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## Extraordinary Event Cost Recovery Rider

### Applicability

This Extraordinary Event Cost Recovery Rider (Rider) is applicable to each member, or its' successor, of The Victory Electric Cooperative Association, Inc. (Cooperative) taking service under the existing Cooperative's electric rate schedules.

### Establishment of Regulatory Asset

At the board's discretion, costs associated with an extraordinary event may be booked separately as a regulatory asset. These will be referred to as Extraordinary Event Cost Recovery. These costs will be recovered at the direction of the board over a period of months.

### Summary of Charges

Costs under this Rider will be used to calculate a billing amount for recovery of the extraordinary event.

### Computation Formula

The rates for energy to which this adjustment is applicable will be increased or decreased by 0.001¢ per kilowatt-hour (kWh) for each 0.001¢ (or major fraction thereof) increase or decrease in the aggregate cost of power per kWh as computed by the following formula:

$$(C + (C \times I)) / S = \text{Miscellaneous Charge}$$

Where:

C = The actual total cost of purchased power and energy specific to the extraordinary event.

I = The highest interest rate, expressed as a monthly rate, incurred during the period of financing the extraordinary event under one of the Cooperative's borrowing arrangements.

S = Estimated kWh sales for the same time period specific to the extraordinary event.

### Frequency of Computation

This adjustment amount will be computed at such time that the costs of the event are best estimated or known. True-up to estimates may be necessary and recovered or reimbursed in subsequent billing periods.