# Flat Price *Interruptible Power*

TVA

***Flat Price Interruptible Power, or FPI, is a simple interruptible product designed for SIC-qualified customers who can curtail load quickly during periods of high demand.***

## Features

FPI gives qualified industrial customers with loads above 1,000 kilowatts a fixed credit from firm demand charges in exchange for interruption rights with a five-minute suspension notice. Customers may select the Market Days option for a higher monthly credit to reflect the addition of market pricing days.

Up to 100 percent of load may be taken as FPI.

## Requirements

FPI is available to SIC-qualified customers with regular requirements of more than 1,000 kW at a single point of delivery.

FPI may not be mixed with other interruptible products.

## Pricing

Rate schedule firm demand and energy charges are applicable for FPI demand and energy, including the ratcheted billing demand provisions of the rate schedule. For those customers selecting the Market Days option, market prices for electricity replace rate schedule energy pricing during certain hours for up to 12 days of the year. Customers who can reduce load during market pricing periods have an opportunity for additional savings.

A monthly credit is given based on the FPI demand for the month. The credit is currently $3.40 per kW plus an additional $0.60 per kW for customers selecting the Market Days option.

These credits will be reviewed and can be adjusted annually. Adjustments can be made no more frequently than once a calendar year upon at least 60 days' written notice. If the discount is decreased by more than 12 percent, the customer may terminate FPI.

A Credit Reduction Charge will be added in any month in which a customer fails to fully comply with suspension obligations. The charge is equal to:

1. $3.40/kW applied to the highest FPI demand the customer failed to suspend in the month (measured in five-minute intervals), plus for each suspension period in the month, the sum of:
2. $3.40/kW applied to highest FPI demand the customer failed to suspend (measured in five-minute intervals), and
3. $3.40/kW applied to the average FPI demand the customer failed to suspend throughout the suspension period (measured in five-minute intervals).

The typical FPI contract is a term of five years, with a two-year termination notice.

The Administrative charge will be $700, assuming a single metering point.

The Credit Reduction charge and the Administrative charge can be adjusted annually. Adjustments can be made no more frequently than once a calendar year upon at least 60 days' written notice.

Where a customer otherwise qualifies, Small Manufacturing Credits do apply to FPI load with exclusion of market pricing periods. Growth Credits are not applicable to FPI demand.

FPI requires a five-minute interval meter, with the customer bearing the cost of the meter or reprogramming.

TVA will require telephone access to meters to verify compliance with suspension obligations.