



P.O. Box 18 • 6402 Old Corydon Road
Henderson, Kentucky 42419-0018
(800) 844-4832

December 2, 2013

FEDERAL EXPRESS

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED

DEC 03 2013

PUBLIC SERVICE
COMMISSION

RE: Kenergy Corp.
Case No. 2013-00385

Dear Mr. Derouen:

Enclosed for filing please find the original and five (5) copies of the Application

Your assistance in this matter is appreciated.

Sincerely,

Steve Thompson
Vice President – Finance

cc: Office of Attorney General
Utility & Rate Intervention Division

Michael L. Kurtz, Esq.
Counsel for KIUC

RECEIVED

COMMONWEALTH OF KENTUCKY

DEC 03 2013

BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF KENERGY CORP.)
APPROVAL OF FLOW THROUGH) CASE No. 2013-00385
RATES PRUSUANT TO KRS 278.455)

APPLICATION

The application of **KENERGY CORP.** (“Kenergy”) respectfully shows:

(a) Kenergy is a nonprofit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Daviess, Hancock, Henderson, Hopkins, McLean, Muhlenberg, Ohio, Webster, Breckinridge, Union, Crittenden, Caldwell, Lyon, and Livingston.

(b) The post office address of Kenergy is Post Office Box 18, Henderson, Kentucky 42419-018. The street address of Kenergy is 6402 Old Corydon Road, Henderson, Kentucky 42420.

(c) Kenergy is the consolidation successor of Green River Electric Corporation and Henderson Union Electric Cooperative Corp. A copy of the articles of consolidation is filed in Case No. 99-136.

(d) Pursuant to KRS 278.455, Kenergy requests approval to flow through the effects of an increase in wholesale rates being sought by wholesale provider **BIG RIVERS ELECTRIC CORPORATION** in Case No. 2013-00199. Kenergy's proposed rates set forth herein allocate said increase to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect.

(e) Attached as "Exhibit 1" is a copy of the public notice that has been timely published pursuant to 807 KAR 5:007, section 1(7)(b). Said notice complies with the requirements of 807 KAR 5:007, section 3, and contains the existing rates and the revised rates for each customer class and also shows the effect of the rate change, stated both in dollars and as a percentage, upon the average bill for each customer class. The notice shows the increase before and after the accelerated use of the reserve funds to offset the base rate increase and the estimated date on which the reserves will be exhausted. Affidavits from publishers verifying that the notice was published will be filed with the Commission forthwith upon Kenergy's receipt of same.

(f) The proposed rates have been calculated by Jack D. Gaines, rate analyst with JDG Consulting, LLC. Attached as "Exhibit 2" is the prepared testimony of Jack D. Gaines that includes an analysis demonstrating that the rate change does not change the rate design currently in effect and the revenue change

has been allocated to each class and within each tariff on a proportional basis. See 807 KAR 5:007, section 1(5)(a) and (b).

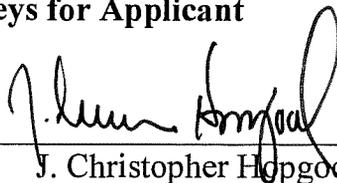
(g) Kenergy's tariff incorporating the new rates and specifying an effective date no sooner than the effective date of wholesale supplier Big Rivers Electric Corporation's rate change is attached as "Exhibit 3." See 807 KAR 5:007, section 2, (1).

WHEREFORE, Kenergy requests as follows:

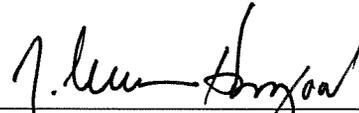
- (1) That the Commission approve Kenergy's proposed flow through rates to become effective on the same date as those of wholesale supplier Big Rivers Electric Corporation in Case No. 2013-00199;
- (2) That if the wholesale rate increase being requested by Big Rivers Electric Corporation is not approved as submitted, but a different increase is approved, Kenergy's proposed rates be approved on a corresponding basis;
and
- (3) That Kenergy be afforded all proper relief.

DORSEY, GRAY, NORMENT & HOPGOOD
318 Second Street
Henderson, Kentucky 42420
Telephone (270) 826-3965
Telefax (270) 826-6672
Attorneys for Applicant

By _____


J. Christopher Hopgood
chopgood@dkgnlaw.com

I hereby certify that the foregoing has been served by mailing a true and correct copy of same on this 2nd day of December, 2013, to the Attorney General of Kentucky, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601, and to Hon. Michael Kurtz, Boehm, Kurtz & Lowry, 2110 CBLD Center, 36 East Seventh Street, Cincinnati, OH 45202, attorney for Kentucky Industrial Utilities Corporation.

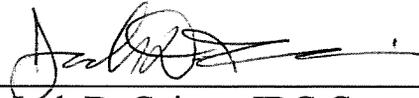


J. Christopher Hopgood

CASE NO. 2013-00385

VERIFICATION

I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.



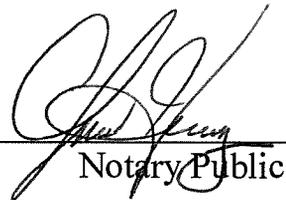
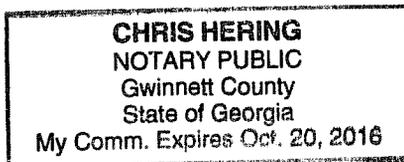
Jack D. Gaines, JDG Consulting, LLC

STATE OF GEORGIA

COUNTY OF: DEKALB

The foregoing was signed, acknowledged and sworn to before me by Jack D. Gaines, this 20th day of November, 2013.

My commission expires 10/20/2016



Notary Public

(seal)



PUBLIC NOTICE
CASE NO. 2013-00385

THE APPLICATION OF KENERGY CORP.
FOR AN ADJUSTMENT IN EXISTING RATES

Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, will file an application for an adjustment in existing rates with the Kentucky Public Service Commission in Case No. 2013-00385. The proposed changes are designed to flow-through to Kenergy's customers the wholesale power expense increase of \$48,109,856 which will result from the rate increase Big Rivers Electric Corporation proposes in Case No. 2013-00199. Big Rivers has proposed to offset the rate increase using the economic reserve funds until they are exhausted. The rates contained in this notice are the rates proposed by Kenergy Corp.; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates. Such action may result in rates for members other than the rates proposed by Kenergy and contained in this notice.

The present and proposed rates are as follows:

	<u>Present Rate Schedule</u>		<u>Proposed Rate Schedule</u>			
Residential Service (Single & Three-Phase):						
Customer Charge per Delivery Point	\$	13.83	per month	\$	17.68	per month
Energy Charge per KWH	\$	0.089782		\$	0.114802	
All Non-Residential Single Phase:						
Customer Charge per Delivery Point	\$	19.59	per month	\$	25.05	per month
Energy Charge per KWH	\$	0.088260		\$	0.112860	
Three-Phase Demand						
Non-Dedicated Delivery Points (0 - 1,000 KW):						
Customer Charge per Delivery Point	\$	40.34	per month	\$	51.58	per month
Demand Charge:						
All KW During Month	\$	5.12		\$	6.55	
Energy Charge:						
First 200 KWH per KW, per KWH	\$	0.07754		\$	0.09915	
Next 200 KWH per KW, per KWH	\$	0.05947		\$	0.07604	
All Over 400 KWH per KW, per KWH	\$	0.05264		\$	0.06731	
Primary Service Discount	\$	.58	per KW	\$	.74	per KW
Three-Phase Demand						
Non-Dedicated Delivery Points (1,001 KW & Over):						
Option A - High Load Factor (above 50%)						
Customer Charge per Delivery Point	\$	864.35	per month	\$	1,105.22	per month
Demand Charge:						
All KW During Month	\$	10.81		\$	13.82	
Energy Charge:						
First 200 KWH per KW, per KWH	\$	0.04625		\$	0.05914	
Next 200 KWH per KW, per KWH	\$	0.04249		\$	0.05433	
All Over 400 KWH per KW, per KWH	\$	0.04022		\$	0.05143	
Primary Service Discount	\$	.58	per KW	\$	.74	per KW
Option B - Low Load Factor (below 50%)						
Customer Charge per Delivery Point	\$	864.35	per month	\$	1,105.22	per month
Demand Charge:						
All KW During Month	\$	6.09		\$	7.79	
Energy Charge:						
First 150 KWH per KW, per KWH	\$	0.06409		\$	0.08195	
Over 150 KWH per KW, per KWH	\$	0.05613		\$	0.07177	
Primary Service Discount	\$	.58	per KW	\$	.74	per KW

Present Rate Schedule

Proposed Rate Schedule

Private Outdoor Lighting (per month)

Standard (served overhead)

Not Available for New Installations after December 1, 2012 - Will Be Replaced with the Nearest Equivalent Lumen

Fixture upon Failure:

7000 LUMEN-175W-MERCURY VAPOR	\$	9.80	\$	12.53
12000 LUMEN-250W-MERCURY VAPOR	\$	11.73	\$	15.00
20000 LUMEN-400W-MERCURY VAPOR	\$	14.35	\$	18.35
9500 LUMEN-100W-HPS	\$	9.23	\$	11.80
9000 LUMEN-100W METAL HALIDE (MH)	\$	8.70	\$	11.12
24000 LUMEN-400W METAL HALIDE (MH)	\$	18.67	\$	23.87

Available for New Installations after December 1, 2012:

5200 LUMEN-60W-LED NEMA HEAD	\$	7.88	\$	10.08
20000/27000 LUMEN-200/250W- HPS	\$	13.70	\$	17.52
61000 LUMEN-400W-HPS-FLOOD LGT	\$	16.11	\$	20.60

Commercial and Industrial Lighting

Available for New Installations after April 1, 2011:

Flood Lighting Fixture

28000 LUMEN HPS-250W-FLOOD LGT	\$	12.46	\$	15.93
61000 LUMEN-400W-HPS-FLOOD LGT	\$	16.12	\$	20.61

Not Available for New Installations after December 1, 2012:

10000 LUMEN-1000W-HPS-FLOOD LGT	\$	37.17	\$	47.53
19500 LUMEN-250W-MH-FLOOD LGT	\$	11.93	\$	15.25
32000 LUMEN-400W-MH-FLOOD LGT	\$	16.05	\$	20.52
107000 LUMEN-1000W-MH-FLOOD LGT	\$	37.11	\$	47.45

Not Available for New Installations after April 1, 2011:

Contemporary (Shoebox)

28000 LUMEN-250W-HPS SHOEBOX	\$	14.09	\$	18.02
61000 LUMEN-400W-HPS SHOEBOX	\$	17.84	\$	22.81
107000 LUMEN-100W-MH SHOEBOX	\$	37.17	\$	47.53
19500 LUMEN-250W-MH SHOEBOX	\$	13.55	\$	17.33
32000 LUMEN-400W-MH SHOEBOX	\$	17.49	\$	22.36
107000 LUMEN-1000W-MH SHOEBOX	\$	37.11	\$	47.45

Not Available for New Installations after April 1, 2011:

Decorative Lighting

9000 LUMEN MH ACORN GLOBE	\$	12.64	\$	16.16
16600 LUMEN-175W-MH ACORN GLOBE	\$	15.57	\$	19.91
9000 LUMEN-175W-MH ROUND GLOBE	\$	12.40	\$	15.86
16600 LUMEN-175W-MH ROUND GLOBE	\$	14.45	\$	18.48
16600 LUMEN-175W-MH LANTERN GLOBE	\$	14.60	\$	18.67
28000 LUMEN - HPS ACORN GLOBE	\$	14.26	\$	18.23

Present Rate Schedule

Proposed Rate Schedule

Not Available for New Installations after April 1, 2011:

Pedestal Mounted Pole

STEEL 25 FT PEDESTAL MT POLE	\$	8.00	\$	10.23
STEEL 30 FT PEDESTAL MT POLE	\$	9.00	\$	11.51
STEEL 39 FT PEDESTAL MT POLE	\$	15.13	\$	19.35

Available for New Installations after April 1, 2011:

WOOD 30 FT DIRECT BURIAL POLE	\$	5.01	\$	6.41
ALUMINUM 28 FT DIRECT BURIAL	\$	10.30	\$	13.17

Not Available for New Installations after April 1, 2011:

FLUTED FIBERGLASS 15 FT POLE	\$	11.01	\$	14.08
FLUTED ALUMINUM 14FT POLE	\$	12.09	\$	15.46

Street Lighting Service(per month)

Not available for New Installations after April 1, 2011 - Existing Fixture will be Replaced with the Nearest

Equivalent Lumen Fixture upon Failure:

7000 LUMEN-175W-MERCURY VAPOR	\$	9.80	\$	12.53
20000 LUMEN-400W-MERCURY VAPOR	\$	14.35	\$	18.35

Available for New Installations after April 1, 2011:

9500 LUMEN-100W-HPS STREET LGT	\$	9.23	\$	11.80
27000 LUMEN-250W-HPS ST LIGHT	\$	13.70	\$	17.52

Available for New Installations after April 1, 2011 - Existing Fixture will be Replaced with the Nearest

Equivalent Lumen Fixture upon Failure:

9000 LUMEN-100W MH	\$	8.70	\$	11.12
24000 LUMEN-400W MH	\$	18.42	\$	23.55

Underground Service with Non-Std. Pole

UG NON-STD POLE-GOVT & DISTRICT	\$	6.44	\$	8.23
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Overhead Service to Street Lighting Districts

OH FAC-STREET LIGHT DISTRICT	\$	2.69	\$	3.44
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Decorative Underground Service

Not Available for New Installations after April 1, 2011:

6300 LUMEN-DECOR-70W-HPS ACORN	\$	12.72	\$	16.26
6300 LUMEN DECOR-70W-HPS LANTERN	\$	12.72	\$	16.26
12600 LUMEN HPS-70W-2 DECOR FIX	\$	22.54	\$	28.82

Available for New Installations after April 1, 2011:

28000 LUMEN - HPS ACORN GL 14 FT POLE	\$	24.39	\$	31.19
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Special Street Lighting Districts

Not Available for New Installations after April 1, 2011:

BASKETT STREET LIGHTING	\$	3.39	\$	4.33
MEADOW HILL STREET LIGHTING	\$	3.09	\$	3.95
OTTSMVILLE STREET LIGHTING	\$	3.83	\$	4.90

