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ELECTRIC TARIFF

INTERRUPTIBLE CREDIT OPTION

AVAILABILITY: Available as an optional, interruptible service for Customers who receive electric service under Company's Large General Service Transmission rate schedules at voltages of 69 kV and above, when the total Contract Interruptible Load (CIL) for all existing Customers taking service under this tariff is less than 85 MW, and the addition of the new Customer's CIL does not cause the total CIL of all existing Customers to exceed 85 MW. Not available to Customers who receive electric service under Company's standby service rate schedules.

APPLICABILITY:

Optional service under this tariff is applicable to a Customer under the following conditions:

- (1) Customer's CIL to be used in calculating the Monthly Credit is 500 kilowatts (kW) or greater; and
- (2) Customer achieved an Interruptible Demand of at least 500 kW during each of the most recent four summer peak season months of June, July, August, and September; or, Company estimates that Customer will achieve an Interruptible Demand of at least 500 kW during each of the four summer peak season months of June, July, August, and September in the coming season; and
- (3) Customer and Company have executed an Interruptible Credit Option Agreement (Agreement) that specifies the Contract Firm Demand, Number of Interruptible Hours, the Service Options elected by Customer, as described under CUSTOMER SPECIFIED TERMS AND CONDITIONS in this tariff, and Customer specific data necessary for Company to calculate Customer's Monthly Credit Rate (MCR).

TARIFF TERMINATION AND CHANGE:

This tariff and the Agreement shall be deemed to be modified to conform to any changes or revisions approved by the Public Utility Commission of Texas, as of the date of the effectiveness of such change, including cancellation or termination of this option. Changes in the Customer's MCR will take effect in the billing month following the effective date of a change in this tariff. Company reserves the right to request approval by the Public Utility Commission of Texas for changes to or termination of this tariff at any time.

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TERM OF AGREEMENT, SERVICE PERIODS, AND TERMINATION OF AGREEMENT BY CUSTOMER:

Service Periods under this tariff normally will begin on January 1 and continue for one calendar year. Customer may enter into an Agreement at any time during the calendar year; however, if Customer enters into the Agreement after March 1 of any year, the first Service Period under this tariff will begin at the start of the following calendar year. If Customer enters into the Agreement prior to March 1 of any year, the first Service Period will begin on the first day of the following month and will consist of the remainder of that calendar year. Customer's Number of Interruptible Hours (Ha) for the first Service Period will be reduced to a level that is reasonably representative of the Number of Interruptible Hours remaining for that calendar year, determined at the discretion of the Company.

At any time during the first Service Period under this rate schedule, Customer may opt to cancel the Agreement by returning all Monthly Credits paid by Company up until the date of cancellation. No additional payment will be assessed. Economic buy-through payments made by Customer and Economic buy-through penalty charges shall not be refunded by Company. Capacity Interruption penalties shall be refunded.

Any Customer who otherwise terminates the Agreement prior to the end of its term shall be required to pay the Company, as a penalty, an amount equal to the product of one hundred and ten percent (110%) times Customer's CIL, times Customer's MCR for each of the remaining months of the unexpired contract term. In addition, Customer shall reimburse the Company for the direct cost incurred by the Company for equipment (including its installation cost, less salvage value) to measure Customer's Interruptible Demand and to interrupt Customer.

OBLIGATION TO INTERRUPT:

A Customer taking service under this tariff is required to reduce its load to the level of the Contract Firm Demand specified in the Agreement when Company schedules an interruption pursuant to the terms and conditions specified herein. Company shall have the right to interrupt Customer's available interruptible load for the total Number of Interruptible Hours (Ha) specified in the Agreement.

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CUSTOMER SPECIFIED TERMS, CONDITIONS, AND SERVICE OPTIONS :

Contract Firm Demand - the Contract Firm Demand shall be specified by Customer in the Agreement. The Contract Firm Demand of an existing Customer taking service under this tariff may not be changed unless approved by Company.

Number of Interruptible Hours (Ha) - the Number of Interruptible Hours (Ha) shall be specified by Customer in the Agreement. The options are: 40 hours, 80 hours, or 160 hours annually.

