

24. Economic Development

Upon application by the Customer and approval by the Company, qualifying Customers are eligible to receive certain incentives to start a new business or expand an existing business within the BGE service territory. Discounts may not be provided where a customer merely changes names or service locations. Based on whether or not the Customer is located in an Enterprise Zone, requirements and incentives will vary. Enterprise Zone requirements and incentives only apply to qualifying Customers who are located in a state-designated Enterprise Zone and are certified as eligible for state-provided Enterprise Zone benefits by the local enterprise zone administrator.

Requirements

Location	Review Panel Certification	Minimum New Employment	Retail Establishments Eligible	Minimum Qualifying Load
Non-Enterprise Zone	Yes	10 full-time equivalents	No	500 kW
Enterprise Zone	Yes	1 full-time equivalent	Yes	None

Certification by a review panel is required for all businesses regardless of location and will consist of three representatives; one each from BGE, Maryland's Department of Business and Economic Development, and the local economic development agency in the area affected by the new business. The offering of incentives under this Rider must be agreed to by all three representatives. In order to meet the requirements of this Rider, Enterprise Zone businesses are to increase employment by a minimum of 1 full time equivalent persons and Non- Enterprise Zone businesses are to increase employment by a minimum of 10 full time equivalent persons. The Customer must certify on an annual basis that they continue to meet the requirements of this Rider. Upon application to this Rider, the customer must note eligibility for other energy efficiency and clean power related incentives provided by the State of Maryland. In Non-Enterprise Zones, retail establishments are not eligible, unless the Review Panel determines that such price reductions are necessary to accomplish the purposes of this Rider. A retail establishment is defined as an establishment which sells goods or services to ultimate users, and not for purpose of resale or business use. Qualifying Load (QL) is new or incremental load in excess of historic energy use. Upon application, the Company will also inform the applicant of available EmPower Maryland program offerings.

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Rider 24 Economic Development (cont.)**Incentives**

Location	Price Reductions	Discount Length	Extension Charge Discount
Non-Enterprise Zone	25%	3 years	None
Enterprise Zone	25%	5 years	75%

Price reductions are applied only to the Customer Charge, Delivery Service Charge (exclusive of all Riders), and Demand Charge (if applicable). Price reductions will not be applied to any other charges, taxes, etc. Only the Qualifying Load is eligible for these price reductions. The combined total price reductions for all Customers under this Rider are limited to \$2 million per calendar year. New applicants are not eligible for these price reductions in years where this limit is exceeded.

For Enterprise Zone customers the Company will provide a 75% discount to the extension charge requirements set forth in Section 8 of this tariff. The Customer's contribution is subject to gross-up for taxes. For each Customer, the discount is limited up to a maximum of \$2.5 million per signed contract where the total amount of extension charge price reductions granted in a calendar year under this Rider does not exceed \$5 million.

Failure to meet the requirements of the Rider will result in termination of ongoing price reductions and extension charge discounts and may require the Customer to reimburse Company for any price reductions and extension charge discounts previously granted. The Company will report to Commission Staff on the use of this Rider annually by September 1st of each year.