	<u>Present Rate Schedule</u>	<u>Proposed Rate Schedule</u>
Renewable Resource Energy Service Rider		
Kilowatt Hour Premium of:		
Non-Direct Served Customers:		
per Kilowatt Hour Premium of:	\$ 0.02087	\$ 0.020870
Direct Served Customers (excluding Class A)	\$ 0.025	\$ 0.020000

Large Industrial Customers Served Under Special Contract

Dedicated Delivery Points (Class A)

Base Energy Charge per KWH	.045228	N/A
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Dedicated Delivery Points (Class B)

Demand Charge per KW	\$ 10.715	\$ 17.979
Energy Charge per KWH	\$ 0.030166	\$ 0.035166

Dedicated Delivery Points (Class C)

Demand Charge per KW	\$ 10.715	\$ 17.979
Energy Charge per KWH	\$ 0.033000	\$ 0.038000

Small Power Production or Cogeneration (100 KW or less):

(Customer Sells Power to Kenergy)

Base Payment per KWH	\$ 0.035	\$ 0.035000
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Small Power Production or Cogeneration(Over 100KW):

(Customer Buys Power from Kenergy)

The Charges for On-Peak Maintenance Service shall be the greater of:

(1) per KW of Scheduled Demand per Week	\$ 3.01	\$ 5.77
per KWH of Maintenance Energy	\$ 0.035	\$ 0.035000

or

(2) % of Market Price	110%	110%
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The Charges for Off-Peak Maintenance Service shall be:

per KW of Scheduled Demand per Week	\$ 3.01	\$ 5.77
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Excess Demand:

to Import Energy from a 3rd Party:

(1) % of Actual Cost Incurred	110%	110%
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when Power is not Imported the Greater of:

Charge per KW times highest Excess Demand	\$ 12.914	\$ 24.742
or % of Highest Price Received for Off-System	110%	110%

**Present Rate
Schedule**

**Before Accelerated
MRSM & RER Credit⁽¹⁾**

**After Accelerated
MRSM & RER Credit⁽²⁾**

Residential Deposit Amount

\$251.00

\$330.00

\$251.00

The amount and percent changes by rate class are as follows:

Rate Class	Before Accelerated MRSM & RER Credit ⁽¹⁾		After Accelerated MRSM & RER Credit ⁽²⁾	
	Big Rivers	Retail	Big Rivers	Retail
	Flow-Through Dollars	Percent Change	Flow-Through Dollars	Percent Change
Residential Service	\$19,999,885	29.0%	\$0	0.0%
All Non-Residential Single Phase	\$3,389,592	28.9%	\$0	0.0%
Three-Phase (less than 1,000 KW)	\$4,927,431	29.1%	\$0	0.0%
Three-Phase (1,001 KW & Over)	\$1,846,855	29.4%	\$0	0.0%
Unmetered Lighting	\$567,212	28.5%	\$0	0.0%
Other	\$235,055	29.3%	\$0	0.0%
Total Non-Direct Served	\$30,966,030	29.0%	\$0	0.0%

Rate Class			After Accelerated MRSM Only ⁽³⁾	
Direct Served Customer Class A	N/A	N/A	N/A	N/A
Direct Served Customers Class B	\$10,222,420	30.8%	\$0	0.0%
Direct Served Customers Class C	\$6,857,919	38.7%	\$0	0.0%
Total Direct Served	\$17,080,339	33.5%	\$0	0.0%
Total All	\$48,046,369	30.6%	\$0	0.0%

The effect of the proposed rates on the average monthly bill by rate class is as follows:

Rate Class	Current Normalized Monthly Bill	Before Accelerated MRSM & RER Credit ⁽¹⁾			After Accelerated MRSM & RER Credit ^{(2) (3)}		
		Impact of Big Rivers Flow-Through	Proposed Monthly Bill	Percent Change	Impact of Big Rivers Flow-Through	Proposed Monthly Bill	Percent Change
Residential Service	\$127.79	\$37.00	\$164.79	29.0%	\$0.00	\$127.79	0.0%
All Non-Residential Single Phase	\$108.86	\$31.45	\$140.31	28.9%	\$0.00	\$108.86	0.0%
Three-Phase (less than 1,000 KW)	\$1,390.11	\$404.45	\$1,794.56	29.1%	\$0.00	\$1,390.11	0.0%
Three-Phase (1,001 KW & Over)	\$34,889.90	\$10,260.30	\$45,150.20	29.4%	\$0.00	\$34,889.90	0.0%
Unmetered Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Served Customer Class A	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Served Customers Class B	\$922,757.92	\$283,956.10	\$1,206,714.02	30.8%	\$0.00	\$922,757.92	0.0%
Direct Served Customers Class C	\$86,926.77	\$33,617.25	\$120,544.02	38.7%	\$0.00	\$86,926.77	0.0%

(1) Big Rivers has proposed accelerating the use of the Member Rate Stability Mechanism (MRSM) and the Rural Economic Reserve (RER) to offset the proposed base rate increase.

(2) The (MRSM) is expected to be exhausted in July of 2014 and the (RER) in April of 2015.

(3) Per the proposed Big Rivers tariff and previous Kentucky Public Service Commission order, the RER applies only to the non-direct served classes.

Any corporation, association, or person with a substantial interest in the matter may request to intervene by written request or motion, within thirty (30) days after the date of publication of this notice of the proposed rate changes, although the Kentucky Public Service Commission may grant intervention beyond the thirty (30) day period for good cause shown. The request to intervene shall be submitted to the Kentucky Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, Kentucky 40602 and shall set forth the grounds for the request, including the status and interest of the party. Interveners may obtain copies of the application by contacting Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, or by calling (800) 844-4832.

A copy of the application and any other filing is available for public inspection at Kenergy's office at the above stated address or at one of its branch offices at 315 Hawes Boulevard, Hawesville, KY 42348; 1441 U.S. Highway 231 North, Hartford, KY 42347; 2620 Brown Badgett Loop, Hanson, KY 42413; 3000 U.S. Highway 641, Marion, KY 42064; or 3111 Fairview Drive, Owensboro, KY 42303.

By: Gregory J. Starheim, President and CEO



Before the Kentucky Public Service Commission
Case No. 2013-00385
Kenergy Corp.

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5 1. Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

6 A. My name is Jack D. Gaines. My business address is P.O. Box 88039,
7 Dunwoody, Georgia 30356.

8 2. Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

9 A. I am employed by and am President of JDG Consulting, LLC (“JDG”).

10 3. Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
11 BACKGROUND.

12 A. I graduated from the Georgia Institute of Technology receiving a Bachelor
13 of Science Degree in Industrial Management. I was previously employed
14 by Southern Engineering for approximately 25 years as a utility rate and
15 cost of service specialist. From August 1, 2000 until February 1, 2004, I
16 was employed by Clough Harbour & Associates, LLP in the same
17 capacity. I have prepared or assisted in the preparation of electric rate and
18 cost of service studies for either cooperative or municipal utility systems in
19 seventeen different states, including Kentucky.

20 4. Q. HAVE YOU PREVIOUSLY TESTIFIED AS AN EXPERT WITNESS
21 BEFORE REGULATORY AUTHORITIES?

22 A. I have submitted testimony and exhibits before the Indiana Utility
23 Regulatory Commission, the Kentucky Public Service Commission, the
24 Vermont Public Service Board, the Virginia State Corporation

1 Commission, the Georgia Public Service Commission, the Illinois
2 Commerce Commission, the New York Public Service Commission, the
3 West Virginia Public Service Commission, the Public Service
4 Commission of Maryland, the Delaware Public Service Commission and
5 the Federal Energy Regulatory Commission.

6 5. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

7 A. The purpose of my testimony is to explain and support the methodology
8 used by Kenergy Corp. (“Kenergy”) to change its retail rates to reflect the
9 increases in wholesale rates proposed by Big Rivers Electric Corporation
10 (“Big Rivers”) in Case No. 2013-00199. My analysis demonstrates that the
11 rate change does not change the rate design currently in effect and the
12 revenue change has been allocated to each class and within each tariff on a
13 proportional basis which is in compliance with KRS 278.455.

14 6. Q. PLEASE DESCRIBE THE KENERGY TEST YEAR AND ANY
15 ADJUSTMENTS BEING MADE TO THE TEST YEAR.

16 A. Kenergy is using an historical test year ending November 30, 2012, the
17 same test year used in Case No. 2013-00035 which was reviewed and
18 accepted by the Commission in that case. Revenues and power costs have
19 been normalized for the final rates approved by the Commission in Case
20 No. 2013-00035 and Case No. 2012-00535, respectively. As will be
21 explained in more detail later in this testimony, revenues and power cost
22 have also been normalized to reflect the currently prevailing retail and
23 wholesale Member Rate Stability Mechanism (“MRSM”) factors,

1 respectively. Lastly, purchased expense and associated revenues related to
2 the Sebree Smelter owned by Century Aluminum of Kentucky General
3 Partnership (“Century”) have been removed from the normalized test year.

4 7. Q. PLEASE DESCRIBE THE CHANGES IN BASE WHOLESALE RATES
5 PROPOSED BY BIG RIVERS AND THE EFFECTS OF THE
6 CHANGES ON KENERGY’S COST OF PURCHASED POWER?

7 A. Big Rivers is proposing to increase the demand and energy charges of
8 Section 1 – Rural Delivery Service Sheet 1 and Large Industrial Customer
9 Sheet 22 of its wholesale tariff. Sheet 1 of the Big Rivers’ tariff is
10 applicable to purchases by Kenergy through non-Large Industrial
11 Customer delivery points for resale by Kenergy to non-Direct Served
12 customers. Sheet 22 is applicable to purchases by Kenergy through Large
13 Industrial Customer delivery points for resale by Kenergy to its Class B
14 and Class C Direct Served industrial customers. As shown on Exhibit
15 JDG-1, based on billing determinants from the December 2011 –
16 November 2012 test year, the Sheet 1 base demand and energy charges
17 proposed by Big Rivers will increase Kenergy’s annual cost of purchased
18 power by \$31,029,516 for non-Direct Served customers. As shown on
19 Exhibit JDG-5, the increase to the Sheet 22 wholesale rates will increase
20 Kenergy’s annual cost of purchased power by \$10,222,420 for Class B
21 Direct Served customers and by \$6,857,919 for Class C Direct Served
22 customers.

23 8. Q. PLEASE EXPLAIN HOW KENERGY PROPOSES TO ADJUST ITS

1 NON-DIRECT SERVED BASE RATES TO REFLECT THE CHANGES
2 IN BIG RIVERS' BASE RATES.

3 A. As shown on Exhibit JDG-1, \$64,101 of the \$31,029,516 non-Direct
4 Served power cost increase is allocated to Kenergy's own use. The
5 remaining \$30,965,415 is the flow through amount and it is 27.8670% of
6 Kenergy's non-Direct Served base rate sales revenue. Kenergy is
7 proposing to adjust its base rates for non-Direct Served customers by a
8 uniform flow through factor of 27.8670%. To adjust the base rates,
9 Kenergy proposes to apply a flow through multiplier of 1.278670 to every
10 base rate charge in each of its non-Direct Served tariffs. By increasing
11 every base rate charge by the same percentage, the base rate increase in
12 power cost applicable to non-Direct Served customers will be allocated
13 proportionately among and within each non-direct served tariff. The
14 application of the multiplier to each charge in the present non-Direct
15 Served rates to produce the proposed rate charges is shown in Exhibit
16 JDG-2. The distribution of the base rate increase in non-Direct Served
17 power cost to each non-Direct Served customer class is shown on Exhibit
18 JDG-3. As shown, the base rate revenue from each class is increased by
19 27.9% and the total base rate revenue increase is \$30,959,284, within \$700
20 of the flow through amount. The difference is due to rounding.

21 9. Q. ARE YOU FAMILIAR WITH THE MODIFICATIONS PROPOSED BY
22 BIG RIVERS TO THEIR SCHEDULE MRSM AND SCHEDULE RER
23 IN CASE NO. 2013-00199?

1 A. Yes, I have reviewed Big Rivers' proposed Schedule MRSM and Schedule
2 RER and the testimony supporting the changes to those two tariffs.

3 10. Q. WHAT IS YOUR UNDERSTANDING OF THE CHANGES
4 PROPOSED BY BIG RIVERS TO SCHEDULE MRSM AND
5 SCHEDULE RER?

6 A. It is my understanding that Big Rivers is seeking approval to use funds
7 from their Economic Reserve to fully offset the base rate increases
8 proposed in Case No. 2013-00199 so long as sufficient funds are available.
9 Similarly, Big Rivers is seeking approval to use funds from their Rural
10 Economic Reserve after exhausting available funds from Economic
11 Reserve to fully offset the Rural Delivery Point base increase proposed in
12 Case No. 2013-00199. To achieve this result, Big Rivers' proposed
13 Schedule MRSM and Schedule RER include new provisions to allow for
14 direct credits to offset the Case No. 2013-00199 base rate increases to
15 Rural and Industrial Delivery Points, and Rural Delivery Points,
16 respectively. As a result, there would be no immediate or near term net
17 increase in wholesale power costs if the changes to the Big Rivers
18 Schedule MRSM and Schedule RER are approved.

19 11. Q. HOW DOES KENERGY PROPOSE TO FLOW THROUGH THE
20 EFFECTS OF THE SCHEDULES MRSM AND RER CHANGES
21 PROPOSED BY BIG RIVERS TO NON-DIRECT SERVED BASE
22 RATES?

23 A. To comply with KRS 278.455, Kenergy is proposing to add provisions to

1 its Schedule MRSM and Schedule RER that flow through the
2 corresponding Big Rivers base rate related credits on a dollar for dollar
3 basis. To achieve this result, Kenergy is proposing to add a new Section 3
4 to Schedule MRSM and a new Section 2 to Schedule RER. These new
5 sections provide a credit factor of 21.79374% which is equal to one minus
6 the reciprocal of the flow through multiplier of 1.278670. This credit
7 factor of 21.79374% is to be applied to each proposed base billing rate
8 thus reversing on a dollar for dollar basis the effect of the flow through
9 multiplier. In this way, the zero net effect of the Big Rivers rate change
10 will be allocated proportionately among and within each non-direct served
11 tariff. More precisely, so long as Big Rivers is fully offsetting its proposed
12 base rate increase through Schedule MRSM or Schedule RER, Kenergy
13 will be fully offsetting its flow through of the wholesale base rate increase.