Four (4) Hour Minimum / Waiver of Four (4) Hour Minimum - an interruption shall be a minimum of four (4) hours in duration. In the Agreement, however, Customer may elect to waive the 4 hour minimum, in which case, the interruption may be less than 4 hours in duration. The duration of any interruption shall not be less than one hour.

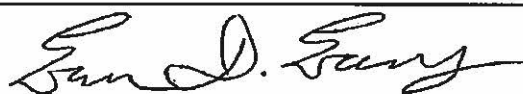
One Hour Notice / No Notice Option - Company shall provide notice a minimum of one hour prior to the start of the interruption. In the Agreement, however, Customer may allow Company to interrupt Customer's load without providing prior notice of the interruption.

ECONOMIC INTERRUPTION:

Company shall have the right to call an Economic Interruption for one or more Customers once per day when Company determines, in its sole discretion, that calling an interruption will lower its overall system costs when compared to what the overall system cost would be in the absence of the interruption. The duration of any Economic Interruption shall not be less than four hours, unless Customer has opted to waive the four-hour minimum and, in such case, the duration shall not be less than one hour. Company will provide notice at least one hour prior to an Economic Interruption.

BUY-THROUGH - ECONOMIC INTERRUPTION:

Once Company has called an Economic Interruption, Company will provide Customer, via the contact methods identified on the Contact Information Sheet of the Agreement, with the estimated buy-through price for each hour of the interruption period. Such notice shall advise Customer of Company's best estimate of the buy-through price. Customers must notify Company forty-five (45) minutes prior to the start of an Economic Interruption if they elect to buy-through all or a portion of their available interruptible load by logging into the ICO Web Site at the address provided in the Agreement and indicating their buy-through request for each hour of the Economic Interruption period. The ICO Web Site shall advise Customer of



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BUY-THROUGH - ECONOMIC INTERRUPTION: (cont.)

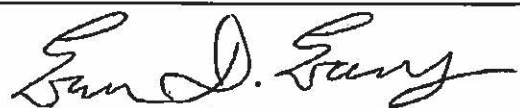
Company's best estimate of the buy-through price for each hour of the Economic Interruption period.

The buy-through price shall be calculated by taking the weighted average cost, as determined by the Company's Cost Calculator or its successor, plus three mills per kWh, for the block of electricity used to serve Customer(s) who elected to buy-through. For purposes of this calculation, Company shall assume that the block of electricity used is the highest cost block of electricity consumed in each buy-through hour.

If Customer elects to buy-through the Economic Interruption, it must continue to buy-through all hours of the interruption period unless Company provides notice to Customer of an updated buy-through price for any hour of the interruption that exceeds the original estimated buy-through price for the hour in question, whereupon Customer that elected initially to buy-through the Economic Interruption will have 15 minutes after being provided notice of the updated estimated price to advise the Company that such Customer desires to be interrupted at the start of the next hour. Once Customer chooses to interrupt, Customer will be interrupted for the remainder of the interruption period, as determined by the Company.

If Company chooses to extend an Economic Interruption from the original notification, all ICO Customers affected by the Economic Interruption will be provided notice of the opportunity to buy-through or interrupt for the duration of the Economic Interruption extension period. Economic Interruption extensions may be less than four hours in duration.

Customer may provide advance election to buy-through up to a specified price. Such election shall be made no later than the last business day prior to the first day of the month to which the election will apply, and shall be delivered to Customer's service representative by electronic mail as provided in Customer's Agreement. Any Customer with a standing buy-through order shall have the option, up to 45 minutes before the start of an event, to advise Company that it desires to be interrupted. Further, in the event that the buy-through price exceeds the Customer-specified price, Customer may nevertheless elect to buy through the interruption by providing the Company with the required notice within 45 minutes.



