end of the Sunset Period for each Withdrawn Rate during which time the rate schedule will be closed to new customers; and
- (iv) The effective date for each Redesigned Rate, after which time eligibility for a Transitional Service Discount shall be closed to new customers and to existing customers electing to change rates to the Redesigned Rate in accordance with Rule 1.3 of the Company's Rules and Regulations for Electric Service or its successor in function.



RATE RIDER TRR TRANSITIONAL RATE RIDER

By order of the Alabama Public Service Commission dated September 14, 2021 in Informal Docket # U-5399.

PAGE Page 3 of 3	EFFECTIVE DATE October, 2021 Billings	REVISION Original
---------------------	--	----------------------

Transitional Periods (i.e., terms) shall begin and end as follows:

- (i) **Customers Transitioning from Withdrawn Rates:** the Transitional Period shall commence with the first monthly billing cycle under the eligible available rate to which the Customer has transitioned, which will be not later than the first month following the end of the Sunset Period, and shall continue until the earlier of the completion of the Transitional Period applicable to such rate schedule or the Customer's voluntary termination of service under such rate schedule, without any opportunity for renewal or extension; and
- (ii) **Customers Transitioning to Redesigned Rates:** the Transitional Period shall commence with the first monthly billing cycle corresponding to the effective date of the Customer's Redesigned Rate, and shall continue until the earlier of the completion of the Transitional Period applicable to such rate schedule or the Customer's voluntary termination of service under such rate schedule, without any opportunity for renewal or extension.

Any account eligible for receiving a Transitional Service Discount under this Rate Rider may in limited circumstances become eligible for a second Transitional Service Discount. In such an instance, the terms of the respective Transitional Periods shall run concurrently, and the account shall receive the cumulative discount for which it is eligible during any overlap of Transitional Periods.

Only those Customers whose accounts become eligible for service under this Rate Rider because they require transition from a Withdrawn Rate and subsequently require transition to a Redesigned Rate may receive two Transitional Service Discounts. No Customer account may become eligible for more than two Transitional Service Discounts.

GENERAL

This Rate Rider is subject to the rules and regulations approved or prescribed by the Alabama Public Service Commission, including any Special Rules and Regulations governing the application of this rate schedule.