14 12. Q. PLEASE EXPLAIN WHAT WILL HAPPEN WHEN BIG RIVERS' BASE
15 RATE CREDITS EXPIRE.

16 A. The corresponding Kenergy credits will also expire and the effect will be
17 prorated to the extent retail billing cycles overlap the calendar month
18 wholesale billing cycle in which the Big Rivers credits expire. To the
19 extent Big Rivers applies a partial month credit to Kenergy, the retail
20 credit factor will be proportionately adjusted.

21 13. Q. IS IT YOUR OPINION THAT KENERGY'S PROPOSED USE OF
22 SCHEDULE MRSM AND SCHEDULE RER COMPLY WITH KRS
23 278.455?

1 A. Without expressing a legal opinion, I can state that Kenergy's proposed
2 changes to Schedule MRSM and Schedule RER are necessary to flow
3 through the corresponding changes by Big Rivers to its Schedule MRSM
4 and Schedule RER on a dollar for dollar basis. Furthermore, changing
5 Schedule MRSM and Schedule RER as proposed does not cause any
6 change in rate design and is the most effective means by which the Big
7 Rivers base rate credits can be precisely allocated among and within each
8 non-direct served tariff on a proportional basis.

9 14. Q. IS THERE AN ALTERNATIVE THAT WOULD ALLOW KENERGY
10 TO FILE UNDER KRS 278.455 SHOULD THE COMMISSION FIND
11 THAT CHANGING SCHEDULES MRSM AND RER IS OUTSIDE THE
12 SCOPE OF KRS 278.455?

13 A. The methodology chosen by Kenergy to pass the Big Rivers proposed
14 changes to its Schedule MRSM and Schedule RER is somewhat dictated
15 by the approach proposed by Big Rivers. Therefore, if Kenergy is not
16 allowed in this case to use Schedules MRSM and RER as the mechanism
17 for flowing through the Big Rivers base rate credits, Kenergy would
18 request that the Commission address the issue in Case No. 2013-00199 by
19 modifying the Big Rivers methodology for using the Economic Reserve
20 and Rural Economic Reserve funds to offset the base rate increase. One
21 such alternative would be for Big Rivers to apply the credits directly to the
22 base rate bills without channeling them through Schedules MRSM and
23 RER. In this way, the Kenergy flow through rates would simply be

1 suspended until the Big Rivers credits expire.

2 15. Q. PLEASE DESCRIBE KENERGY'S DIRECT SERVED CUSTOMERS.

3 A. Kenergy serves 20 Class B and C Direct Served customers subject to this
4 wholesale rate increase. Three are Class B Direct Served customers served
5 under special contract through Kenergy's Schedule 34 and 34A, and
6 seventeen are Class C Direct Served customers served through Kenergy's
7 Schedule 35. Sixteen of the Class C customers are served under special
8 contract. Each of the special contracts contain variations of language
9 recognizing that: if the wholesale rate applicable to Kenergy is modified,
10 Kenergy may make corresponding modifications; or, that the contracts are
11 subject to such changes as may become effective from time to time by
12 operation of law or by order of the Commission.

13 16. Q. PLEASE EXPLAIN HOW KENERGY PROPOSES TO ADJUST ITS
14 CLASS B AND CLASS C DIRECT SERVED RATES TO REFLECT
15 THE CHANGES IN BIG RIVERS RATES.

16 A. Big Rivers applies the Sheet 22 demand and energy rates of its tariff
17 directly to the demand and energy of each Direct Served customer served
18 by Kenergy. Correspondingly, Kenergy receives a separate bill from Big
19 Rivers for the cost of power to serve each of them. Since the Sheet 22 rates
20 are applied directly to each Direct Served customer, the effect of the
21 change in wholesale rates can be determined precisely for each one. Both
22 Schedules 34 and 35 are based on Big Rivers' Sheet 22 rates. The demand
23 charge in each is same as the Big Rivers part Sheet 22 demand charge. The

1 Schedule 34 energy charge is the Big Rivers energy charge plus a retail
2 adder of \$.000166 per kWh. The Schedule 35 energy charge is the Big
3 Rivers energy charge plus a retail adder of \$.003 per kWh. To maintain the
4 integrity of the existing rates and to allocate the increase in power cost in
5 direct proportion to how it will be applied by Big Rivers, Kenergy is
6 proposing to adjust the demand and energy rates of Schedules 34 and 35
7 by the same amounts that Big Rivers is allowed to increase its Sheet 22
8 demand and energy rates. As shown on page 4 of Exhibit JDG-2, Kenergy
9 is proposing to increase the Schedule 34 and Schedule 35 demand charges
10 each by \$7.264 per kW, the same amount that Big Rivers is proposing to
11 increase its Sheet 22 demand charge. Likewise, Kenergy is proposing to
12 increase the Schedule 34 and Schedule 35 energy charges each by \$0.0050
13 per kWh, the same amount that Big Rivers is proposing to increase its
14 Sheet 22 energy charge.

15 17. Q. IS A CHANGE TO SECTION 2 OF SCHEDULE MRSM NEEDED?

16 A. No, Section 2 of Schedule MRSM already provides for a full pass through
17 of all credits to Industrial Delivery points applied by Big Rivers under its
18 Schedule MRSM.

19 18. Q. PLEASE EXPLAIN WHY YOU HAVE ELIMINATED WHOLESale
20 POWER COST RELATED THE SEBREE SMELTER FROM THE
21 NORMALIZED TEST YEAR IN THE SAME WAY YOU
22 ELIMINATED WHOLESale POWER COST RELATED TO
23 CENTURY IN CASE NO. 2013-00035.

1 A. On January 31, 2013, Alcan provided notice to Kenergy and Big Rivers to
2 terminate service at the Sebree Smelter. The Agreement will terminate as
3 of midnight January 31, 2014.

4 19. Q. HAVE YOU PREPARED EXHIBITS THAT SHOW THE REVENUE
5 CALCULATIONS FOR EACH TARIFF UNDER PRESENT AND
6 PROPOSED RATES?

7 A. Yes, revenue proofs for non-Direct Served rate classes are provided in
8 Exhibit JDG-4. The revenue calculations for the Class B and Class C
9 Direct Served customers are provided on Exhibit JDG-5. The revenue
10 calculations for the Class A Smelter customers are provided on Exhibit
11 JDG-6.

12 20. Q. IS KENERGY PROPOSING CHANGES TO ANY OTHER TARIFFS AS
13 A RESULT OF CHANGES PROPOSED BY BIG RIVERS TO ITS
14 TARIFF?

15 A. Yes, Kenergy is proposing to revise Schedule 23 – Renewable Resource
16 Energy Service Rider to reflect the change in the difference between the
17 renewable resource rate charged by Big Rivers and Sheet 22 energy rate
18 for standard service. The change is a \$0.0050 per kWh net reduction to the
19 “dedicated” premium rate. The net effect is that there will be no net
20 change to the existing price for renewable energy.

21 21. Q. PLEASE EXPLAIN EXHIBIT JDG-3.

22 A. Exhibit JDG- 3 provides a summary of revenues by rate for the test year.
23 As shown in columns (h) and (k), the proposed flow through results in a

1 uniform 27.9% base rate increase for non-direct served base rate revenues
2 across all rate classes and a 0.0% net overall increase including the effect
3 of the proposed Section 3 of Schedule MRSM. Non-direct Schedule FAC
4 and Schedule ES revenues are normalized respectively to reflect the
5 average of the FAC and ES factors for the twelve months ending
6 November 2013. Schedule US revenues are eliminated to reflect the effect
7 of the Alcan termination. Adjusting Schedules FAC, ES, and US revenues
8 has no net effect as Section 1 MRSM revenue is normalized to reflect the
9 prevailing EMF factor of \$0.007 per kWh and a corresponding wholesale
10 MRSM rate level of \$(0.003212) per kWh as calculated on Exhibit JDG-1.
11 Non-direct non-FAC PPA revenue is normalized to reflect the prevailing
12 wholesale non-FAC PPA rate level of \$(0.000389) per kWh as calculated
13 on Exhibit JDG-1. Exhibit JDG-3 further shows the effect of the proposed
14 flow through to the Direct Served classes. As shown, there would be no
15 net change in Class B and Class C revenue with the effect of the MRSM
16 on wholesale power costs. However, the class B base rate increase would
17 be 34.6%, and the Class C base rate increase would be 36.3%.

18 22. Q. IN YOUR OPINION, ARE THE TARIFFS PROPOSED BY KENERGY
19 FAIR, JUST, AND REASONABLE AND IN THE PUBLIC INTEREST?

20 A. Yes, they are.

21 23. Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

22 A. Yes, it does.

Determination of Flow Through Multiplier
To Pass Through the BREC Wholesale Rate Increase Filed in Case No. 2013-00199

Based on 12 Month Test Year Ending November 30, 2012

	<u>Item</u>	<u>Adjusted</u> <u>Units</u>	<u>Present</u> <u>Rate</u>	<u>Present</u> <u>Amount</u>	<u>Proposed</u> <u>Rate</u>	<u>Proposed</u> <u>Amount</u>	<u>Difference</u>
	a	b	c	d	e	f	g
1	Demand - Present	2,623,395 kW	\$ 12.914	\$ 33,878,523	\$ 24.742	\$ 64,908,039	\$ 31,029,516
2							
3	Energy	1,195,193,072 kWh	\$ 0.035000	\$ 41,831,758	\$ 0.035000	\$ 41,831,758	\$ -
4	Total			\$ 75,710,281		\$ 106,739,797	\$ 31,029,516
5	Less: Own Use <1>						\$ (64,101)
6	Pass Through Amount						\$ 30,965,415
7	Test Year Sales Base Rate Sales Revenue Including Unbilled						\$ 111,118,558
8	Flow Through Multiplier (1 + (Ln. 5 ÷ Ln. 7))						1.278670
9	Proposed Schedule MRSM Section 3 Discount Factor (1 - (1 ÷ the Flow Through Multiplier))						21.79374%
10	EMF of MRSM	1,195,193,072 kWh			\$ (0.003212)	\$ (3,838,960)	
11	kWh Sales					1,143,004,840	
12	Retail EMF Factor					(0.0033587)	
10	Non-FAC PPA	1,195,193,072 kWh	Nov. 2013 BREC 2013 PPA Rate		\$ (0.000389)	\$ (464,930)	
11	kWh Sales					1,143,004,840	
12	Retail PPA Factor					(0.000407)	

<1> Increase In Power Cost	\$ 31,029,516
kWh - Sold	÷ 1,143,004,840
Unit Cost (\$/kWh Sold)	\$ 0.027147
Own Use kWh	x 2,361,220
Allocated to Own Use	\$ 64,101

KENERGY
PROPOSED CHANGES TO NON-DIRECT SERVED TARIFF RATES

<u>Rate Tariff</u> a	Present <u>Rates</u> b	<u>Multiplier</u> c	Proposed <u>Rates</u> d
1 Schedule 1 - Residential			
2			
3 Customer Charge per month	\$ 13.83	1.278670	\$ 17.68 per month
4 Energy Charge per kWh	\$ 0.089782	1.278670	\$ 0.114802 per kWh
5			
6			
7 Schedule 3 - Non-residential Single Phase			
8			
9 Customer Charge per month	\$ 19.59	1.278670	\$ 25.05 per month
10 Energy Charge per kWh	\$ 0.088260	1.278670	\$ 0.11286 per kWh
11			
12			
13 Schedule 5 - Three Phase (0 - 1,000 kW)			
14			
15 Customer Charge per month	\$ 40.34	1.278670	\$ 51.58 per month
16 All KW During Month	\$ 5.12	1.278670	\$ 6.55 per kW
17 Primary Discount	\$ (0.58)	1.278670	\$ (0.74) per kW
18 Energy Charges per kWh:			
19 First 200 kWh per kW	\$ 0.077540	1.278670	\$ 0.09915 per kWh
20 Next 200 kWh per kW	\$ 0.059470	1.278670	\$ 0.07604 per kWh
21 Over 400 kWh per kW	\$ 0.052640	1.278670	\$ 0.06731 per kWh
22			
23			
24 Schedule 7 - Three Phase (Over 1,000 kW)			
25			
26 Customer Charge per month	\$ 864.35	1.278670	\$ 1,105.22 per month
27 High Load Factor:			
28 All KW During Month	\$ 10.81	1.278670	\$ 13.82 per kW
29 Energy Charges per kWh:			
30 First 200 kWh per kW	\$ 0.046250	1.278670	\$ 0.05914 per kWh
31 Next 200 kWh per kW	\$ 0.042490	1.278670	\$ 0.05433 per kWh
32 Over 400 kWh per kW	\$ 0.040220	1.278670	\$ 0.05143 per kWh
33			
34 Low Load Factor:			
35 All KW During Month	\$ 6.09	1.278670	\$ 7.79 per kW
36 Energy Charges per kWh:			
37 First 150 kWh per kW	\$ 0.064090	1.278670	\$ 0.08195 per kWh
38 Over 150 kWh per kW	\$ 0.056130	1.278670	\$ 0.07177 per kWh
39			
40 Primary Discount	\$ (0.58)	1.278670	\$ (0.74) per kW
41			