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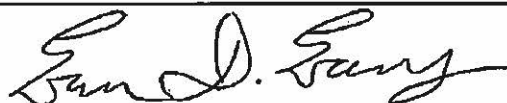
INTERRUPTIBLE CREDIT OPTION

CAPACITY INTERRUPTION:

Company shall have the right to call a Capacity Interruption for one or more Customers at any time when Company believes, in its sole discretion, that generation or transmission capacity is not sufficiently available to serve its firm load obligations, other than obligations to make intra-day energy sales. Capacity Interruptions will typically be called when the Company forecasts or, on shorter notice, has presently scheduled all available energy resources that are not held back for other contingency or reserve purposes, to be online generating to serve obligation loads. The Capacity Interruption may be activated to enable the Company to maintain Operating Reserves, consisting of spinning and non-spinning reserves, ensuring adequate capability above firm system demand to provide for such things as regulation, load forecasting error, equipment forced outages and local area protection. A Capacity Interruption may be called to relieve transmission facility overloads, relieve transmission under voltage conditions, prevent system instability, relieve a system under frequency condition, shed load if SPS is directed to shed load by the Southwest Power Pool (or subsequent regional reliability organization) Reliability Coordinator, and respond to other transmission system emergencies.

The duration of any Capacity Interruption shall not be less than four hours, unless Customer has opted to waive the four-hour minimum duration and, in such case, the duration shall not be less than one hour. In addition, a single interruption of less than four hours is permitted for any Customer, if the Customer has less than four hours remaining of its Number of Interruptible Hours.

CONTINGENCY INTERRUPTION: Company shall have the right to call a Contingency Interruption for one or more Customers receiving service under the No Notice Option at any time when the Company believes, in its sole discretion, that interruption is necessary for the Company to be able to meet its Disturbance Control Standard (DCS) criteria. Contingency Interruptions will typically be called by the Company following the unexpected failure or outage of a system component, such as a generator, transmission line or other element. Interruptible loads that are qualified as Contingency Reserve may be deployed by the Company to meet current or future North American Electric Reliability Corporation (NERC) and other Regional Reliability Organization contingency or reliability standards. The current standard is the DCS, which sets the time limit following a disturbance within which a Balancing Authority (BA) must return its Area Control Error (ACE) to within a specified range. In other words, a Contingency Interruption will be activated to help restore resources and load balance after an unexpected resource outage.



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The duration of any Contingency Interruption shall not be less than four hours, unless Customer has opted to waive the four-hour minimum duration and, in such case, the duration shall not be less than one hour. In addition, a single interruption of less than four hours is permitted if Customer has less than four hours of interruption available to use the remaining hours.

FAILURE TO INTERRUPT

Economic Interruption - In the event that Customer fails to interrupt during an Economic Interruption, Customer will be deemed by the Company to have failed to interrupt for all demand that Customer was obligated to interrupt, but did not. The failure-to-interrupt charge shall be equal to the highest incremental price for power during the Economic Interruption plus three mills per kWh, as determined by the Company after the fact, including market costs, unit start-up costs, spinning reserve costs and reserve penalty costs, if any. The charge will only apply to the portion of the load Customer fails to interrupt.

Capacity or Contingency Interruption - In the event Customer is directed to interrupt and fails to comply during a Capacity or Contingency Interruption, Customer shall pay the Company fifty percent (50%) of Customer's expected annual credit rate times the maximum 30 minute demand recorded during the event for all demand that Customer was obligated to interrupt, but did not. The penalty will apply only to the portion of the load that Customer fails to interrupt. After Customer fails to interrupt twice, the Company shall have the option to cancel the Agreement. If the Agreement is cancelled by the Company, Customer shall not be eligible for service under this tariff for a minimum of one year, and Customer will not be liable for the payment of 110% times the Customer's CIL, times Customer's MCR for each of the remaining months of the unexpired contract term, as previously specified under term of agreement, service periods, and termination of agreement by customer. For determining compliance during a Capacity or Contingency Interruption, the first and last fifteen-minute interval of each event shall not be considered. If Customer's violation is less than 60 minutes in duration, not including the first and last control period intervals, then Customer's penalty shall be: (1) be reduced by 75% if the violation is 15 minutes or shorter; (2) reduced by 50% if the violation is 16 to 30 minutes in duration; and (3) reduced by 25% if the violation is 31 to 59 minutes in duration. This provision does not apply to Economic Interruptions.

If Customer is a No Notice Option Customer and Company controls Customer's load through the operation of a Company installed, operated, and owned disconnect switch, in the event that Customer violates a Capacity or Contingency Interruption, Customer shall not be penalized unless evidence of tampering or bypassing the direct load control of Company is shown.

