

SOUTH CENTRAL POWER COMPANY
Lancaster, Ohio

ADJUSTMENTS
RIDER "B"

APPLICABILITY: The Adjustments set forth herein shall apply to South Central Power Company's ("Cooperative") Applicable Rate Schedules that are subject by their terms to this Rider "B".

DETERMINATION OF PURCHASED POWER COST: The Cooperative's monthly Purchased Power Cost per kWh shall be determined, to the nearest six decimal places in dollars (\$.000000), each month by calculating the annual cost of power to the Cooperative using the methodology as described in the form attached hereto as "Exhibit A".

APPLICATION OF PURCHASED POWER COST TO CONSUMER'S BILL: The Purchased Power Cost shall be set forth as a separate item on the Consumer's bill and shall be applied to the total kWh billed commencing with the bill rendered on or after the effective date and will remain in effect until this Rider "B" is terminated or modified by the Cooperative's Board of Trustees.

APPROVED: May 15, 2012

EFFECTIVE: June 1, 2012

Exhibit "A"
CALCULATION OF MONTHLY PURCHASED POWER COST ADJUSTMENT

A	kWh purchased	X	Currently effective kWh Energy Charge from wholesale power supplier
B	PJM kW Demand	X	Currently effective kW Demand Charge from wholesale power supplier
C	12 CP Demand	X	Currently effective kW Demand Charge from wholesale power supplier
D			Most recent Network Transmission Charge from wholesale power supplier
E			Most recent Wholesale Distribution Charge from wholesale power supplier
F	kWh purchased	X	Most recent Monthly Fuel Charge per kWh from wholesale power supplier
G			<u>Adjustments from wholesale power supplier</u>
		=	Total Annualized Cost
H			Annualized Cost per kWh
I		X	<u>Line Loss Multiplier</u>
		=	Monthly Purchased Power Cost Adjustment

The above factors and billing quantities are determined based on wholesale power invoices issued to the Cooperative by the wholesale power supplier, net of the most recent energy and demand quantities purchased for consumers billed under rate scheduled to which Rider B is not applicable. The result of the calculation will be applied to consumers' bills under applicable rate schedules beginning with the 10th day of the calendar month during which such calculation occurs and ending on the 9th day of the next calendar month.

- A total number of kilowatt-hours purchased from wholesale power supplier in the most recent consecutive 12-month period
- B contribution to the last established PJM peak times 12
- C 12 month average Cooperative demand coincidental with wholesale power system monthly demand times 12
- D most recent billed transmission charges for network service and network energy allocation times 12
- E most recent directly assigned transmission and power factor charges times 12
- F most recent kilowatt-hour charge for fuel, consumables, fuel handling and purchased power charges from wholesale power supplier
- G most recent adjustments from wholesale power supplier
- H total (A+B+C+D+E+F+G) divided by kilowatt-hours purchased in the most recent 12 consecutive months, rounded to six decimal places
- I H times 1.06, rounded to six decimal places