KENERGY
PROPOSED CHANGES TO NON-DIRECT SERVED TARIFF RATES

<u>Rate Tariff</u>	<u>Present</u>	<u>Multiplier</u>	<u>Proposed</u>
a	<u>Rates</u>	c	<u>Rates</u>
	b		d
42 Schedules 15 & 16 - Unmetered Lights			
43			
44 Private Outdoor Lighting			
45 Tariff sheet 15			
46 Standard(served overhead)			
47 7000 LUMEN-175W-MERCURY VAPOR	\$ 9.80	1.278670	\$ 12.53 per month
48 12000 LUMEN-250W-MERCURY VAPOR	\$ 11.73	1.278670	\$ 15.00 per month
49 20000 LUMEN-400W-MERCURY VAPOR	\$ 14.35	1.278670	\$ 18.35 per month
50 9500 LUMEN-100W-HPS	\$ 9.23	1.278670	\$ 11.80 per month
51 9000 LUMEN-100W METAL HALIDE	\$ 8.70	1.278670	\$ 11.12 per month
52 24000 LUMEN-400W METAL HALIDE	\$ 18.67	1.278670	\$ 23.87 per month
53 5200 LUMEN 60W NEMA HEAD	\$ 7.88	1.278670	\$ 10.08 per month
54 20000/27000 LUMEN 200/250W HPS	\$ 13.70	1.278670	\$ 17.52 per month
55 66000 LUMEN 400W HPS FLOOD	\$ 16.11	1.278670	\$ 20.60 per month
56 Tariff sheet 15A			
57 Commercial and Industrial Lighting			
58 Flood Lighting Fixture			
59 28000 LUMEN HPS-250W-FLOOD LGT	\$ 12.46	1.278670	\$ 15.93 per month
60 61000 LUMEN-400W-HPS-FLOOD LGT	\$ 16.12	1.278670	\$ 20.61 per month
61 140000 LUM-1000W-HPS-FLOOD LGT	\$ 37.17	1.278670	\$ 47.53 per month
62 19500 LUMEN-250W-MH-FLOOD LGT	\$ 11.93	1.278670	\$ 15.25 per month
63 32000 LUMEN-400W-MH-FLOOD LGT	\$ 16.05	1.278670	\$ 20.52 per month
64 107000 LUM-1000W-MH-FLOOD LGT	\$ 37.11	1.278670	\$ 47.45 per month
65 Contemporary(Shoebox)			
66 28000 LUMEN-250W-HPS SHOEBOX	\$ 14.09	1.278670	\$ 18.02 per month
67 61000 LUMEN-400W-HPS SHOEBOX	\$ 17.84	1.278670	\$ 22.81 per month
68 140000 LUMENS-1000 HPS SHOEBOX	\$ 37.17	1.278670	\$ 47.53 per month
69 19500 LUMEN-250W-MH SHOEBOX	\$ 13.55	1.278670	\$ 17.33 per month
70 32000 LUMENS-400W-MH SHOEBOX	\$ 17.49	1.278670	\$ 22.36 per month
71 107000 LUMENS-1000W-MH SHOEBOX	\$ 37.11	1.278670	\$ 47.45 per month
72 Decorative Lighting			
73 9000 LUMEN MH ACORN GLOBE	\$ 12.64	1.278670	\$ 16.16 per month
74 16600 LUM-175W-MH ACORN GLOBE	\$ 15.57	1.278670	\$ 19.91 per month
75 9000 LUM-175W-MH ROUND GLOBE	\$ 12.40	1.278670	\$ 15.86 per month
76 16600 LUM-175W-MH ROUND GLOBE	\$ 14.45	1.278670	\$ 18.48 per month
77 16600 LUM-175W-MH LANTERN GLOBE	\$ 14.60	1.278670	\$ 18.67 per month
78 28000 LUM - HPS ACORN GLOBE	\$ 14.26	1.278670	\$ 18.23 per month

KENERGY
PROPOSED CHANGES TO NON-DIRECT SERVED TARIFF RATES

	<u>Rate Tariff</u>	Present <u>Rates</u>	<u>Multiplier</u>	Proposed <u>Rates</u>
	a	b	c	d
79	Tariff sheet 15B			
80	Pedestal Mounted Pole			
81	STEEL 25 FT PEDESTAL MT POLE	\$ 8.00	1.278670	\$ 10.23 per month
82	STEEL 30 FT PEDESTAL MT POLE	\$ 9.00	1.278670	\$ 11.51 per month
83	STEEL 39 FT PEDESTAL MT POLE	\$ 15.13	1.278670	\$ 19.35 per month
84	WOOD 30 FT DIRECT BURIAL POLE	\$ 5.01	1.278670	\$ 6.41 per month
85	ALUMINUM 28 FT DIRECT BURIAL	\$ 10.30	1.278670	\$ 13.17 per month
86	FLUTED FIBERGLASS 15 FT POLE	\$ 11.01	1.278670	\$ 14.08 per month
87	FLUTED ALUMINUM 14FT POLE	\$ 12.09	1.278670	\$ 15.46 per month
88	Street Lighting Service			
89	Tariff sheet 16			
90	7000 LUMEN-175W-MERCURY VAPOR	\$ 9.80	1.278670	\$ 12.53 per month
91	20000 LUMEN-400W-MERCURY VAPOR	\$ 14.35	1.278670	\$ 18.35 per month
92	9500 LUMEN-100W-HPS STREET LGT	\$ 9.23	1.278670	\$ 11.80 per month
93	27000 LUMEN-250W-HPS ST LIGHT	\$ 13.70	1.278670	\$ 17.52 per month
94	9000 LUMEN-100W METAL HA	\$ 8.70	1.278670	\$ 11.12 per month
95	24000 LUMEN-400W METAL H	\$ 18.42	1.278670	\$ 23.55 per month
96	Tariff sheet 16A			
97	Underground service with non-std. pole			
98	UG NON-STD POLE-GOVT & DISTRICT	\$ 6.44	1.278670	\$ 8.23 per month
99	Overhead service to street lighting districts			
100	OH FAC-STREET LIGHT DISTRICT	\$ 2.69	1.278670	\$ 3.44 per month
101	Decorative Underground service			
102	6300 LUMEN-DECOR-70W-HPS ACORN	\$ 12.72	1.278670	\$ 16.26 per month
103	6300 LUM DECOR-70W-HPS LANTERN	\$ 12.72	1.278670	\$ 16.26 per month
104	12600 LUM HPS-70W-2 DECOR FIX	\$ 22.54	1.278670	\$ 28.82 per month
105	28000 LUM - HPS ACORN GL 14 FT POLE	\$ 24.39	1.278670	\$ 31.19 per month
106	Special street lighting districts			
107	BASKETT STREET LIGHTING	\$ 3.39	1.278670	\$ 4.33 per month
108	MEADOW HILL STREET LIGHTING	\$ 3.09	1.278670	\$ 3.95 per month
109	SPOTTSVILLE STREET LIGHTING	\$ 3.83	1.278670	\$ 4.90 per month

KENERGY
PROPOSED CHANGES TO DIRECT SERVED TARIFF RATES

	<u>Rate Tariff</u> a	Present <u>Rates</u> b	Wholesale <u>Increase</u> c	Proposed <u>Rates</u> d	
Schedules 34 & 34A - Class B					
1	All KW During Month	\$ 10.715	7.264	\$ 17.979	per kW
2	Energy Charge per kWh	\$ 0.030166	\$ 0.005000	\$ 0.035166	per kWh
Schedule 35 - Class C					
3	All KW During Month	\$ 10.715	7.264	\$ 17.979	per kW
4	Energy Charge per kWh	\$ 0.033000	\$ 0.005000	\$ 0.038000	per kWh

KENERGY
SUMMARY OF REVENUE - TEST YEAR ENDING NOVEMBER 2012

Ln. No.	RATE CLASS	AVG. NO. CUSTOMERS	KWH BILLED	Test Year Rev. Present Rates	Normalized Present Rates	Proposed Revenue	Revenue Change	Percent Change	Rev. / Con Present Rates	Proposed Increase per Con	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
73	Direct served (Class A - Alcan) - Power Cost	1	3,189,235,024	\$ 155,150,446	\$ -	\$ -	\$ -	NA	\$ -	\$ -	NA
74	Retail Adder			\$ 174,884	\$ 174,884	\$ 174,884	\$ -	0.0%	\$ 14,574	\$ -	0.0%
75	Total Class A - Alcan			\$ 155,325,330	\$ 174,884	\$ 174,884	\$ -	0.0%	\$ 14,574	\$ -	0.0%
76											
77	Direct served (Class A - Century) - Power Cost	1	4,234,231,838	\$ 205,193,625	\$ -	\$ -	\$ -	NA	\$ -	\$ -	NA
78	Retail Adder			\$ 221,908	\$ 221,908	\$ 221,908	\$ -	0.0%	\$ 18,492	\$ -	0.0%
79	Total Class A - Century			\$ 205,415,533	\$ 221,908	\$ 221,908	\$ -	0.0%	\$ 18,492	\$ -	0.0%
80											
81	Direct served (Class B) - base rate	3	816,501,145	\$ 25,852,445	\$ 29,507,360	\$ 39,729,780	\$ 10,222,420	34.6%	\$ 819,649	\$ 283,956	34.6%
82	Other charges and credits			\$ 5,969,601	\$ 5,969,601	\$ 5,969,601	\$ -	0.0%	\$ 165,822	\$ -	0.0%
83	MRSM Base Rate Credit					\$ (10,222,420)	\$ (10,222,420)	NA	\$ NA	\$ (283,956)	NA
84	Riders			\$ (4,067,183)	\$ (2,257,676)	\$ (2,257,676)	\$ -	0.0%	\$ (62,713)	\$ -	0.0%
85	Total Class B			\$ 27,754,863	\$ 33,219,285	\$ 33,219,285	\$ -	0.0%	\$ 922,758	\$ (0)	0.0%
86											
87	Class C - base rate	17	327,954,821	\$ 16,957,468	\$ 18,914,026	\$ 25,771,945	\$ 6,857,919	36.3%	\$ 92,716	\$ 33,617	36.3%
88	MRSM Base Rate Credit					\$ (6,857,919)	\$ (6,857,919)	NA	\$ NA	\$ (33,617)	NA
89	Riders			\$ (2,133,295)	\$ (1,180,965)	\$ (1,180,965)	\$ -	0.0%	\$ (5,789)	\$ -	0.0%
90	Total Class C			\$ 14,824,173	\$ 17,733,061	\$ 17,733,061	\$ -	0.0%	\$ 86,927	\$ (0)	0.0%
91											
92	Total direct serves	22	8,567,922,828	\$ 403,319,899	\$ 51,349,138	\$ 51,349,138	\$ -	0.0%			
93											
94											
95	Total System Sales Revenues	55,081	9,710,927,668	\$ 491,308,118	\$ 158,163,483	\$ 158,163,483	\$ -	0.0%			

KENERGY
CONSUMPTION ANALYSIS DATA AND REVENUE PROOF
TEST YEAR ENDING NOVEMBER 30, 2012

<u>Description</u> a	<u>Units</u> b	Test Year <u>Rates</u> c	Test Year <u>Revenue</u> d	Present <u>Rates</u> e	Normalized Present <u>Revenue</u> f	Proposed <u>Rate</u> g	Proposed <u>Revenue</u> h
Residential							
1	Customer Charge	540,574	\$ 12.00	\$ 6,486,888	\$ 13.83	\$ 7,476,138	\$ 9,557,348
2	Energy Charge	716,174,081	\$ 0.077469	\$ 55,481,290	\$ 0.089782	\$ 64,299,541	\$ 82,218,217
3	Subtotal			\$ 61,968,178		\$ 71,775,680	\$ 91,775,565
Non-Residential Single Phase							
1	Customer Charge	107,773	\$ 17.00	\$ 1,832,141	\$ 19.59	\$ 2,111,273	\$ 2,699,714
2	Energy Charge	113,867,926	\$ 0.076161	\$ 8,672,295	\$ 0.088260	\$ 10,049,983	\$ 12,851,134
3	Subtotal			\$ 10,504,436		\$ 12,161,256	\$ 15,550,848
Three Phase Under 1,000 kW							
1	Customer Charge	12,183	\$ 35.00	\$ 426,405	\$ 40.34	\$ 491,462	\$ 628,399
2	Demand Charge	674,474.55	\$ 4.41	\$ 2,974,433	\$ 5.12	\$ 3,453,310	\$ 4,417,808
3	Primary Discount	36,671	\$ (0.50)	\$ (18,336)	\$ (0.58)	\$ (21,269)	\$ (27,137)
4	PF Penalty	11,806	\$ 4.41	\$ 52,064	\$ 5.12	\$ 60,447	\$ 77,329
5	Subtotal Demand Charges			\$ 3,008,162		\$ 3,492,487	\$ 4,468,001
Energy Charge:							
6	First 200 kWh per kW	118,749,184	\$ 0.066898	\$ 7,944,083	\$ 0.077540	\$ 9,207,812	\$ 11,773,982
7	Next 200 kWh per kW	61,709,993	\$ 0.051315	\$ 3,166,648	\$ 0.059470	\$ 3,669,893	\$ 4,692,428
8	Over 400 kWh per kW	15,689,144	\$ 0.045419	\$ 712,585	\$ 0.052640	\$ 825,877	\$ 1,056,036
9	Adjustment for book diff.	(199,475)	\$ 0.060277	\$ (12,024)	\$ 0.069863	\$ (13,936)	\$ (17,820)
10	Subtotal Energy Charges	195,948,846		\$ 11,811,293		\$ 13,689,646	\$ 17,504,626
11	Subtotal			\$ 15,245,859		\$ 17,673,595	\$ 22,601,026

KENERGY
 CONSUMPTION ANALYSIS DATA AND REVENUE PROOF
 TEST YEAR ENDING NOVEMBER 30, 2012

<u>Description</u> a	<u>Units</u> b	<u>Test Year Rates</u> c	<u>Test Year Revenue</u> d	<u>Present Rates</u> e	<u>Normalized Present Revenue</u> f	<u>Proposed Rate</u> g	<u>Proposed Revenue</u> h
Three Phase Over 1,000 kW							
1 Customer Charge	180	\$ 750.00	\$ 135,000	\$ 864.35	\$ 155,583	\$ 1,105.22	\$ 198,940
High Load Factor:							
2 Demand Charge	200,193.09	\$ 9.32	\$ 1,865,800	\$ 10.81	\$ 2,164,087	\$ 13.82	\$ 2,766,668
3 Energy Charge:							
3 First 200 kWh per kW	40,038,617	\$ 0.039901	\$ 1,597,581	\$ 0.046250	\$ 1,851,786	\$ 0.05914	\$ 2,367,884
4 Next 200 kWh per kW	36,246,825	\$ 0.036653	\$ 1,328,555	\$ 0.042490	\$ 1,540,128	\$ 0.05433	\$ 1,969,290
5 Over 400 kWh per kW	<u>11,763,046</u>	\$ 0.034694	<u>\$ 408,107</u>	\$ 0.040220	<u>\$ 473,110</u>	\$ 0.05143	<u>\$ 604,973</u>
6 Subtotal Energy Charges	88,048,488		\$ 3,334,243		\$ 3,865,023		\$ 4,942,147
Low Load Factor:							
7 Demand Charge	25,179.60	\$ 5.25	\$ 132,193	\$ 6.09	\$ 153,344	\$ 7.79	\$ 196,149
8 Energy Charge:							
8 First 150 kWh per kW	3,710,190	\$ 0.055298	\$ 205,166	\$ 0.064090	\$ 237,786	\$ 0.08195	\$ 304,050
9 Over 150 kWh per kW	<u>636,210</u>	\$ 0.048423	<u>\$ 30,807</u>	\$ 0.056130	<u>\$ 35,710</u>	\$ 0.07177	<u>\$ 45,661</u>
10 Subtotal Energy Charges	4,346,400		\$ 235,973		\$ 273,497		\$ 349,711
11 Primary Discount	96,460.00	\$ (0.50)	\$ (48,230)	\$ (0.58)	\$ (55,947)	\$ (0.74)	\$ (71,380)
12 PF Penelty - High LF	5,118.92	\$ 9.32	\$ 47,708	\$ 10.81	\$ 55,335	\$ 13.82	\$ 70,743
13 PF Penelty - Low LF	2,822.84	\$ 5.25	<u>\$ 14,820</u>	\$ 6.09	<u>\$ 17,191</u>	\$ 7.79	<u>\$ 21,990</u>
14			\$ 5,717,507		\$ 6,628,114		\$ 8,474,968