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PUBLIC UTILITY COMMISSION OF TEXAS
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Capacity or Contingency Interruption (cont.) -In the event that Company issues a Capacity or Contingency Interruption during a time in which the Customer's phone line is not working, the above described penalties shall apply if Customer fails to comply with the interruption.

BILLING AND MONTHLY CREDIT:

A Customer electing to take service under this tariff shall be billed on a calendar month basis, such that the first day of each month shall be the beginning and the last day of each month shall be the end of the monthly billing period. Company shall apply a Monthly Credit to Customer's monthly bill, pursuant to the terms and conditions specified herein.

The Customer's Monthly Credit shall be calculated by multiplying the applicable Monthly Credit Rate (MCR), as shown on the following table, by the lesser of the Customer's CIL, or the actual Interruptible Demand, during the billing month. The applicable MCR is determined by how the Customer is connected to the grid, the Number of Interruptible Hours (Ha) selected by the Customer in the Agreement, and the season of the year.

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Ha	GRID CONNECTION	ONE HOUR NOTICE OPTION		NO NOTICE OPTION	
		WINTER PER kW MONTH CREDIT	SUMMER PER kW MONTH CREDIT	WINTER PER kW MONTH CREDIT	SUMMER PER kW MONTH CREDIT
40					
	SUB- TRANSMISSION	\$1.58	\$2.25	\$1.84	\$2.62
	BACKBONE- TRANSMISSION	\$1.57	\$2.23	\$1.83	\$2.59
80					
	SUB- TRANSMISSION	\$2.63	\$3.74	\$3.06	\$4.34
	BACKBONE- TRANSMISSION	\$2.61	\$3.70	\$3.03	\$4.30
160					
	SUB- TRANSMISSION	\$4.03	\$5.73	\$4.68	\$6.65
	BACKBONE- TRANSMISSION	\$3.99	\$5.67	\$4.64	\$6.58

Contract Interruptible Load (CIL) - Customer's CIL is the median of Customer's maximum daily thirty (30) minute integrated kW demands occurring between the hours of 12:00 noon and 8:00 p.m. Monday through Friday, excluding federal holidays, during the period June 1 through September 30 of the prior year, less the Contract Firm Demand, if any. If Customer has no history in the prior year or Customer anticipates that its CIL for the upcoming year will exceed the prior year's CIL by one hundred (100) kW or more, at Customer's request, Company may, in its sole discretion, estimate the CIL. In extraordinary circumstances, Company may calculate CIL using load data from the year prior to the year normally used to calculate the CIL, if Customer has shown that, due to extraordinary circumstances, the load data that would normally be used to calculate its CIL is less representative of what Customer's load is likely to

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Contract Interruptible Load (CIL) (cont.) –

be in the upcoming year. For existing Customers, Company shall calculate Customer's CIL to be used in the upcoming year by December 31st of the current year. If the Company determines that Customer's CIL to be used in the upcoming year is less than 500 kW, then the Agreement shall terminate at the end of the current year. If the Company determines that the combined CIL of all existing Customers to be used in the upcoming year exceeds 85MW, then those existing Customers whose CIL is greater than the prior year's CIL may be required to reduce their CIL (by increasing their Contract Firm Demand) proportionally, so that total CIL does not exceed 85MW.

Interruptible Demand –Customer's Interruptible Demand is the maximum thirty (30) minute integrated kW demand, determined by meter measurement, that is used during the month, less the Contract Firm Demand, if any, but not less than zero. Interruptible Demand is measured between the hours of 12:00 noon to 8:00 p.m. Monday through Friday, excluding federal holidays.

Application of Monthly Credit - the Monthly Credit shall be applied to Customer's monthly bill beginning in January if the Agreement was executed prior to that January. If the Agreement is executed between January 1 and May 1, to be effective in that year, the Monthly Credit will begin in the month following the month in which service begins. If the Agreement is executed after May 1, the Monthly Credit will begin in January of the following year. In the event that Customer's CIL is estimated, the Monthly Credit applicable to the estimated CIL will be applied to Customer's December bill, after the CIL calculation is completed for that year. For Customers with no history, the entire accumulated Monthly Credit will be credited to the December bill. For Customers with history, but who estimate an increase, accumulated credits attributable to the estimated increase in the CIL will be credited to the December bill and credits attributable to the actual CIL will be credited monthly.

