

## **MARKET-BASED RATE TARIFF**

### **1. Availability.**

Madison Gas and Electric Company ("Madison Gas" or "Seller") makes electric energy, capacity, and ancillary services available under this tariff to any purchaser, except as prohibited below.

### **2. Rates.**

All sales shall be at rates established by agreement between the purchaser and Seller.

### **3. Seller Category.**

Seller is a Category 2 Seller, as defined in 18 CFR 35.36(a), in the Central Region and a Category 1 Seller in Northeast, Southeast, Southwest, Southwest Power Pool, and Northwest Regions.

### **4. Compliance with Commission Regulations.**

Seller shall comply with the provisions of 18 CFR Part 35, Subpart H, as applicable, and with any conditions the Federal Energy Regulatory Commission ("Commission") imposes in its orders concerning Seller's market-based rate authority, including orders in which the Commission authorizes Seller to engage in affiliate sales under this tariff or otherwise restricts or limits the seller's market-based rate authority. Failure to comply with the applicable provisions of 18 CFR Part 35, Subpart H, and with any orders of the Commission concerning Seller's market-based rate authority, will constitute a violation of this tariff.

### **5. Limitations and Exemptions Regarding Market-Based Rate Authority.**

None.

### **6. Ancillary Services.**

MISO: Seller offers regulation service and operating reserve service (including 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO") and to others that are self-supplying ancillary services to Midwest ISO.

PJM: Seller offers regulation and frequency response service, energy imbalance service, and operating reserve service (which includes spinning, 10-minute, and 30-minute reserves) for sale into the market administered by PJM Interconnection, L.L.C. ("PJM") and, where the PJM Open Access Transmission Tariff permits, the self-supply of these services to purchasers for a bilateral sale that is used to satisfy the ancillary services requirements of the PJM Office of Interconnection.