KENERGY
 CONSUMPTIDN ANALYSIS DATA AND REVENUE PRODF
 TEST YEAR ENDING NDVEMBER 30, 2012

Description a	Units b	Test Year	Test Year	Present	Normalized	Proposed	Proposed	
		Rates c	Revenue d	Rates e	Present Revenue f	Rate g	Revenue h	
Private and Outdoor Lighting								
1	Private Outdoor Lighting							
2	Tariff sheet 15							
3	Standard(served overhead)							
4	7000 LUMEN-175W-MERCURY VAPOR	122,665	\$ 8.46	\$ 1,037,746	\$ 9.80	\$ 1,202,117	\$ 12.53	\$ 1,536,992
5	12000 LUMEN-250W-MERCURY VAPOR	2,199	\$ 10.12	\$ 22,254	\$ 11.73	\$ 25,794	\$ 15.00	\$ 32,985
6	20000 LUMEN-400W-MERCURY VAPOR	6,161	\$ 12.34	\$ 76,027	\$ 14.35	\$ 88,410	\$ 18.35	\$ 113,054
7	9500 LUMEN-100W-HPS	3,915	\$ 7.97	\$ 31,203	\$ 9.23	\$ 36,135	\$ 11.80	\$ 46,197
8	9000 LUMEN-100W METAL HALIDE	16,952	\$ 7.50	\$ 127,140	\$ 8.70	\$ 147,482	\$ 11.12	\$ 188,506
9	24000 LUMEN-400W METAL HALIDE	800	\$ 16.11	\$ 12,888	\$ 18.67	\$ 14,936	\$ 23.87	\$ 19,096
10	5200 LUMEN 60W NEMA HEAD	-	\$ 6.84	\$ -	\$ 7.88	\$ -	\$ 10.08	\$ -
11	20000/27000 LUMEN 200/250W HPS	2,144	\$ 11.82	\$ 25,342	\$ 13.70	\$ 29,373	\$ 17.52	\$ 37,563
12	66000 LUMEN 400W HPS FLOOD	648	\$ 13.90	\$ 9,007	\$ 16.11	\$ 10,439	\$ 20.60	\$ 13,349
13	Tariff sheet 15A							
14	Commercial and Industrial Lighting							
15	Flood Lighting Fixture							
16	28000 LUMEN HPS-250W-FLDOD LGT	1,020	\$ 10.75	\$ 10,965	\$ 12.46	\$ 12,709	\$ 15.93	\$ 16,249
17	61000 LUMEN-400W-HPS-FLDDD LGT	1,395	\$ 13.91	\$ 19,404	\$ 16.12	\$ 22,487	\$ 20.61	\$ 28,751
18	140000 LUM-1000W-HPS-FLOOD LGT	108	\$ 32.06	\$ 3,462	\$ 37.17	\$ 4,014	\$ 47.53	\$ 5,133
19	19500 LUMEN-250W-MH-FLOOD LGT	422	\$ 10.30	\$ 4,347	\$ 11.93	\$ 5,034	\$ 15.25	\$ 6,436
20	32000 LUMEN-400W-MH-FLODD LGT	1,712	\$ 13.85	\$ 23,711	\$ 16.05	\$ 27,478	\$ 20.52	\$ 35,130
21	107000 LUM-1000W-MH-FLOOD LGT	489	\$ 32.02	\$ 15,658	\$ 37.11	\$ 18,147	\$ 47.45	\$ 23,203
22	Contemporary(Shoebox)							
23	28000 LUMEN-250W-HPS SHOEBOX	36	\$ 12.17	\$ 438	\$ 14.09	\$ 507	\$ 18.02	\$ 649
24	61000 LUMEN-400W-HPS SHDEBOX	156	\$ 15.39	\$ 2,401	\$ 17.84	\$ 2,783	\$ 22.81	\$ 3,558
25	140000 LUMENS-1000 HPS SHOEBOX	-	\$ 32.02	\$ -	\$ 37.17	\$ -	\$ 47.53	\$ -
26	19500 LUMEN-250W-MH SHOEBOX	24	\$ 11.70	\$ 281	\$ 13.55	\$ 325	\$ 17.33	\$ 416
27	32000 LUMENS-400W-MH SHOEBOX	1,164	\$ 15.09	\$ 17,565	\$ 17.49	\$ 20,358	\$ 22.36	\$ 26,027
28	107000 LUMENS-1000W-MH SHOEBOX	696	\$ 32.02	\$ 22,286	\$ 37.11	\$ 25,829	\$ 47.45	\$ 33,025

KENERGY
 CONSUMPTION ANALYSIS DATA AND REVENUE PROOF
 TEST YEAR ENDING NOVEMBER 30, 2012

Description a	Units b	Test Year	Test Year	Present	Normalized	Proposed	Proposed
		Rates c	Revenue d	Rates e	Present Revenue f	Rate g	Revenue h
29 Decorative Lighting							
30 9000 LUMEN MH ACORN GLOBE	132	\$ 10.91	\$ 1,440	\$ 12.64	\$ 1,668	\$ 16.16	\$ 2,133
31 16600 LUM-175W-MH ACORN GLOBE	276	\$ 13.44	\$ 3,709	\$ 15.57	\$ 4,297	\$ 19.91	\$ 5,495
32 9000 LUM-175W-MH ROUND GLOBE	6	\$ 10.70	\$ 64	\$ 12.40	\$ 74	\$ 15.86	\$ 95
33 16600 LUM-175W-MH ROUND GLOBE	132	\$ 12.47	\$ 1,646	\$ 14.45	\$ 1,907	\$ 18.48	\$ 2,439
34 16600 LUM-175W-MH LANTERN GLOBE	-	\$ 12.60	\$ -	\$ 14.60	\$ -	\$ 18.67	\$ -
35 28000 LUM - HPS ACORN GLOBE	24	\$ 12.31	\$ 295	\$ 14.26	\$ 342	\$ 18.23	\$ 438
36 Tariff sheet 15B							
37 Pedestal Mounted Pole							
38 STEEL 25 FT PEDESTAL MT POLE	384	\$ 6.90	\$ 2,650	\$ 8.00	\$ 3,072	\$ 10.23	\$ 3,928
39 STEEL 30 FT PEDESTAL MT POLE	1,284	\$ 7.77	\$ 9,977	\$ 9.00	\$ 11,556	\$ 11.51	\$ 14,779
40 STEEL 39 FT PEDESTAL MT POLE	132	\$ 13.06	\$ 1,724	\$ 15.13	\$ 1,997	\$ 19.35	\$ 2,554
41 WOOD 30 FT DIRECT BURIAL POLE	817	\$ 4.33	\$ 3,538	\$ 5.01	\$ 4,093	\$ 6.41	\$ 5,237
42 ALUMINUM 28 FT DIRECT BURIAL	58	\$ 8.89	\$ 516	\$ 10.30	\$ 597	\$ 13.17	\$ 764
43 FLUTED FIBERGLASS 15 FT POLE	420	\$ 9.50	\$ 3,990	\$ 11.01	\$ 4,624	\$ 14.08	\$ 5,914
44 FLUTED ALUMINUM 14FT POLE	96	\$ 10.43	\$ 1,001	\$ 12.09	\$ 1,161	\$ 15.46	\$ 1,484
45 Street Lighting Service							
46 Tariff sheet 16							
47 7000 LUMEN-175W-MERCURY VAPOR	4,576	\$ 8.46	\$ 38,713	\$ 9.80	\$ 44,845	\$ 12.53	\$ 57,337
48 20000 LUMEN-400W-MERCURY VAPOR	2,025	\$ 12.38	\$ 25,070	\$ 14.35	\$ 29,059	\$ 18.35	\$ 37,159
49 9500 LUMEN-100W-HPS STREET LGT	7,467	\$ 7.96	\$ 59,437	\$ 9.23	\$ 68,920	\$ 11.80	\$ 88,111
50 27000 LUMEN-250W-HPS ST LIGHT	659	\$ 11.78	\$ 7,763	\$ 13.70	\$ 9,028	\$ 17.52	\$ 11,546
51 9000 LUMEN-100W METAL HA	62	\$ 7.50	\$ 465	\$ 8.70	\$ 539	\$ 11.12	\$ 689
52 24000 LUMEN-400W METAL H	49	\$ 15.89	\$ 779	\$ 18.42	\$ 903	\$ 23.55	\$ 1,154
53 Tariff sheet 16A							
54 Underground service with non-std. pole							
55 UG NON-STD POLE-GOVT & DISTRICT	6,492	\$ 5.56	\$ 36,096	\$ 6.44	\$ 41,808	\$ 8.23	\$ 53,429
56 Overhead service to street lighting districts							
57 OH FAC-STREET LIGHT DISTRICT	144	\$ 2.31	\$ 333	\$ 2.69	\$ 387	\$ 3.44	\$ 495
58 Decorative Underground service							
59 6300 LUMEN-DECOR-70W-HPS ACORN	3,902	\$ 10.97	\$ 42,805	\$ 12.72	\$ 49,633	\$ 16.26	\$ 63,447
60 6300 LUM DECOR-70W-HPS LANTERN	2,710	\$ 10.97	\$ 29,729	\$ 12.72	\$ 34,471	\$ 16.26	\$ 44,065
61 12600 LUM HPS-70W-2 DECOR FIX	360	\$ 19.44	\$ 6,998	\$ 22.54	\$ 8,114	\$ 28.82	\$ 10,375
62 28000 LUM - HPS ACORN GL 14 FT POLE	488	\$ 21.04	\$ 10,268	\$ 24.39	\$ 11,902	\$ 31.19	\$ 15,221
63 Special street lighting districts							
64 BASKETT STREET LIGHTING	838	\$ 2.92	\$ 2,447	\$ 3.39	\$ 2,841	\$ 4.33	\$ 3,629
65 MEADOW HILL STREET LIGHTING	359	\$ 2.67	\$ 959	\$ 3.09	\$ 1,109	\$ 3.95	\$ 1,418
66 SPOTTSVILLE STREET LIGHTING	813	\$ 3.30	\$ 2,683	\$ 3.83	\$ 3,114	\$ 4.90	\$ 3,984
Total			\$ 1,757,217		\$ 2,036,426		\$ 2,603,637

KENERGY
CLASS B DIRECT SERVED CUSTOMERS CONSUMPTION ANALYSIS

Item a	Units b	Test Year	Test Year	Present	Normalized	Proposed	Proposed	Difference g
		Rates c	Revenue d	Rates e	Present Revenue f	Rate g	Revenue h	
1 Wholesale charges:								
2 Demand charge per kw	975,720	\$ 10.50	\$ 10,245,060	\$ 10.715	\$ 10,454,840	\$ 17.979	\$ 17,542,470	\$ 7,087,630
3								
4 Energy charge per kwh	626,958,030	\$ 0.024505	\$ 15,363,607	\$ 0.030000	\$ 18,808,741	\$ 0.03500	\$ 21,943,531	\$ 3,134,790
5 Curtailment credit			\$ -		\$ -		\$ -	\$ -
6								
7 Charges related to providing backup power								
8 for the Cogeneration load:								
9 Monthly fixed charge								
10 Metering and billing charge	12	\$ 2,651	\$ 31,811	\$ 1	\$ 31,811	\$ 2,651	\$ 31,811	\$ -
11 Backup power	189,543,115	\$ 0.030327	\$ 5,748,247	\$ 0.030327	\$ 5,748,247	\$ 0.030327	\$ 5,748,247	\$ -
12 Energy imbalance charge			\$ -		\$ -		\$ -	\$ -
13 Power factor penalty			\$ 29,863		\$ 29,863		\$ 29,863	\$ -
14 Backup power replacement service	189,543,115	\$ 0.001000	\$ 189,543	\$ 0.001000	\$ 189,543	\$ 0.001000	\$ 189,543	\$ -
15 Curtailed Power			\$ -		\$ -		\$ -	\$ -
16								\$ -
17 Sum of unwind factors	626,958,030	\$ (0.005368)	\$ (3,365,601)	\$ (0.003212)	\$ (2,013,789)	\$ (0.003212)	\$ (2,013,789)	\$ -
18 Non-FAC PPA Rider			\$ (701,582)	\$ (0.000389)	\$ (243,887)	\$ (0.000389)	\$ (243,887)	\$ -
19 MRSB Base Rate Offset							\$ (10,222,420)	\$ (10,222,420)
20 Power cost			\$ 27,540,948		\$ 33,005,369		\$ 33,005,369	\$ -
21								
22 Retail adder:								
23 Customer charge:	36	\$ 1,028	\$ 37,008	\$ 1,028	\$ 37,008	\$ 1,028	\$ 37,008	\$ -
24 Energy charge per kwh(line 4 plus 14 col.b)	816,501,145	\$ 0.000166	\$ 135,539	\$ 0.000166	\$ 135,539	\$ 0.000166	\$ 135,539	\$ -
25 Energy generated at site - retail adder	249,207,702	\$ 0.000166	\$ 41,368	\$ 0.000166	\$ 41,368	\$ 0.000166	\$ 41,368	\$ -
26 Subtotal			\$ 213,916		\$ 213,916		\$ 213,916	\$ -
27								
28 Revenue			\$ 27,754,863		\$ 33,219,285		\$ 33,219,285	\$ -