PHONE LINE REQUIREMENTS:

Customer is responsible for the cost of installing and maintaining a properly working communication path between Customer and Company. The communication path must be dedicated. Options for the communication path include, but are not limited to, a dedicated analog phone line to the meter location. The communication path must be installed and working before Customer may begin taking service under this rate schedule.

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ELECTRIC TARIFF**INTERRUPTIBLE CREDIT OPTION****PHONE LINE REQUIREMENTS (Cont.):**

In the event that the Company issues a Capacity or Contingency interruption during a time in which Customer's phone line is not working, the penalties detailed in the section of this tariff titled FAILURE TO INTERRUPT – Capacity and Contingency Interruptions, shall apply if Customer fails to comply with the interruption.

**COMMUNICATION AND PHYSICAL CONTROL REQUIREMENTS FOR NO NOTICE
OPTION CUSTOMERS:**

A No Notice Option Customer must install and maintain a Company specified dedicated phone line to the meter location. In addition a No Notice Option Customer must also pay for the communication charges associated with the Company specified communication equipment installed in the Remote Terminal Unit (RTU) used to receive and transmit interruption signals and real time usage information.

A No Notice Option Customer shall either:

- (i) utilize its own Energy Management System (EMS) automated intelligent equipment to reduce load down to the Contract Firm Demand level when requested by Company. Customer will pay for the cost of an RTU that will receive the interruption and restore signals via phone or cellular communication. The RTU shall be designed, purchased, installed, and tested by Company or Company contractor at Customer's expense. Customer must demonstrate that its automated intelligent device or equipment will receive Company's signal and automatically act upon that signal to remove load down to the Contract Firm Demand level within a time period to be specified in the Agreement. A \$1,000 non-refundable contribution is required to perform the engineering and design work required to determine the costs associated with purchasing and installing the RTU;

or

- (ii) utilize a Company owned and operated switch to remove Customer's entire load during a Capacity or Contingency Interruption. Use of a Company switch requires that Customer have no Contract Firm Demand. Customer must pay for the cost of Company-owned switch and an RTU that will receive the interruption and restore

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OPTION CUSTOMERS (cont.): signals via phone or cellular communication, and lock Customer's load out during a Capacity or Contingency Interruption. The RTU shall be designed, purchased, installed, and tested by Company at Customer's expense. A \$1,000 non-refundable contribution is required to perform the engineering and design work needed to determine the costs associated with providing Company physical control over Customer's load. A minimum of six (6) months is required to design, order, install and test the required equipment to give the Company control over Customer's load. During a Capacity or Contingency Interruption, the Company shall lock out Customer's load to prevent Customer from terminating the interruption before release. This option is not available if Customer receives secondary service from the Company.

A No Notice Option Customer shall submit to equipment testing at least once per year at Company's discretion, provided no other Capacity or Contingency events occurred in the past 12 months that could be used to verify the correct operation of the disconnect equipment and RTU. Equipment testing may last less than the four-hour duration and may not count toward Customer's Number of Interruptible Hours.

TAMPERING:

If Company determines that its load management or load control equipment on Customer's premises has been rendered ineffective due to tampering by use of mechanical, electrical, or other devices or actions, then Company may terminate Customer's Agreement, or remove Customer from the No Notice Option and place Customer on the One Hour Notice Option rate for a minimum one-year period. The Customer's credits will be adjusted accordingly. In addition, Customer may be billed for all expenses involved with the removal, replacement or repair of the load management equipment or load control equipment and any charges resulting from the investigation of the device tampering. Customer shall also pay 50% of the expected annual credit rate, times the maximum 30 minute demand recorded during the interruption event for all demand Customer was obligated to interrupt, but did not. The penalty will apply only to the portion of the load that Customer fails to interrupt. A Customer that is removed from the program is only eligible to participate again at the discretion of Company. Company will verify installation has been corrected before Customer is permitted to participate in the program again.

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LIMITATION OF LIABILITY:

Customers who elect to take service under this tariff agree to indemnify and save harmless Company from all claims or losses of any sort due to death or injury to person or property resulting from interruption of electric service under this tariff or from the operation of the interruption signal and switching equipment.

Effective Date January 10, 2020

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