KENERGY
CLASS C DIRECT SERVED CUSTOMERS CONSUMPTION ANALYSIS

Item a	Units b	Test Year	Test Year	Present	Normalized	Proposed	Proposed		
		Rates c	Revenue d	Rates e	Revenue f	Rate g	Revenue h		
1	Wholesale charges:								
2	Demand charge per kw	709,227	\$ 10.50	\$ 7,446,884	\$ 10.715	\$ 7,599,367	\$ 17.979	\$ 12,751,192	\$ 5,151,825
3	Power factor penalty per kw	9,130	\$ 10.50	\$ 95,865	\$ 10.715	\$ 97,828	\$ 17.979	\$ 164,148	\$ 66,320
4	Energy charge per kwh	327,954,821	\$ 0.024505	\$ 8,036,533	\$ 0.030000	\$ 9,838,645	\$ 0.03500	\$ 11,478,419	\$ 1,639,774
5	Special Transmission Charges			\$ 119,728		\$ 119,728		\$ 119,728	\$ -
6									
7	Sum of unwind factors	327,954,821	\$ (0.005388)	\$ (1,766,928)	\$ (0.003212)	\$ (1,053,391)	\$ (0.003212)	\$ (1,053,391)	\$ -
8	Non-FAC PPA Rider			\$ (366,367)	\$ (0.000389)	\$ (127,574)	\$ (0.000389)	\$ (127,574)	\$ -
9	MRSM Base Rate Offset							\$ (6,857,919)	\$ (6,857,919)
10	Power cost			\$ 13,565,714		\$ 16,474,603		\$ 16,474,603	\$ -
11									
12	Retail adder:								
13	Customer charge:	192	\$ 100	\$ 19,200	\$ 100	\$ 19,200	\$ 100	\$ 19,200	\$ -
14	Energy generated at site - retail adder	327,954,821	\$ 0.003000	\$ 983,864	\$ 0.003000	\$ 983,864	\$ 0.003000	\$ 983,864	\$ -
15	Facilities charge @ 1.30% *\$ of invest.	12	\$ 21,283	\$ 255,394	\$ 21,283	\$ 255,394	\$ 21,283	\$ 255,394	\$ -
16	Subtotal			\$ 1,258,458		\$ 1,258,458		\$ 1,258,458	\$ -
17									
18				\$ 14,824,172		\$ 17,733,061		\$ 17,733,061	\$ -

KENERGY CORP.
2013 RATE APPLICATION
DIRECT SERVED CLASS A CONSUMPTION ANALYSIS

(a)	item (b)	(c)	<u>Test year amounts</u> (d)	(e)	(f)	<u>Normalized amounts</u> (g)	(h)	(i)	<u>Proposed amounts</u> (j)	(k)
ALCAN										
1	Contract reference									
2	Section 1.1.15			368,000						
3				<u>3,167,861,760</u>						
4				<u>3,180,026,314</u>						
5				<u>12,164,554</u>						
6			9,208,710	<u>9,208,710</u>						
7	Section 4.2	\$ 0.039432	1,055,593,280	41,624,154						
8		\$ 0.039392	2,112,268,480	83,206,480						
9		\$ 0.021806	<u>12,164,554</u>	265,260						
10										
11	Section 4.3		-	\$ -						
12	Section 4.4	0.0373820		\$ 344,244						
13	Section 4.5			\$ -						
14	Section 4.6			\$ -						
15	Section 4.7.1			\$ 9,079,797						
16	Section 4.8.1	0.0028043	3,180,026,314	\$ 8,917,652						
17	Section 4.8.2			(622,417)						
18	Section 4.8.3	0.0021505	3,180,026,314	\$ 6,838,676						
19	Section 16.5.1			\$ -						
20				\$ -						
21	Section 4.9			\$ -						
22	Section 4.10			\$ -						
23	Section 4.11			\$ 5,843,842						
24				\$ -						
25				\$ -						
26				\$ -						
27	Section 4.13			\$ -						
28				\$ (323,078)						
29				\$ -						
30				\$ -						
31				\$ -						
32				\$ -						
33	Section 4.14			\$ -						
34	Section 4.15			\$ -						
35	Section 5.1			\$ (24,195)						
36				\$ 29						
37				\$ 155,150,446						
38	Section 4.12									
39		0.000045	<u>3,189,235,024</u>	\$ 143,516	\$ 0.000045	<u>3,189,235,024</u>	\$ 143,516	\$ 0.000045	<u>3,189,235,024</u>	\$ 143,516
40		2,614	times 12 months	<u>\$ 31,368</u>	\$ 2,614	times 12 months	<u>\$ 31,368</u>	\$ 2,614	times 12 months	<u>\$ 31,368</u>
41				<u>\$ 155,325,330</u>			<u>\$ 174,884</u>			<u>\$ 174,884</u>
42										
43								Increase		\$ -

KENERGY CORP.
2013 RATE APPLICATION
DIRECT SERVED CLASS A CONSUMPTION ANALYSIS

(a)	<u>item</u> (b)	(c)	<u>Test year amounts</u>		(e)	(f)	<u>Normalized amounts</u>		(h)	(i)	<u>Proposed amounts</u>		(k)
			(d)				(g)				(j)		
CENTURY													
1	Contract reference												
2	Section 1.1.15				482,000								
3					4,149,210,240								
4					4,218,009,756								
5					68,799,516								
6				15,806,082	15,806,082								
7	Section 4.2	\$ 0.039432	1,382,597,720		54,518,593								
8		\$ 0.039392	2,766,612,520		108,982,400								
9		\$ 0.021806	68,799,516		1,500,242								
10													
11	Section 4.3		416,000	\$	13,147								
12	Section 4.4	0.0377740		\$	597,053								
13	Section 4.5			\$	-								
14	Section 4.6			\$	-								
15	Section 4.7.1			\$	11,892,560								
16	Section 4.8.1	0.0028060	4,218,009,756	\$	11,835,899								
17	Section 4.8.2			\$	(829,801)								
18	Section 4.8.3	0.0021508	4,218,009,756	\$	9,072,241								
19	Section 16.5.1			\$	-								
20				\$	-								
21	Section 4.9			\$	-								
22	Section 4.10			\$	-								
23	Section 4.11			\$	7,654,140								
24				\$	-								
25				\$	-								
26				\$	-								
27	Section 4.13			\$	-								
28				\$	-								
29				\$	-								
30				\$	-								
31				\$	-								
32				\$	-								
33	Section 4.14			\$	-								
34	Section 4.15			\$	-								
35	Section 5.1			\$	(42,888)								
36				\$	36								
37				\$	205,193,625								
38	Section 4.12												
39		0.000045	4,234,231,838	\$	190,540	\$	0.000045	4,234,231,838	\$	190,540			
40		2,614	times 12 months	\$	31,368	\$	2,614	times 12 months	\$	31,368			
41				\$	205,415,533	(5)			\$	221,908			

KENERGY
 PROPOSED CHANGES TO SCHEDULE 23
 RENEWABLE RESOURCE ENERGY SERVICE TARIFF RIDER

	<u>Present</u>	<u>Proposed</u>
<u>DETERMINATION OF KWH ADDER - NON DEDICATED</u>		
1 Charge from Big Rivers for Renewable Energy	\$ 0.055000	\$ 0.055000
2 Less: Big Rivers Standard Energy rate	<u>\$ 0.035000</u>	<u>\$ 0.035000</u>
3 Difference	\$ 0.020000	\$ 0.020000
4 1 Minus Line Loss of (4.169%)	<u>0.95831</u>	<u>0.95831</u>
5 kWh Adder	\$ 0.020870	\$ 0.020870

<u>DETERMINATION OF KWH ADDER - DIRECT SERVED LARGE INDUSTRIALS</u>		
6 Charge from Big Rivers for Renewable Energy	\$ 0.055000	\$ 0.055000
7 Less: Big Rivers Standard Energy rate	<u>\$ 0.030000</u>	<u>\$ 0.035000</u>
8 kWh Adder	\$ 0.025000	\$ 0.020000

Kenergy Corp
FAC and Environmental Surcharge Factors
For the 12 Months Ending November 2013

	<u>Month</u>		<u>FAC</u>		<u>ES</u>
1	Dec-13	\$	0.004019	\$	0.003302
2	Jan-13	\$	0.004066	\$	0.002866
3	Feb-13	\$	0.002131	\$	0.002453
4	Mar-13	\$	0.002374	\$	0.002653
5	Apr-13	\$	0.003472	\$	0.002853
6	May-13	\$	0.004099	\$	0.002818
7	Jun-13	\$	0.003442	\$	0.002873
8	Jul-13	\$	0.004478	\$	0.003338
9	Aug-13	\$	0.003553	\$	0.002904
10	Sep-13	\$	0.002702	\$	0.002486
11	Oct-13	\$	0.003373	\$	0.003154
12	Nov-13	\$	0.002852	\$	0.003890
13					
14	Average	\$	0.003380	\$	0.002966



CONTENTS

CLASSIFICATION OF SERVICE

<u>SCHEDULE</u>		<u>SHEET NO.</u>
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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Eighth Revised SHEET NO. 1

CANCELLING PSC NO. 2

Seventh Revised SHEET NO. 1

CLASSIFICATION OF SERVICE
Schedule 1 - Residential Service (Single Phase & Three-Phase)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for single and three-phase single family residential service. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes.

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, Kenergy may require, as a condition precedent to the application of the residential rate, the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member's option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate.

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate.

RATE

- I Customer Charge per delivery point\$17.68 per month
Plus:
I Energy Charge per KWH\$0.114802

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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Eighth Revised SHEET NO. 3

CANCELLING PSC NO. 2

Seventh Revised SHEET NO. 3

CLASSIFICATION OF SERVICE

Schedule 3 – All Non-Residential Single Phase

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all non-residential single phase service.

Three-phase service under this rate schedule is restricted to those customers being billed on this rate schedule as of its effective date of June 14, 2005.

RATE

I Customer Charge per delivery point \$25.05 per month

Plus:

I Energy Charge per KWH.....\$0.0112860

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider	Sheets No. 23 - 23D
Fuel Adjustment Rider	Sheets No. 24 - 24A
Environmental Surcharge Rider	Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider	Sheets No. 26 - 26A
Rebate Adjustment Rider	Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider	Sheets No. 28 - 28A
Rural Economic Reserve Adjustment Rider	Sheet No. 29
Non-FAC Purchased Power Adjustment Rider	Sheets No. 30 - 30A

TAXES AND FEES

School Taxes added if applicable.

Kentucky Sales Taxes added if applicable.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Seventh Revised SHEET NO. 5

CANCELLING PSC NO. 2

Sixth Revised SHEET NO. 5

CLASSIFICATION OF SERVICE

Schedule 5 – Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 – 1,000 KW)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase customers (non-residential) with a metered demand 0 – 1,000 KW for all uses served from non-dedicated delivery points.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

AGREEMENT

An "Agreement for Purchase of Power" may be required of the customer for service under this schedule, in accordance with investment to serve and as mutually agreed to by both parties. For any type of service that is not considered permanent, see tariff Sheet No. 138.

RATE

I Customer Charge per Delivery Point..... \$51.58 per month

Plus:

Demand Charge of:

I Per KW of billing demand in the month \$ 6.55

Plus:

Energy Charges of:

I First 200 KWH per KW, per KWH..... \$0.09915

I Next 200 KWH per KW, per KWH..... \$0.07605

I All Over 400 KWH per KW, per KWH\$0.06732

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IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Third Revised SHEET NO. 5B

CANCELLING PSC NO. 2

Second Revised SHEET NO. 5B

CLASSIFICATION OF SERVICE

Schedule 5 – Three-Phase Demand (Non-Residential)

Non-Dedicated Delivery Points (0 – 1,000 KW)

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

$$\frac{\text{Max. Measured KW} \times 90\%}{\text{Power Factor (\%)}}$$

The power factor shall be measured at time of maximum load.

PRIMARY SERVICE DISCOUNT

If service is furnished at primary distribution voltage, a discount of \$.74 per KW of Billing Demand will be applied to the monthly bill. Kenergy shall have the option of metering at primary or secondary voltage.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Seventh Revised SHEET NO. 7

CANCELLING PSC NO. 2

Sixth Revised SHEET NO. 7

CLASSIFICATION OF SERVICE

Schedule 7 – Three-Phase Demand – 1,001 KW and Over (Non-Dedicated Delivery Points)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all three-phase customers with a metered or contract demand 1,001 KW & Over served from a non-dedicated delivery point.

Any service provided under this tariff shall be for a minimum of twelve (12) consecutive months, whereby the customer will be billed a minimum of 1,001 KW for next twelve (12) months.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

RATE

Option A – High Load Factor (above 50%):

Customer Charge per Delivery Point..... \$1,105.22 per month

Plus:

Demand Charge of:

I Per KW of Billing Demand in the month\$13.82

Plus:

Energy Charges of:

I First 200 KWH per KW, per KWH.....\$0.05914

I Next 200 KWH per KW, per KWH\$0.05433

I All Over 400 KWH per KW, per KWH\$0.05143

I Primary Service Discount.....\$.74 per KW

Option B – Low Load Factor (below 50%):

I Customer Charge per Delivery Point..... \$1,105.22 per month

Plus:

Demand Charge of:

I Per KW of Billing Demand in the month.....\$7.79

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Eighth Revised SHEET NO. 7A

CANCELLING PSC NO. 2

Seventh Revised SHEET NO. 7A

CLASSIFICATION OF SERVICE

Schedule 7 – Three-Phase Demand – 1,001 KW and Over (Non-Dedicated Delivery Points)

Plus:

Energy Charges of:

- I First 150 KWH per KW, per KWH\$0.08195
I Over 150 KWH per KW, per KWH.....\$0.07177
I Primary Service Discount\$.74 per KW

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Unwind Surcredit Adjustment Rider, Rebate Adjustment Rider, Member Rate Stability Mechanism Rider, Rural Economic Reserve Adjustment Rider, Price Curtailable Service Rider, Non-FAC Purchased Power Adjustment Rider.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

AGREEMENT

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule. The minimum monthly charge shall be in accordance with investment to serve and as mutually agreed to by both parties. Should the provisions of the expansion rate contained on Sheets 41 – 41F apply, additional language incorporating those provisions will be added to the agreement. For any type of service that is not considered permanent, see tariff Sheet No. 138.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Third Revised SHEET NO. 7B

CANCELLING PSC NO. 2

Second Revised SHEET NO. 7B

CLASSIFICATION OF SERVICE

Schedule 7 – Three-Phase Demand – 1,001 KW and Over
(Non-Dedicated Delivery Points)

OPTION A OR B RATE SELECTION

The option chosen by the customer will remain in effect for a minimum of twelve months. Thereafter, the customer may, upon request, transfer from one option to the other after twelve months of service under the option previously chosen.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the greater of the actual maximum kilowatt demand used by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter or the minimum contract demand, which must equal or exceed 1,001 KW.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus which shall result, during normal operation, in a power factor not lower than 90%.

At Kenergy's option, in lieu of the customers providing the above corrective equipment, when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

PRIMARY SERVICE DISCOUNT

I If service is furnished at primary distribution voltage, a discount of \$.74 per KW of Billing Demand will be applied to the monthly bill. Kenergy shall have the option of metering at primary or secondary voltage.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Eighth Revised SHEET NO. 15
CANCELLING PSC NO. 2
Seventh Revised SHEET NO. 15

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this schedule is offered, under the conditions set out hereinafter, for lighting applications on private property such as, but not limited to, residential, commercial and industrial plant site or parking lot, other commercial area lighting, etc. to customers now receiving electric service from Kenergy at the same location. Service will be provided under written contract signed by customer prior to service commencing, when facilities are required other than fixture(s).

Standard (Served Overhead)

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), (per lamp per month) Rates. Includes rows for Mercury Vapor and High Pressure Sodium fixtures.

Available for New Installations after December 1, 2012:

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), Rates. Includes rows for LED NEMA Head, High Pressure Sodium, and High Pressure Sodium-Flood Light.

In the event existing facilities cannot be utilized, customer will be required to make an advance contribution equal to the estimated cost of labor and materials in excess of the cost to install the lighting unit on existing facilities. Customer shall be responsible for losses due to vandalism.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Eighth Revised SHEET NO. 15A

CANCELLING PSC NO. 2

Seventh Revised SHEET NO. 15A

CLASSIFICATION OF SERVICE

Schedule 15 – Private Outdoor Lighting

Commercial and Industrial Lighting

(Available to all classes except residential)

Type Light	Watts	Approx. Lumens	Avg. Monthly Energy (KWH)	(per lamp per month) Rates
------------	-------	----------------	---------------------------	----------------------------

Available for New Installations after April 1, 2011:

Flood Lighting Fixture

High Pressure Sodium	250	28,000	103	\$15.93
High Pressure Sodium	400	61,000	160	\$20.61

Not Available for New Installations after December 1, 2012:

High Pressure Sodium	1,000	140,000	377	\$47.53
Metal Halide	250	19,500	98	\$15.25
Metal Halide	400	32,000	156	\$20.52
Metal Halide	1,000	107,000	373	\$47.45

Not Available for New Installations after April 1, 2011:

Contemporary (Shoebox) Lighting Fixture

High Pressure Sodium	250	28,000	103	\$18.02
High Pressure Sodium	400	61,000	160	\$22.81
High Pressure Sodium	1,000	140,000	377	\$47.53
Metal Halide	250	19,500	98	\$17.33
Metal Halide	400	32,000	156	\$22.36
Metal Halide	1,000	107,000	373	\$47.45

Not Available for New Installations after April 1, 2011:

Decorative Lighting Fixtures

Acorn Globe Metal Halide	100	9,000	42	\$16.16
Acorn Globe Metal Halide	175	16,600	71	\$19.91
Round Globe Metal Halide	100	9,000	42	\$15.86
Round Globe Metal Halide	175	16,600	71	\$18.48
Lantern Globe Metal Halide	175	16,600	71	\$18.67
Acorn Globe HPS	100	9,500	42	\$18.23

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Seventh Revised SHEET NO. 15B

CANCELLING PSC NO. 2

Sixth Revised SHEET NO. 15B

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

Rate Per Month

Pedestal Mounted Pole

Not Available for New Installations after April 1, 2011:

Table with 2 columns: Item description (Steel, 25 ft. - per pole, etc.) and Rate (\$10.23, etc.)

Direct Burial Pole

Available for New Installations after April 1, 2011:

Table with 2 columns: Item description (Wood, 30 ft. - per pole, etc.) and Rate (\$ 6.41, etc.)

Not Available for New Installations after April 1, 2011:

Table with 2 columns: Item description (Fluted Fiberglass, 15 ft. - per pole, etc.) and Rate (\$14.08, etc.)

Kenergy will furnish facilities and electric service for commercial/industrial exterior lighting applications in accordance with an appropriate lease lighting agreement.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table listing various riders (Renewable Resource Energy Service Rider, Fuel Adjustment Rider, etc.) and their corresponding sheet numbers (23-23D, 24-24A, etc.)

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Seventh Revised SHEET NO. 16

CANCELLING PSC NO. 2

Sixth Revised SHEET NO. 16

CLASSIFICATION OF SERVICE

Schedule 16 – Street Lighting Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

I

To governmental units, lighting districts, or similar entities organized under KRS 179.470 located within the territory served by Kenergy. Service to the subdivisions of Baskett (\$4.33), Meadow Hills (\$3.95) and Spottsville (\$4.90) under a shared service agreement is restricted to those customers being billed under the special rate as of its effective date of June 14, 2005.

CONDITIONS OF SERVICE - STANDARD

Normally, street lighting fixtures and facilities are furnished and maintained by Kenergy at the rates specified below. However, special situations may require that service terms and conditions be negotiated individually and mutually agreed upon.

Street lighting for subdivision street lighting districts or similar entities created by a county fiscal court pursuant to KRS 179.470 will be coordinated with the appropriate county fiscal court. The rates for such service shall be in accordance with those specified below. Agreements for street lighting service with a county fiscal court and a street lighting district may (1) provide for advance collection of charges for street lighting service and (2) provide that service to a street lighting district will not be disconnected for nonpayment as long as the fiscal court of the county in which the street lighting district is located agrees to pay for the expense of street lighting on the terms provided in this tariff, collects the assessment in accordance with the customary procedures for collecting county ad valorem real property taxes, and within a reasonable time, pays Kenergy any amounts so collected.

RATE

Type Light	Watts	Approx. Lumens	Avg. Monthly Energy (KWH)	(per light per month) Rates
<i>Not Available for New Installations after April 1, 2011 - will be replaced with the nearest equivalent lumen fixture</i>				
I Mercury Vapor	175	7,000	70	\$12.53
I Mercury Vapor	400	20,000	155	\$18.35
<i>Available for New Installations after April 1, 2011:</i>				
I High Pressure Sodium	100	9,500	43	\$11.80
I High Pressure Sodium	250	27,000	85	\$17.52
<i>Not Available for New Installations after April 1, 2011 - will be replaced with the nearest equivalent lumen fixture</i>				
I Metal Halide	100	9,000	42	\$11.12
I Metal Halide	400	24,000	156	\$23.55

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Seventh Revised SHEET NO. 16A

CANCELLING PSC NO. 2

Sixth Revised SHEET NO. 16A

CLASSIFICATION OF SERVICE

Schedule 16 – Street Lighting Service

UNDERGROUND SERVICE WITH NON-STANDARD POLE

I For service to governmental entities and street lighting districts with underground service on aluminum or fiberglass poles, an additional charge of \$8.23 per month per pole will be added to the standard charges for street lighting.

OVERHEAD SERVICE TO STREET LIGHTING DISTRICTS SERVED PURSUANT TO KRS 179.470

I For service to street lighting districts utilizing standard overhead facilities, an additional charge of \$3.44 per month per pole will be added to the standard charges for street lighting.

CONDITIONS OF SERVICE – DECORATIVE UNDERGROUND

Area lighting will be installed using underground service, with lights in each individual subdivision or lighting district having an average accessible service circuit of seventy-five (75) feet (i.e., distance from existing source of secondary electric service to light equals 75 feet average). For light locations in excess of seventy-five (75) feet average, or services requiring conductor sizes greater than the standard #12-2 AZ conductor, customer shall be required to pay these costs in advance of receiving service.

Type Light	Watts	Approx. Lumens	Avg. Monthly Energy (KWH)	(per lamp per month) Rates
<i>Not Available for New Installations after April 1, 2011:</i>				
High Pressure Sodium Fixture, with White				
I Acorn Style Globe installed on decorative pole	70	6,300	30	\$16.26
High Pressure Sodium Fixture, with Lantern				
I Style Globe installed on decorative pole	70	6,300	30	\$16.26
Two High Pressure Sodium Fixtures, with either Acorn or Lantern Style Globes installed on a decorative pole with scroll crossarm				
I	140	12,600	60	\$28.82
<i>Available for New Installations after April 1, 2011:</i>				
High Pressure Sodium Fixture, with White Acorn Style Globe installed on 14ft. decorative pole				
I	100	9,500	43	\$31.19

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Sixth Revised SHEET NO. 23A

CANCELLING PSC NO. 2

Fifth Revised SHEET NO. 23A

CLASSIFICATION OF SERVICE

Schedule 23 – Renewable Resource Energy Service Rider

MONTHLY RATE

- (1) The rate for Renewable Resource Energy is the rate schedule applicable to service to a customer, plus a premium per kilowatt hour of Renewable Resource Energy contracted for as follows, subject to any adjustment, surcharge or surcredit that is or may become applicable under the customer’s rate schedule:

A Per Kilowatt Hour Premium Of

Table with 2 columns: Rate Schedule and Premium. Includes entries for Residential, Non-Residential Single Phase, Three-Phase Demand (0-1,000 KW), Three-Phase Demand (1,001 & Over KW), Private Outdoor Lighting, Street Lighting Service, Dedicated Delivery Point Customers (Class B), Large Industrial Customers (Class C), and Large Industrial Customers (Big Rivers Expansion Rate).

R



- (2) Renewable Resource Energy purchased by a customer in any month will be conclusively presumed to be the first kilowatt hours delivered to that Customer in that month.

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Sixth Revised SHEET NO. 23D

CANCELLING PSC NO. 2

Fifth Revised SHEET NO. 23D

CLASSIFICATION OF SERVICE

Schedule 23 – Renewable Resource Energy Service Rider

DETERMINATION OF KWH ADDER

		Non-Dedicated Delivery Points Rate Schedules 1-7 & 15-16	Direct Served Large Industrials Schedules 34, 34A, 35 and 41
	Charge from Wholesale Electric Supplier for Renewable Energy Purchased	\$0.055 per KWH	\$0.055 per KWH
I	Less Charge from Wholesale Electric Supplier	<u>\$0.035 per KWH</u>	<u>\$0.035 per KWH</u>
R	Subtotal	\$0.020 per KWH	\$0.020 per KWH
	1 – Twelve-Month Line Loss of 4.1690%	= .958310	N/A No line losses to Kenergy
R	KWH Adder – Renewable Energy Tariff Rider (\$0.020/.958310)	\$0.020870 per KWH	\$0.020 per KWH

Schedule 1 Twelve Month Actual Line Loss %

	KWH PURCHASED/PAID	KWH BILLED	OFFICE USE	KWH LOSSES
Test Year Ending 11/30/12 (Billed)	1,195,193,072	1,143,004,840	2,361,220	49,827,012
Twelve Month Ratio	4.1690%			

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 28

CANCELLING PSC NO. 2

First Revised SHEET NO. 28

CLASSIFICATION OF SERVICE

Schedule 28 - Member Rate Stability Mechanism Rider

APPLICABLE

In all territory served.

MEMBER RATE STABILITY MECHANISM RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.

Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted during each month by the following factor applied to each kilowatt-hour sold:

MRSM(m) = (W_MRSM - O + U) / (P(m) x L)

Where:

MRSM(m) = the monthly member rate stability mechanism rate per KWH for the current month. W_MRSM = the Member Rate Stability Mechanism amount credited by Kenergy's wholesale power supplier, less the amount ('the W_MRSM wholesale base rate credit') included in the credit for Kenergy's share of the total dollar amount of any base rate increase ('the wholesale base rate increase') awarded by the Commission in Case No. 2013-00199, for all non-dedicated delivery points on the power bill for the second month preceding the month in which the MRSM(m) is applied.

P(m) = the KWH purchased in the second month preceding the month in which MRSM(m) is applied.

L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).

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Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 28A

CANCELLING PSC NO. 2

First Revised SHEET NO. 28A

CLASSIFICATION OF SERVICE
Schedule 28 - Member Rate Stability Mechanism Rider

O = any over recovery amount from the second preceding month.

U = any under recovery amount from the second preceding month.

SECTION 2

BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS
(NO LINE LOSSES TO KENERGY)

Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be decreased during the month equal to the amount credited to Kenergy by the wholesale power supplier for the customer's dedicated delivery point.

N SECTION 3

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

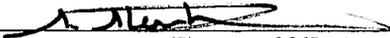
Billings computed pursuant to the base rate portion of rate schedules approved by the Commission in Case No. 2013-00385 and to which this section is applicable shall be decreased in accordance with Section 2 of Schedule RER.

RATE APPLICATION

T Sections 1 and 3 of this rider shall apply to rate schedules (1) Residential Single Phase & Three-Phase, (3) all Non-Residential Single Phase, (5) Three-Phase Demand (Non-Residential) Non-Dedicated Delivery Points (0-1,001 KW), (7) Three-Phase Demand Non-Dedicated Delivery Points (1,001 KW & Over), (15) Private Outdoor Lighting, (16) Street Lighting Service. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by Kenergy for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

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Month / Date / Year

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(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 29

CANCELLING PSC NO. 2

First Revised SHEET NO. 29

CLASSIFICATION OF SERVICE

Schedule 29 - Rural Economic Reserve Adjustment Rider

APPLICABLE

In all territory served.

RURAL ECONOMIC RESERVE ADJUSTMENT RATE (RER)

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following Section 1 and Section 2 where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.

Section 1

The RER applicable to KWH sold in the current month under each rate to which this section applies shall be based upon the following formula:

RER = [W_RER-O + U] ÷ [P(m) x L]

Where;

RER = the Rural Economic Reserve Adjustment rate per KWH for the current month.

W_RER = the Rural Economic Reserve amount credited by Kenergy's wholesale power supplier, less the amount ('the W_RER wholesale base rate credit') included in the credit for Kenergy's share of the total dollar amount of any base rate increase ('the wholesale base rate increase') awarded by the Commission in Case No. 2013-00199, on the power bill for the second month preceding the month in which the RER is applied.

P(m) = the KWH purchased in the second month preceding the month in which the RER is applied.

L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).

O = any over recovery amount from the second preceding month.

U = any under recovery amount from the second preceding month.

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Month / Date / Year

DATE EFFECTIVE Same as Effective Date in Case No. 2013-00199
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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 29A

CANCELLING PSC NO. 2

SHEET NO. _____

CLASSIFICATION OF SERVICE

Schedule 29 - Rural Economic Reserve Adjustment Rider

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Section 2

Billings computed pursuant to the base rate portion of rate schedules approved by the Commission in Case No. 2013-00385 and to which this section is applicable shall be decreased during each month by 21.79374% ("the MRSM/RER percentage"); provided, however, that the MRSM/RER percentage will be applied in full for only those billing months that fall completely within a wholesale billing month for which the sum of the W_MRSM and W_RER wholesale base rate credits offset 100% of the wholesale base rate increase. The MRSM/RER percentage will be applied on a prorated bill basis when the billing month extends beyond the last wholesale billing month for which the sum of the W_MRSM and W_RER wholesale base rate credits provide a 100% offset of the wholesale base rate increase. If the last final month of W_MRSM and W_RER wholesale base credits offset less than 100% of the wholesale base rate increase for that month, the MRSM/RER percentage will be adjusted proportionately based on the ratio of the amount of the wholesale credits and the amount of the wholesale base rate increase.

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules (1) Residential Single Phase & Three-Phase, (3) all Non-Residential Single Phase, (5) Three-Phase Demand (Non-Residential) Non-Dedicated Delivery Points (0-1,000 KW), (7) Three-Phase Demand Non-Dedicated Delivery Points (1,001 KW & Over), (15) Private Outdoor Lighting, (16) Street Lighting Service.

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ISSUED BY 
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Fourth Revised SHEET NO. 33

CANCELLING PSC NO. 2

Third Revised SHEET NO. 33

CLASSIFICATION OF SERVICE

Schedule 33 – Smelter Customers Served Under Special Contracts - Class A

T The Kenergy Corp. Smelter Tariffs for service to (i) Century Aluminum of Kentucky General Partnership, shall consist of the Retail Electric Service Agreement, dated as of August 19, 2013 between Kenergy Corp. and Century Aluminum of Kentucky General Partnership and (ii) Century Aluminum Sebree LLC shall consist of the Retail Electric Service Agreement, dated as of January [], 2014, between Kenergy Corp. and Century Aluminum Sebree LLC. Such agreements are hereby incorporated by reference as though fully set out herein. Century Aluminum of Kentucky General Partnership and Century Aluminum Sebree LLC shall each respectively be obligated to pay in accordance with the rates, charges and other terms and conditions set forth in said agreements, including the applicable retail fee.

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ISSUED BY Steve Thompson for
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Sixth Revised SHEET NO. 34

CANCELLING PSC NO. 2

Fifth Revised SHEET NO. 34

CLASSIFICATION OF SERVICE

Schedule 34 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) – (Class B)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customers, Aleris and Kimberly Clark, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month

Plus Demand Charge of:

I per KW of Billing Demand in Month.....\$17.979

Plus Energy Charge of:

I per KWH.....\$0.035166

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Unwind Surcredit Adjustment Rider, Rebate Adjustment Rider, Member Rate Stability Mechanism Rider, Price Curtailable Service Rider, and Non-FAC Purchased Power Adjustment Rider.

AGREEMENT

T An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate.

TAXES AND FEES

School Taxes added if applicable.

Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Fifth Revised SHEET NO. 34A

CANCELLING PSC NO. 2

Fourth Revised SHEET NO. 34A

CLASSIFICATION OF SERVICE

Schedule 34 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) – Class B With Self-Generation

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customer, Domtar, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month

Plus:

Demand Charge of:

I per KW of Firm Billing Demand in Month.....\$17.979

Plus:

Energy Charge of:

per KWH Sold by Kenergy to Domtar.....\$0.035166

NOTE: Charges for backup and replacement power are billed per contract, which includes a \$0.000166 retail adder per KWH Consumed At Site.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider	Sheets No. 23 - 23D
Fuel Adjustment Rider	Sheets No. 24 - 24A
Environmental Surcharge Rider	Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider	Sheets No. 26 - 26A
Rebate Adjustment Rider	Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider	Sheets No. 28 - 28A
Price Curtailable Service Rider	Sheets No. 42 - 42C
Non-FAC Purchased Power Adjustment Rider	Sheets No. 30 - 30A

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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 34B

CANCELLING PSC NO. 2

First Revised SHEET NO. 34B

CLASSIFICATION OF SERVICE

**Schedule 34 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) – Class B With Self-Generation**

AGREEMENT

T An “agreement for purchase of power” shall be signed by any new customer prior to service under the rate.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

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Month / Date / Year

DATE EFFECTIVE Same as Effective Date in Case No. 2013-00199
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Sixth Revised SHEET NO. 35

CANCELLING PSC NO. 2

Fifth Revised SHEET NO. 35

CLASSIFICATION OF SERVICE

**Schedule 35 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

Customer Charge per Delivery Point \$100.00 per Month

Plus:

Demand Charge per KW of Billing Demand in Month \$ 17.979

Plus:

Energy Charges:

Per KWH \$ 0.038

Facilities Charge 1.38%

(times assigned dollars of Kenergy investment for facilities per month-see Sheet No.35B)

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 35A
CANCELLING PSC NO. 2
First Revised SHEET NO. 35A

CLASSIFICATION OF SERVICE
Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes: Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Unwind Surcredit Adjustment Rider, Rebate Adjustment Rider, Member Rate Stability Mechanism Rider, Price Curtailable Service Rider, Non-FAC Purchased Power Adjustment Rider.

AGREEMENT

T An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

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Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 42

CANCELLING PSC NO. 1

Original SHEET NO. 42

Schedule 42 – Voluntary Price Curtailable Service Rider

AVAILABLE

This Rider is available for use in conjunction with Big Rivers' Voluntary Curtailable Service Rider – CSR Sheet 52 for Curtailable Service offered by Kenergy Corp. to individual customers (CS Customers) capable of curtailing at least 1,000 KW of load upon request. This service rider excludes aluminum smelters served under separate power supply agreements.

CONDITIONS OF SERVICE

1. Any request for curtailment under this Rider shall be made by Kenergy Corp. or Big Rivers acting as its agent. Each request for curtailment shall set forth the Terms of Curtailment in accordance with this Rider.
2. Each curtailment will be voluntary and the CS Customer may accept or decline the Terms of Curtailment.
3. Big Rivers, Kenergy and the CS Customer shall mutually agree in writing upon the method which shall be used to provide notification of a curtailment request under the provisions of this Rider. The method shall specify the means of communicating such curtailment (e.g., telephone, pager) and shall designate the CS Customer's representative(s) to receive said notification. The CS Customer is ultimately responsible for acting upon a curtailment notification.
4. Kenergy, or Big Rivers acting as its agent, will endeavor to provide as much advance notice as possible of requests for curtailments under this Rider including an estimate of the duration of such curtailments. However, upon acceptance of the Terms of Curtailment by a CS Customer, the load subject to those terms shall be curtailed with as little as one (1) hour of advance notification.
5. No responsibility or liability of any kind shall attach to or be incurred by Kenergy for, or on account of, any loss, cost, expense or damage caused by or resulting from, either directly or indirectly, any notice of curtailment or curtailment of service under the provisions of this Rider.
6. Kenergy reserves the right to require verification of a CS Customer's ability to curtail its load. Inability to provide verification will be considered by Kenergy and Big Rivers when prioritizing requests for curtailment.

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Month / Date / Year

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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2012-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 42A

CANCELLING PSC NO. 1

Original SHEET NO. 42A

CLASSIFICATION OF SERVICE

Schedule 42 – Voluntary Price Curtailable Service Rider

- 7. The CS Customer shall not receive a Curtailment Savings Payment for any curtailment period in which the CS Customer’s curtailable load is already down for an extended period due to a planned or unplanned outage as a result of vacation, renovation, repair, refurbishment, force majeure, strike or any event other than the customer’s normal operating conditions.

CS CURTAILMENT PROFILES

Each CS Customer shall submit a CS Curtailment Profile form. CS Curtailment Profiles shall include the following information:

- 1. The maximum number of hours per day that the CS Customer will agree to curtail.
- 2. The maximum number of days and maximum number of consecutive days by month that the CS Customer will agree to curtail.
- 3. The minimum Curtailment Price at which each CS Customer is willing to curtail.
- 4. The minimum Curtailable Demand and the Maximum Curtailable Demand curtailable by the CS Customer upon request.
- 5. The CS Customer may modify the Curtailment Profile upon thirty (30) days advance notice in writing.

CURTAILED DEMAND AND ENERGY

Hourly Curtailed Demands of a CS Customer shall be determined for each curtailment period for which the CS Customer has accepted the Terms of Curtailment.

For each curtailment period, Hourly Curtailed Demands of each CS Customer shall be defined as the differences between the CS Customer’s Demand Requirements and the actual demands measured in each hour of the curtailment period. The Demand Requirements may generally be the average of the CS Customer’s demands measured in the hours prior to the hour immediately preceding the curtailment period, provided that Kenergy may use an average of the demands measured in any two or more of the four hours

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(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 42B

CANCELLING PSC NO. 2

Original SHEET NO. 42B

CLASSIFICATION OF SERVICE

Schedule 42 – Voluntary Price Curtailable Service Rider

to provide a more representative estimate of the CS Customers' Hourly Curtailed Demands. The Curtailment Energy of each curtailment period shall be the sum of the Hourly Curtailed Demands.

TERMS OF CURTAILMENT

Kenergy or Big Rivers, acting as its agent, shall inform the CS Customer of a curtailment request in accordance with the agreed upon method of notification, at which time the Terms of Curtailment shall be defined. The Terms of Curtailment shall include the following:

- 1. The time at which each curtailment period shall begin is to be established by Big Rivers. At least one (1) hour advance notice of each request for curtailment shall be provided.
2. The requested curtailment duration in clock hours to be established by Big Rivers.
3. The Curtailment Price to be offered by Big Rivers and to be paid by Kenergy for each curtailment. The Curtailment Price shall be determined by Big Rivers on a case-by-case basis but in each case shall not be less than the Minimum Curtailment Price.
4. The CS Customer shall specify:
a. The demand in KW (Curtailable Demand) that will be curtailed during the curtailment period, which shall not be less than the Minimum Curtailable Demand.
b. The Maximum Curtailment Period Demand (MCPD) to be purchased by the CS Customer during the curtailment period, which shall be the maximum hourly demand to be delivered by Kenergy to the CS Customer.

CURTAILMENT SAVINGS PAYMENT

The Curtailment Savings Payment for each curtailment period shall be the amount received by Kenergy on account of the CS Customer pursuant to Big Rivers' Voluntary Price Curtailable Service Rider.

MONTHLY SAVINGS PAYMENT

The Monthly Savings Payment shall be equal to the sum of the Curtailment Savings Payments for the calendar month, less any charges incurred by Kenergy for Excess Energy on account of the CS Customer. The Monthly Savings Payment will be paid directly to the CS Customer by check or billing credit upon receipt of same from Big Rivers pursuant to the Big Rivers Voluntary Price Curtailable Service Rider.

DATE OF ISSUE December 2, 2013
Month / Date / Year

DATE EFFECTIVE Same as Effective Date in Case No. 2012-00535
Month / Date / Year

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TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 42C

CANCELLING PSC NO. 2

Original SHEET NO. 42C

CLASSIFICATION OF SERVICE

Schedule 42 – Voluntary Price Curtailable Service Rider

T

CHARGES FOR EXCESS ENERGY

For any CS Customer whose Curtailable Demand is equal to or greater than 5,000 KW, should the Hourly Curtailed Demand be less than 75% of the Curtailable Demand in any hour of the curtailment period, then the Excess Demand for that hour shall be the difference between the Hourly Curtailed Demand and 75% of the Curtailable Demand. There will be no Excess Demand for any CS Customer who's Curtailable Demand is less than 5,000 KW. Excess Energy is the sum of any hourly Excess Demands. Any Excess Energy recorded during a curtailment period shall be charged at 150% of the Curtailment Price, in addition to the charges contained in the standard applicable rate for electric service. For any CS Customer who's Hourly Curtailed Demand is less than 75% of their Curtailable Demand, Kenergy may not, at its discretion, allow such CS Customer to benefit from future curtailment opportunities.

TERM

Contracts under this Rider may be made for an initial period of one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days written notice prior to the start of the next year of its intention to discontinue service under the terms of this Rider.

SPECIAL TERMS AND CONDITIONS

CS Customer information, including, but not limited to, CS Curtailment Profiles, shall remain confidential.

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Month / Date / Year

DATE EFFECTIVE Same as Effective Date in Case No. 2012-00535

Month / Date / Year

ISSUED BY 

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Fourth Revised SHEET NO. 45E

CANCELLING PSC NO. 2

Third Revised SHEET NO. 45E

CLASSIFICATION OF SERVICE
Schedule 45 – Small Power and Cogeneration (Over 100 KW)
(Customer Buys Power from Kenergy)

Winter on-peak usage is defined as power requirements occurring between the hours beginning 6:00 AM CPT and ending 10:00 PM CPT on any weekday from December 1 through March 31.

Off-peak usage is defined as all power requirements not included in “Summer on-peak usage” or “Winter on-peak usage” as defined in the two preceding paragraphs, respectively.

The charges for On-peak Maintenance Service shall be the greater of:

- I \$5.77 per kW of Scheduled Maintenance Demand per week, plus
- \$0.035 per kWh of Maintenance Energy; or

110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative’s scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:

- I \$5.77 per kW of Scheduled Maintenance Demand per week, plus

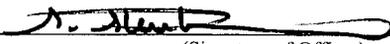
According to Standard Rate Schedule RDS per kWh of maintenance energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.

Excess Demand:

Excess demand is the amount in any hour by which the actual demand, less any Maintenance Demand, exceeds the previously established Maximum Unscheduled Capacity. Charges for Excess Energy Demand shall be in addition to the charges for Supplementary Service and shall be either:

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Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED