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January 30, 2008

Via Federal Express

Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED
FEB 01 2008
PUBLIC SERVICE
COMMISSION

Re: The Application of Big Rivers Electric Corporation, E.ON U.S., LLC,
Western Kentucky Energy Corp., and LG&E Energy Marketing, Inc.,
PSC Case No. 2007-00455

Dear Ms. O'Donnell:

Enclosed for filing are an original and ten copies of Big Rivers Electric Corporation's motion to amend the application filed in the above-referenced matter. I certify that a copy of this letter and all attachments have been served upon the attached service list.

Sincerely,



Tyson Kamuf

TAK/ej
Enclosure

cc: Michael H. Core
David Spainhoward
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RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY FEB 01 2008

In the Matter of:

PUBLIC SERVICE
COMMISSION

THE APPLICATIONS OF BIG RIVERS)	
ELECTRIC CORPORATION FOR:)	
(I) APPROVAL OF WHOLESale TARIFF)	
ADDITIONS FOR BIG RIVERS ELECTRIC)	CASE NO. 2007-00455
CORPORATION, (II) APPROVAL OF)	
TRANSACTIONS, (III) APPROVAL TO ISSUE)	
EVIDENCES OF INDEBTEDNESS, AND)	
(IV) APPROVAL OF AMENDMENTS TO)	
CONTRACTS; AND)	
)	
OF E.ON U.S., LLC, WESTERN KENTUCKY)	
ENERGY CORP. AND LG&E ENERGY MARKETING,)	
INC. FOR APPROVAL OF TRANSACTIONS)	

MOTION TO AMEND APPLICATION

Comes Big Rivers Electric Corporation ("Big Rivers"), by counsel, and moves the Kentucky Public Service Commission ("Commission") to amend the application ("Application") filed in this matter to (1) substitute an updated version of Big Rivers' proposed Open Access Transmission Tariff ("OATT") for the proposed OATT filed with the Application, and (2) substitute a new black-line comparison for the comparison filed with the Application. The authority for the Commission to grant the relief requested is found in 807 KAR 5:001 Section 3(5).

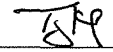
One of the approvals Big Rivers is seeking in this matter is for changes it proposes to its OATT. *See* Application ¶ 86. As described in the Application and the exhibits thereto, many of the proposed changes to Big Rivers' OATT were intended to accommodate changes that the Federal Energy Regulatory Commission ("FERC") implemented in 2007 in Order No. 890 to the *pro forma* requirements for a tariff meeting FERC's reciprocity requirements. *See id.* On December 20, 2007, FERC issued an order on rehearing of Order No. 890. The order on

rehearing, Order No. 890-A, largely upheld and approved Order No. 890; however, it did implement a number of refinements and additions to the *pro forma* Order No. 890 OATT. Due to the timing of Order 890-A, Big Rivers was unable to conform its proposed OATT to Order No. 890-A by the time the Application was filed in this matter on December 28, 2007.

Accordingly, Big Rivers now submits a revised OATT to reflect the terms of the new Order No. 890-A *pro forma* OATT. Big Rivers' newly proposed OATT is attached hereto as Exhibit A, which Big Rivers asks the Commission to substitute for the originally-proposed OATT filed as Exhibit 33 to the Application. Additionally, Big Rivers is filing a black-line comparison of the newly proposed OATT against its existing OATT. The black-line comparison is attached hereto as Exhibit B, which Big Rivers asks the Commission to substitute for the black-line comparison filed as Exhibit 34 to the Application. These changes do not affect Big Rivers' proposed new transmission and ancillary services rates set forth in the Application.

WHEREFORE, Big Rivers asks the Commission to make the amendments described herein.

On this the 31st day of January, 2008.



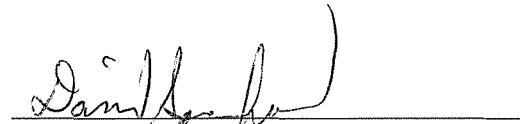
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VERIFICATION

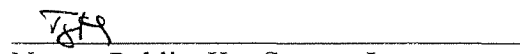
I, David A. Spainhoward, Vice President External Relations & Interim Chief Production Officer for Big Rivers Electric Corporation, hereby state that I have read the foregoing motion and that the statements contained therein are true and correct to the best of my knowledge and belief, on this the 31st day of January, 2008.



David A. Spainhoward
Vice President External Relations & Interim
Chief Production Officer
Big Rivers Electric Corporation

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

The foregoing verification statement was SUBSCRIBED AND SWORN to before me by David A. Spainhoward as Vice President External Relations & Interim Chief Production Officer for Big Rivers Electric Corporation, on this the 31st day of January, 2008.



Notary Public, Ky. State at Large
My Commission expires: 2/21/2010

EXHIBIT A
PROPOSED OPEN ACCESS TRANSMISSION TARIFF (OATT)

**BIG RIVERS ELECTRIC CORPORATION
OPEN ACCESS
TRANSMISSION TARIFF**

TABLE OF CONTENTS

I. COMMON SERVICE PROVISIONS10

1 DEFINITIONS.....10

1.1 Affiliate:.....10

1.2 Ancillary Services:.....10

1.3 Annual Transmission Costs:10

1.4 Application:10

1.5 Completed Application:.....10

1.6 Control Area:11

1.7 Curtailment:11

1.8 Delivering Party:.....11

1.9 Designated Agent:.....11

1.10 Direct Assignment Facilities:12

1.11 Eligible Customer:12

1.12 Facilities Study:13

1.13 Firm Point-To-Point Transmission Service:.....13

1.14 Good Utility Practice:13

1.15 Interruption:14

1.16 Load Ratio Share:14

1.17 Load Shedding:14

1.18 Long-Term Firm Point-To-Point Transmission Service:14

1.19 Native Load Customers:14

1.20 Network Customer:.....15

1.21 Network Integration Transmission Service:.....15

1.22 Network Load:15

1.23 Network Operating Agreement:15

1.24 Network Operating Committee:16

1.25 Network Resource:16

1.26 Network Upgrades:.....16

1.27 Non-Firm Point-To-Point Transmission Service:.....17

1.28 Non-Firm Sale:17

1.29 Open Access Same-Time Information System (OASIS):17

1.30 Part I:.....17

1.31 Part II:17

1.32 Part III:.....18

1.33 Parties:18

1.34 Point(s) of Delivery:18

1.35 Point(s) of Receipt:18

1.36	Point-To-Point Transmission Service:.....	19
1.37	Power Purchaser:	19
1.38	Pre-Confirmed Application:	19
1.39	Receiving Party:.....	19
1.40	Regional Transmission Group (RTG):	19
1.41	Reserved Capacity:	19
1.42	Service Agreement:.....	20
1.43	Service Commencement Date:	20
1.44	Short-Term Firm Point-To-Point Transmission Service:	20
1.45	System Condition.....	20
1.46	System Impact Study:	21
1.47	Third-Party Sale:.....	21
1.48	Transmission Customer:	21
1.49	Transmission Provider's Monthly Transmission System Peak:.....	21
1.50	Transmission Service:.....	21
1.51	Transmission System:	22
2	INITIAL ALLOCATION AND RENEWAL PROCEDURES.....	22
2.1	Initial Allocation of Available Transfer Capability:.....	22
2.2	Reservation Priority For Existing Firm Service Customers:	22
3	ANCILLARY SERVICES.....	23
3.1	Scheduling, System Control and Dispatch Service:	26
3.2	Reactive Supply and Voltage Control from Generation or Other Sources Service:.....	26
3.3	Regulation and Frequency Response Service:.....	26
3.4	Energy Imbalance Service:	26
3.5	Operating Reserve - Spinning Reserve Service:.....	26
3.6	Operating Reserve - Supplemental Reserve Service:	27
3.7	Generator Imbalance Service:.....	27
4	OPEN ACCESS SAME-TIME INFORMATION SYSTEM (OASIS).....	27
5	[RESERVED FOR FUTURE USE]	28
6	RECIPROCITY.....	28
7	BILLING AND PAYMENT	29
7.1	Billing Procedure:	29
7.2	Interest on Unpaid Balances:	30
7.3	Customer Default:.....	30
8	ACCOUNTING FOR BIG RIVERS' USE OF THE TARIFF	31
8.1	Transmission Revenues:	31

8.2	Study Costs and Revenues:.....	31
9	REGULATORY FILINGS	32
10	FORCE MAJEURE AND INDEMNIFICATION	33
10.1	Force Majeure:.....	33
10.2	Indemnification:.....	33
11	CREDITWORTHINESS	34
12	DISPUTE RESOLUTION PROCEDURES.....	34
12.1	Internal Dispute Resolution Procedures:	34
12.2	External Arbitration Procedures:	34
12.3	Arbitration Decisions:.....	35
12.4	Costs:	36
12.5	Rights Under The Federal Power Act:.....	36
II.	POINT-TO-POINT TRANSMISSION SERVICE.....	36
13	NATURE OF FIRM POINT-TO-POINT TRANSMISSION SERVICE.....	36
13.1	Term:.....	36
13.2	Reservation Priority:	37
13.3	Use of Firm Transmission Service by Big Rivers:	39
13.4	Service Agreements:	39
13.5	Transmission Customer Obligations for Facility Additions or Redispatch Costs:.....	40
13.6	Curtailed of Firm Transmission Service:	41
13.7	Classification of Firm Transmission Service:.....	42
13.8	Scheduling of Firm Point-To-Point Transmission Service:	45
14	NATURE OF NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE.....	46
14.1	Term:.....	46
14.2	Reservation Priority:	46
14.3	Use of Non-Firm Point-To-Point Transmission Service by Big Rivers:.....	48
14.4	Service Agreements:	48
14.5	Classification of Non-Firm Point-To-Point Transmission Service:	48
14.6	Scheduling of Non-Firm Point-To-Point Transmission Service:	50
14.7	Curtailed or Interruption of Service:	51
15	SERVICE AVAILABILITY	52
15.1	General Conditions:	52
15.2	Determination of Available Transfer Capability:	52
15.3	Initiating Service in the Absence of an Executed Service Agreement:.....	53
15.4	Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment:.....	53

15.5	Deferral of Service:.....	55
15.6	Other Transmission Service Schedules:	56
15.7	Real Power Losses:.....	56
16	TRANSMISSION CUSTOMER RESPONSIBILITIES	58
16.1	Conditions Required of Transmission Customers:.....	58
16.2	Transmission Customer Responsibility for Third-Party Arrangements:.....	59
17	PROCEDURES FOR ARRANGING FIRM POINT-TO-POINT TRANSMISSION SERVICE.....	59
17.1	Application:	59
17.2	Completed Application:.....	60
17.3	Deposit:	62
17.4	Notice of Deficient Application:	63
17.5	Response to a Completed Application:.....	64
17.6	Execution of Service Agreement:	64
17.7	Extensions for Commencement of Service:	65
18	PROCEDURES FOR ARRANGING NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE.....	66
18.1	Application:	66
18.2	Completed Application:.....	66
18.3	Reservation of Non-Firm Point-To-Point Transmission Service:	67
18.4	Determination of Available Transfer Capability:	68
19	ADDITIONAL STUDY PROCEDURES FOR FIRM POINT-TO-POINT TRANSMISSION SERVICE REQUESTS.....	68
19.1	Notice of Need for System Impact Study:	68
19.2	System Impact Study Agreement and Cost Reimbursement:.....	69
19.3	System Impact Study Procedures:	70
19.4	Facilities Study Procedures:	72
19.5	Facilities Study Modifications:	73
19.6	Due Diligence in Completing New Facilities:.....	74
19.7	Partial Interim Service:	74
19.8	Expedited Procedures for New Facilities:	74
20	PROCEDURES IF BIG RIVERS IS UNABLE TO COMPLETE NEW TRANSMISSION FACILITIES FOR FIRM POINT-TO-POINT TRANSMISSION SERVICE	75
20.1	Delays in Construction of New Facilities:.....	75
20.2	Alternatives to the Original Facility Additions:	76
20.3	Refund Obligation for Unfinished Facility Additions:.....	76
21	PROVISIONS RELATING TO TRANSMISSION CONSTRUCTION AND SERVICES ON THE SYSTEMS OF OTHER UTILITIES.....	77

21.1	Responsibility for Third-Party System Additions:	77
21.2	Coordination of Third-Party System Additions:.....	77
22	CHANGES IN SERVICE SPECIFICATIONS.....	78
22.1	Modifications On a Non-Firm Basis:	78
22.2	Modification On a Firm Basis:	79
23	SALE OR ASSIGNMENT OF TRANSMISSION SERVICE	80
23.1	Procedures for Assignment or Transfer of Service:	80
23.2	Limitations on Assignment or Transfer of Service:	81
23.3	Information on Assignment or Transfer of Service:.....	82
24	METERING AND POWER FACTOR CORRECTION AT RECEIPT AND DELIVERY POINTS(S)	82
24.1	Transmission Customer Obligations:	82
24.2	Transmission Provider Access to Metering Data:	82
24.3	Power Factor:.....	82
25	COMPENSATION FOR TRANSMISSION SERVICE.....	83
26	STRANDED COST RECOVERY	83
27	COMPENSATION FOR NEW FACILITIES AND REDISPATCH COSTS.....	83
III.	NETWORK INTEGRATION TRANSMISSION SERVICE	84
28	NATURE OF NETWORK INTEGRATION TRANSMISSION SERVICE	84
28.1	Scope of Service:	84
28.2	Transmission Provider Responsibilities:	85
28.3	Network Integration Transmission Service:	85
28.4	Secondary Service:	86
28.5	Real Power Losses:.....	86
28.6	Restrictions on Use of Service:.....	86
29	INITIATING SERVICE.....	88
29.1	Condition Precedent for Receiving Service:.....	88
29.2	Application Procedures:.....	88
29.3	Technical Arrangements to be Completed Prior to Commencement of Service:	94
29.4	Network Customer Facilities:	95
29.5	Filing of Service Agreement:.....	95
30	NETWORK RESOURCES.....	95
30.1	Designation of Network Resources:	95
30.2	Designation of New Network Resources:.....	96
30.3	Termination of Network Resources:.....	96

30.4	Operation of Network Resources:	98
30.5	Network Customer Redispatch Obligation:.....	100
30.6	Transmission Arrangements for Network Resources Not Physically Interconnected With Big Rivers:	100
30.7	Limitation on Designation of Network Resources:	101
30.8	Use of Interface Capacity by the Network Customer:.....	101
30.9	Network Customer Owned Transmission Facilities:	101
31	DESIGNATION OF NETWORK LOAD	102
31.1	Network Load:	102
31.2	New Network Loads Connected With Big Rivers:.....	102
31.3	Network Load Not Physically Interconnected with Big Rivers:	103
31.4	New Interconnection Points:.....	103
31.5	Changes in Service Requests:	104
31.6	Annual Load and Resource Information Updates:	104
32	ADDITIONAL STUDY PROCEDURES FOR NETWORK INTEGRATION TRANSMISSION SERVICE REQUESTS.....	104
32.1	Notice of Need for System Impact Study:.....	104
32.2	System Impact Study Agreement and Cost Reimbursement:.....	105
32.3	System Impact Study Procedures:	106
32.4	Facilities Study Procedures:	108
33	LOAD SHEDDING AND CURTAILMENTS	109
33.1	Procedures:.....	109
33.2	Transmission Constraints:	110
33.3	Cost Responsibility for Relieving Transmission Constraints:.....	110
33.4	Curtailments of Scheduled Deliveries:	111
33.5	Allocation of Curtailments:	111
33.6	Load Shedding:	111
33.7	System Reliability:.....	111
34	RATES AND CHARGES	112
34.1	Monthly Demand Charge:	113
34.2	Determination of Network Customer's Monthly Network Load:.....	113
34.3	Determination of Transmission Provider's Monthly Transmission System Load: 113	
34.4	Redispatch Charge:	113
34.5	Stranded Cost Recovery:	114
35	OPERATING ARRANGEMENTS.....	114
35.1	Operation under The Network Operating Agreement:	114
35.2	Network Operating Agreement:	114

35.3 Network Operating Committee:	115
SCHEDULE 1	115
Scheduling, System Control and Dispatch Service	115
SCHEDULE 2	117
Reactive Supply and Voltage Control From Generation Sources Service	117
SCHEDULE 3	119
Regulation and Frequency Response Service	119
SCHEDULE 4	121
Energy Imbalance Service	121
SCHEDULE 5.....	124
Operating Reserve - Spinning Reserve Service	124
SCHEDULE 6	125
Operating Reserve - Supplemental Reserve Service	125
SCHEDULE 7	126
Long-Term Firm and Short-Term Firm Point-to-Point Transmission Service	126
SCHEDULE 8	128
Non-Firm Point-to-Point Transmission Service	128
SCHEDULE 9	130
Generator Imbalance Service	130
SCHEDULE 10	134
Real Power Loss Factor Calculation.....	134
ATTACHMENT A	136
Form of Service Agreement for Firm Point-to-Point Transmission Service	136
ATTACHMENT A-1.....	140
Form of Service Agreement for the Resale, Reassignment or Transfer of Point-to-.. Point Transmission Service	140
ATTACHMENT B	144
Form of Service Agreement for Non-Firm Point-to-Point Transmission Service	144

ATTACHMENT C	146
Methodology to Assess Available Transfer Capability	146
ATTACHMENT D	147
Methodology for Completing a System Impact Study	147
ATTACHMENT E	148
Index of Point-to-Point Transmission Service Customers	148
ATTACHMENT F	150
Service Agreement for Network Integration Transmission Service	150
ATTACHMENT G	155
Network Operating Agreement	155
ATTACHMENT H	156
...Annual Transmission Revenue Requirement for Network Integration Transmission Service	156
ATTACHMENT I	157
Index of Network Integration Transmission Service Customers	157
ATTACHMENT J	158
...Procedures for Addressing Parallel Flows	158
ATTACHMENT K	159
Transmission Planning Process	159
ATTACHMENT L	171
Creditworthiness Procedures	171

I. COMMON SERVICE PROVISIONS

1 Definitions

1.1 Affiliate:

With respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

1.2 Ancillary Services:

Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of Big Rivers' Transmission System in accordance with Good Utility Practice.

1.3 Annual Transmission Costs:

The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by Big Rivers.

1.4 Application:

A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.

1.5 Completed Application:

An Application that satisfies all of the information and other requirements of the

Tariff, including any required deposit.

1.6 Control Area:

An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

1. match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
2. maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
3. maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
4. provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

1.7 Curtailment:

A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.

1.8 Delivering Party:

The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

1.9 Designated Agent:

Any entity that performs actions or functions on behalf of Big Rivers, an Eligible Customer, or the Transmission Customer required under the Tariff.

1.10 Direct Assignment Facilities:

Facilities or portions of facilities that are constructed by Big Rivers for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff.

Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to regulatory approval where applicable.

1.11 Eligible Customer:

- i. Any electric utility (including Big Rivers and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Federal Energy Regulatory Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that Big Rivers offer the unbundled transmission service, or pursuant to a voluntary offer of such service by Big Rivers.
- ii. Any retail customer taking unbundled transmission service pursuant to a state

requirement that Big Rivers offer the transmission service, or pursuant to a voluntary offer of such service by Big Rivers, is an Eligible Customer under the Tariff.

1.12 Facilities Study:

An engineering study conducted by Big Rivers to determine the required modifications to Big Rivers' Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service.

1.13 Firm Point-To-Point Transmission Service:

Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

1.14 Good Utility Practice:

Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those

practices required by Federal Power Act section 215(a)(4).

1.15 Interruption:

A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.

1.16 Load Ratio Share:

Ratio of a Transmission Customer's Network Load to Big Rivers' total load computed in accordance with Sections 34.2 and 34.3 of the Network Integration Transmission Service under Part III of the Tariff and calculated on a rolling twelve month basis.

1.17 Load Shedding:

The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.

1.18 Long-Term Firm Point-To-Point Transmission Service:

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one year or more.

1.19 Native Load Customers:

The wholesale power customers of Big Rivers on whose behalf Big Rivers, by contract, has undertaken an obligation to construct and operate its system to meet the reliable electric needs of such customers. Big Rivers' native load customers

specifically include its three member distribution cooperatives and their successors:

Kenergy Corp; Jackson Purchase Energy Corporation; and Meade County Rural Electric Cooperative Corporation.

1.20 Network Customer:

An entity receiving transmission service pursuant to the terms of Big Rivers' Network Integration Transmission Service under Part III of the Tariff.

1.21 Network Integration Transmission Service:

The transmission service provided under Part III of the Tariff.

1.22 Network Load:

The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of Delivery. Where an Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

1.23 Network Operating Agreement:

An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.

1.24 Network Operating Committee:

A group made up of representatives from the Network Customer(s) and Big Rivers established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.

1.25 Network Resource:

Any designated generating resource owned, purchased or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a Federal Energy Regulatory Commission-approved reserve sharing program.

1.26 Network Upgrades:

Modifications or additions to transmission-related facilities that are integrated with and support Big Rivers' overall Transmission System for the general benefit of all users of

such Transmission System.

1.27 Non-Firm Point-To-Point Transmission Service:

Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 13.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on an hourly basis as Hourly Non-Firm Transmission Service or on a daily, weekly or monthly basis for renewable terms as Short-Term Non-Firm Transmission Service.

1.28 Non-Firm Sale:

An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.

1.29 Open Access Same-Time Information System (OASIS):

The information system and standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations and all additional requirements implemented by subsequent Federal Energy Regulatory Commission orders dealing with OASIS.

1.30 Part I:

Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

1.31 Part II:

Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.32 Part III:

Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.33 Parties:

Big Rivers and the Transmission Customer receiving service under the Tariff.

1.34 Point(s) of Delivery:

Point(s) on Big Rivers' Transmission System where capacity and energy transmitted by Big Rivers will be made available to the Receiving Party under Part II of the Tariff.

The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

1.35 Point(s) of Receipt:

Point(s) of interconnection on Big Rivers' Transmission System where capacity and energy will be made available to Big Rivers by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

1.36 Point-To-Point Transmission Service:

The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

1.37 Power Purchaser:

The entity that is purchasing the capacity and energy to be transmitted under the Tariff.

1.38 Pre-Confirmed Application:

An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service.

1.39 Receiving Party:

The entity receiving the capacity and energy transmitted by Big Rivers to Point(s) of Delivery.

1.40 Regional Transmission Group (RTG):

A voluntary organization of transmission owners, transmission users and other entities approved by the Federal Energy Regulatory Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

1.41 Reserved Capacity:

The maximum amount of capacity and energy that Big Rivers agrees to transmit for the

Transmission Customer over Big Rivers' Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

1.42 Service Agreement:

The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and Big Rivers for service under the Tariff.

1.43 Service Commencement Date:

The date Big Rivers begins to provide service pursuant to the terms of an executed Service Agreement, or the date Big Rivers begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

1.44 Short-Term Firm Point-To-Point Transmission Service:

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

1.45 System Condition

A specified condition on Big Rivers' system or on a neighboring system, such as a constrained transmission element or flowgate, that may trigger Curtailment of Long-Term Firm Point-to-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's

Service Agreement.

1.46 System Impact Study:

An assessment by Big Rivers of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.

1.47 Third-Party Sale:

Any sale for resale in interstate commerce to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service.

1.48 Transmission Customer:

Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that Big Rivers file with the Kentucky Public Service Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

1.49 Transmission Provider's Monthly Transmission System Peak:

The maximum firm usage of Big Rivers' Transmission System in a calendar month.

1.50 Transmission Service:

Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.

1.51 Transmission System:

The facilities owned, controlled or operated by Big Rivers that are used to provide transmission service under Part II and Part III of the Tariff.

2 Initial Allocation and Renewal Procedures

2.1 Initial Allocation of Available Transfer Capability:

For purposes of determining whether existing capability on Big Rivers' Transmission System is adequate to accommodate a request for firm service under this Tariff, all Completed Applications for new firm transmission service received during the initial sixty (60) day period commencing with the effective date of the Tariff will be deemed to have been filed simultaneously. A lottery system conducted by an independent party shall be used to assign priorities for Completed Applications filed simultaneously. All Completed Applications for firm transmission service received after the initial sixty (60) day period shall be assigned a priority pursuant to Section 13.2.

2.2 Reservation Priority For Existing Firm Service Customers:

Existing firm service customers (wholesale requirements and transmission-only, with a contract term of five years or more), have the right to continue to take transmission service from Big Rivers when the contract expires, rolls over or is renewed. This

transmission reservation priority is independent of whether the existing customer continues to purchase capacity and energy from Big Rivers or elects to purchase capacity and energy from another supplier. If at the end of the contract term, Big Rivers' Transmission System cannot accommodate all of the requests for transmission service, the existing firm service customer must agree to accept a contract term at least equal to the longest competing request by any new Eligible Customer and to pay the current rate in effect for such service; provided that, the firm service customer shall have a right of first refusal at the end of such service only if the new contract is for five years or more. The existing firm service customer must provide notice to Big Rivers whether it will exercise its right of first refusal no less than one year prior to the expiration date of its transmission service agreement. This transmission reservation priority for existing firm service customers is an ongoing right that may be exercised at the end of all firm contract terms of five years or longer. Service agreements subject to a right of first refusal entered into prior to the date of implementation of this Tariff or associated with a transmission service request received prior to July 13, 2007, unless terminated, will become subject to the five year/one year requirement on the first rollover date after the date of implementation of this Tariff; provided that, the one-year notice requirement shall apply to such service agreements with five years or more left in their terms as of the date of implementation of this Tariff.

3 Ancillary Services

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. Big Rivers is required to provide and the Transmission Customer is required to purchase, the following Ancillary Services (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources.

Big Rivers is required to offer to provide the following Ancillary Services only to the Transmission Customer serving load within the Big Rivers Control Area (i) Regulation and Frequency Response, (ii) Energy Imbalance, (iii) Operating Reserve - Spinning, and (iv) Operating Reserve - Supplemental. The Transmission Customer serving load within the Big Rivers Control Area is required to acquire these Ancillary Services, whether from Big Rivers, from a third party, or by self-supply.

Big Rivers is required to provide (or offer to arrange with the local Control Operator as discussed below), to the extent it is physically feasible to do so from its resources or from resources available to it, Generator Imbalance Service when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer using Transmission Service to deliver energy from a generator located within Big Rivers' Control Area is required to acquire Generator Imbalance Service, whether from Big Rivers, from a third-party, or by self-supply.

The Transmission Customer may not decline Big Rivers' offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The

Transmission Customer must list in its Application which Ancillary Services it will purchase from Big Rivers. A Transmission Customer that exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or an Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved is required to pay for all of the Ancillary Services identified in this section that were provided by Big Rivers associated with the unreserved service. The Transmission Customer or Eligible Customer will pay for Ancillary Services based on the amount of transmission service it used but did not reserve.

In the event a Transmission Customer (including Big Rivers for Third-Party Sales) makes an unreserved use of Ancillary Services in excess of the amount of such services associated with reserved Point-to-Point Transmission Service under this Tariff or in a Service Agreement (if such Service Agreement specifies a lower amount of any one or more Ancillary Services), the Transmission Customer shall pay, in addition to the amount owing for the Ancillary Services properly reserved, a penalty on the excess Ancillary Services taken, with a separate penalty applicable to each hour in which excess Ancillary Services are taken. The penalty for the unreserved use of Ancillary Services for each hour in which excess Ancillary Services are taken shall be equal to 200% of the maximum applicable Ancillary Services Charge for that hour. Penalties collected pursuant to this section shall be distributed in the manner set forth in section 15.8.

The specific Ancillary Services, prices and/or compensation methods are described

on the Schedules that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by Big Rivers in conjunction with its provision of transmission service as follows: (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Big Rivers' system. Sections 3.1 through 3.7 below list the seven Ancillary Services.

3.1 Scheduling, System Control and Dispatch Service:

The rates and/or methodology are described in Schedule 1.

3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service:

The rates and/or methodology are described in Schedule 2.

3.3 Regulation and Frequency Response Service:

Where applicable the rates and/or methodology are described in Schedule 3.

3.4 Energy Imbalance Service:

Where applicable the rates and/or methodology are described in Schedule 4.

3.5 Operating Reserve - Spinning Reserve Service:

Where applicable the rates and/or methodology are described in Schedule 5.

3.6 Operating Reserve - Supplemental Reserve Service:

Where applicable the rates and/or methodology are described in Schedule 6.

3.7 Generator Imbalance Service:

Where applicable the rates and/or methodology are described in Schedule 9.

4 Open Access Same-Time Information System (OASIS)

Terms and conditions regarding Open Access Same-Time Information System and standards of conduct are set forth in 18 CFR § 37 of the Federal Energy Regulatory Commission's regulations (Open Access Same-Time Information System and Standards of Conduct for Public Utilities) and 18 C.F.R. § 38 of the Federal Energy Regulatory Commission's regulations (Business Practice Standards and Communication Protocols for Public Utilities). In the event available transfer capability as posted on the OASIS is insufficient to accommodate a request for firm transmission service, additional studies may be required as provided by this Tariff pursuant to Sections 19 and 32.

Big Rivers shall post on OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. Big Rivers shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained. Big Rivers shall

also post on its OASIS and on its public website an electronic link to a statement of the process by which Big Rivers shall add, delete or otherwise modify the rules, standards and practices that are not included in this tariff. Such process shall set forth the means by which Big Rivers shall provide reasonable advance notice to Transmission Customers and Eligible Customers of any such additions, deletions or modifications, the associated effective date, and any additional implementation procedures that Big Rivers deems appropriate.

5 [Reserved for Future Use]

6 Reciprocity

A Transmission Customer receiving transmission service under this Tariff agrees to provide comparable transmission service that it is capable of providing to Big Rivers on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates. A Transmission Customer that is a member of, or takes transmission service from, a power pool, Regional Transmission Group, Regional Transmission Organization (RTO), Independent System Operator (ISO) or other transmission organization approved by the Federal Energy Regulatory Commission for the operation of transmission facilities also agrees to provide comparable transmission service to the transmission-owning members of such power pool and Regional Transmission Group, RTO, ISO or other transmission organization on similar terms and conditions over

facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates.

This reciprocity requirement applies not only to the Transmission Customer that obtains transmission service under the Tariff, but also to all parties to a transaction that involves the use of transmission service under the Tariff, including the power seller, buyer and any intermediary, such as a power marketer. This reciprocity requirement also applies to any Eligible Customer that owns, controls or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under the Tariff. If the Transmission Customer does not own, control or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its Application is not to assist an Eligible Customer to avoid the requirements of this provision.

7 Billing and Payment

7.1 Billing Procedure:

Within a reasonable time after the first day of each month, Big Rivers shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission Customer by the first working day after the twenty-fourth day of the month. All payments shall be made in immediately available funds payable to Big Rivers, or by

wire transfer to Old National Bank of Evansville, Indiana, ABA #086300012 for credit to Big Rivers' Account No. 1085559, or such other financial institution or account number as Big Rivers shall specify in writing.

7.2 Interest on Unpaid Balances:

Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated using the one-year United States Treasury Bill rates effective as of the first business day of the calendar month in which an unpaid balance becomes overdue.

Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment, with interest calculated and pro-rated for that portion of the month in which amounts are outstanding. The applicable interest rate shall be recalculated each month using the new one year United States Treasury Bill rate effective as of the first business day of the month. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by Big Rivers.

7.3 Customer Default:

In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to Big Rivers on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after Big Rivers notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, Big Rivers may terminate service subject to any applicable regulatory

approval or subject to the dispute resolution procedures of Section 11 if no regulatory approval is applicable; provided, however, that Big Rivers shall not be entitled to terminate service for non-payment of undisputed bills without application of the Section 11 dispute resolution procedures if no regulatory approvals are required. In the event of a billing dispute between Big Rivers and the Transmission Customer, Big Rivers will continue to provide service under the Service Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then Big Rivers may provide notice to the Transmission Customer of its intention to suspend service in sixty (60) days.

8 Accounting for Big Rivers' Use of the Tariff

Big Rivers shall record the following amounts, as outlined below.

8.1 Transmission Revenues:

Include in a separate operating revenue account or subaccount the revenues it receives from Transmission Service when making Third-Party Sales under Part II of the Tariff.

8.2 Study Costs and Revenues:

Include in a separate transmission operating expense account or subaccount, costs properly chargeable to expense that are incurred to perform any System Impact Studies or Facilities Studies which Big Rivers conducts to determine if it must construct new

transmission facilities or upgrades necessary for its own uses, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Transmission Customer's billing under the Tariff.

9 Regulatory Filings

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the right of Big Rivers to unilaterally make changes in rates, terms and conditions, charges, classifications of service, rules or regulation of this Tariff. This Tariff, and any Service Agreement entered into thereunder, will terminate immediately at Big Rivers' option, if (1) upon request made by Big Rivers, the Federal Energy Regulatory Commission declines to issue a declaratory order approving this Tariff as complying with the reciprocity provisions of its Order Nos. 888 and 890; (ii) if a Federal Energy Regulatory Commission order approving the Tariff as complying with reciprocity is vacated on appeal; or (iii) if the Federal Energy Regulatory Commission subsequently alters its decision in the declaratory order that this Tariff complies with the reciprocity requirement and requires modifications to this Tariff that Big Rivers finds unacceptable. In the event Big Rivers terminates this Tariff pursuant to the above reasons, Big Rivers will continue to provide firm and non-firm transmission service to existing Transmission Customers pursuant to contractual commitments specified in Service Agreements so long

as such Transmission Customers continue to grant reciprocal access to their own transmission systems or those of any affiliates pursuant to Section 6 of this Tariff.

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Tariff to exercise any applicable rights under the Federal Power Act and pursuant to the Federal Energy Regulatory Commission's rules and regulations promulgated thereunder.

10 Force Majeure and Indemnification

10.1 Force Majeure:

An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Neither Big Rivers nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Tariff is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Tariff.

10.2 Indemnification:

The Transmission Customer shall at all times indemnify, defend, and save Big Rivers

harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from Big Rivers' performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by Big Rivers.

11 Creditworthiness

Big Rivers will specify its Creditworthiness procedures in Attachment L.

12 Dispute Resolution Procedures

12.1 Internal Dispute Resolution Procedures:

Any dispute between a Transmission Customer and Big Rivers involving transmission service under the Tariff shall be referred to a designated senior representative of Big Rivers and a senior representative of the Transmission Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days or such other period as the Parties may agree upon by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

12.2 External Arbitration Procedures:

Any arbitration initiated under the Tariff shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) days of the referral of the dispute to arbitration, each Party shall choose

one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and any applicable regulations or Regional Transmission Group rules.

12.3 Arbitration Decisions:

Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any Service Agreement entered into under the Tariff and shall have no power to modify or change any of the above in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal

Arbitration Act and/or the Administrative Dispute Resolution Act.

12.4 Costs:

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

1. the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or
2. one half the cost of the single arbitrator jointly chosen by the Parties.

12.5 Rights Under The Federal Power Act:

Nothing in this section shall restrict the rights of any party to take applicable action before a regulatory commission having valid jurisdiction over the subject of the complaint.

II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

Big Rivers will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff. Point-To-Point Transmission Service is for the receipt of capacity and energy at designated Point(s) of Receipt and the transfer of such capacity and energy to designated Point(s) of Delivery.

13 Nature of Firm Point-To-Point Transmission Service

13.1 Term:

The minimum term of Firm Point-To-Point Transmission Service shall be one day and the maximum term shall be specified in the Service Agreement.

13.2 Reservation Priority:

- (i) Long-Term Firm Point-To-Point Transmission Service shall be available on a first-come, first-served basis, i.e., in the chronological sequence in which each Transmission Customer has requested service.
- (ii) Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction or reservation. However, Pre-Confirmed Applications for Short-Term Point-to-Point Transmission Service will receive priority over earlier-submitted requests that are not Pre-Confirmed and that have equal or shorter duration. Among requests or reservations with the same duration and, as relevant, pre-confirmation status (pre-confirmed, confirmed, or not confirmed), priority will be given to an Eligible Customer's request or reservation that offers the highest price, followed by the date and time of the request or reservation.
- (iii) If the Transmission System becomes oversubscribed, requests for service may preempt competing reservations up to the following conditional reservation deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month

before the commencement of monthly service. Before the conditional reservation deadline, if available transfer capability is insufficient to satisfy all requests and reservations, an Eligible Customer with a reservation for shorter term service or equal duration service and lower price has the right of first refusal to match any longer term request or equal duration service with a higher price before losing its reservation priority. A longer term competing request for Short-Term Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in section 13.8) from being notified by Big Rivers of a longer-term competing request for Short-Term Firm Point-To-Point Transmission Service. When a longer duration request preempts multiple shorter duration reservations, the shorter duration reservations shall have simultaneous opportunities to exercise the right of first refusal. Duration, price and time of response will be used to determine the order by which the multiple shorter duration reservations will be able to exercise the right of first refusal. After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff.

(iv) Firm Point-To-Point Transmission Service will always have a reservation

priority over Non-Firm Point-To-Point Transmission Service under the Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

13.3 Use of Firm Transmission Service by Big Rivers:

Big Rivers will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under agreements executed after the date this Tariff becomes effective. Big Rivers will maintain separate accounting, pursuant to Section 8, for any use of the Point-To-Point Transmission Service to make Third-Party Sales.

13.4 Service Agreements:

Big Rivers shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it submits a Completed Application for Long-Term Firm Point-To-Point Transmission Service. Big Rivers shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Short-Term Firm Point-To-Point Transmission Service pursuant to the Tariff. An Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved and that has not executed a Service Agreement will be deemed, for purposes of assessing any appropriate charges and penalties, to have

executed the appropriate Service Agreement. The Service Agreement shall, when applicable, specify any conditional curtailment options selected by the Transmission Customer. Where the Service Agreement contains conditional curtailment options and is subject to a biennial reassessment as described in Section 15.4, Big Rivers shall provide the Transmission Customer notice of any changes to the curtailment conditions no less than 90 days prior to the date for imposition of new curtailment conditions. Concurrent with such notice, Big Rivers shall provide the Transmission Customer with the reassessment study and a narrative description of the study, including the reasons for changes to the number of hours per year or System Conditions under which conditional curtailment may occur.

13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs:

In cases where Big Rivers determines that the Transmission System is not capable of providing Firm Point-To-Point Transmission Service without (1) degrading or impairing the reliability of service to Native Load Customers, Network Customers and other Transmission Customers taking Firm Point-To-Point Transmission Service, or (2) interfering with Big Rivers' ability to meet prior firm contractual commitments to others, Big Rivers will be obligated to expand or upgrade its Transmission System pursuant to the terms of Section 15.4. The Transmission Customer must agree to compensate Big Rivers for any necessary transmission facility additions pursuant to

the terms of Section 27. To the extent Big Rivers can relieve any system constraint by redispatching Big Rivers' generating resources, it shall do so, provided that the Eligible Customer agrees to compensate Big Rivers pursuant to the terms of Section 27 and agrees to either (i) compensate Big Rivers for any necessary transmission facility additions or (ii) accept the service subject to a biennial reassessment by Big Rivers of redispatch requirements as described in Section 15.4. Any redispatch, Network Upgrade or Direct Assignment Facilities costs to be charged to the Transmission Customer on an incremental basis under the Tariff will be specified in the Service Agreement prior to initiating service.

13.6 Curtailment of Firm Transmission Service:

In the event that a Curtailment on Big Rivers' Transmission System, or a portion thereof, is required to maintain reliable operation of such system and the system directly and indirectly interconnected with Big Rivers' Transmission System, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. Big Rivers may elect to implement such Curtailments pursuant to the Transmission Loading Relief procedures specified in Attachment J. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, Big Rivers will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission Service on a basis comparable to the curtailment of service to Big Rivers' Native Load

Customers. All Curtailments will be made on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. Long-Term Firm Point-to-Point Service subject to conditions described in Section 15.4 shall be curtailed with secondary service in cases where the conditions apply, but otherwise will be curtailed on a pro rata basis with other Firm Transmission Service. When Big Rivers determines that an electrical emergency exists on its Transmission System and implements emergency procedures to Curtail Firm Transmission Service, the Transmission Customer shall make the required reductions upon request of Big Rivers. However, Big Rivers reserves the right to Curtail, in whole or in part, any Firm Transmission Service provided under the Tariff when, in Big Rivers' sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System. Big Rivers will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments.

13.7 Classification of Firm Transmission Service:

- (a) The Transmission Customer taking Firm Point-To-Point Transmission Service may (1) change its Receipt and Delivery Points to obtain service on a non-firm basis consistent with the terms of Section 22.1 or (2) request a modification of the Points of Receipt or Delivery on a firm basis pursuant to the terms of Section 22.2.
- (b) The Transmission Customer may purchase transmission service to make

sales of capacity and energy from multiple generating units that are on Big Rivers' Transmission System. For such a purchase of transmission service, the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant in which case the units would be treated as a single Point of Receipt.

- (c) Big Rivers shall provide firm deliveries of capacity and energy from the Point(s) of Receipt to the Point(s) of Delivery. Each Point of Receipt at which firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Receipt. Points of Receipt and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. Each Point of Delivery at which firm transfer capability is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Delivery. Points of Delivery and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. The greater of either (1) the sum of the capacity

reservations at the Point(s) of Receipt, or (2) the sum of the capacity reservations at the Point(s) of Delivery shall be the Transmission Customer's Reserved Capacity. The Transmission Customer will be billed for its Reserved Capacity under the terms of Schedule 7. The Transmission Customer may not exceed its firm capacity reserved at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 22. In the event that a Transmission Customer (including Big Rivers for Third-Party Sales) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved, the Transmission Customer shall pay, in addition to the amount owing for the reserved capacity, a penalty on the excess amount of transmission taken at the specific Point of Receipt or Point of Delivery where the reserved capacity was exceeded, with a separate penalty for each period of unreserved use. The penalty for the unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate for Firm Point-to-Point Transmission Service, based on the hour

during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Services, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8

13.8 Scheduling of Firm Point-To-Point Transmission Service:

Schedules for the Transmission Customer's Firm Point-To-Point Transmission Service must be submitted to Big Rivers no later than 10:00 a.m. of the day prior to commencement of such service. Schedules submitted after 10:00 a.m. will be accommodated, if practicable. Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of one (1) MW per hour. Transmission Customers within Big Rivers' service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under one (1) MW per hour, may consolidate their service requests at a common point of receipt into units of one (1)

MW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. Big Rivers will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify Big Rivers, and Big Rivers shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14 Nature of Non-Firm Point-To-Point Transmission Service

14.1 Term:

Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

14.2 Reservation Priority:

Non-Firm Point-To-Point Transmission Service shall be available from transfer capability in excess of that needed for reliable service to Native Load Customers, Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be assigned first to requests or reservations with a longer duration of service and second to Pre-Confirmed Applications. In the event the Transmission System is constrained, competing requests of the same Pre-Confirmation status and equal duration will be prioritized based on the highest price offered by the Eligible Customer for the Transmission Service. Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term request before being preempted. A longer term competing request for Non-Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request: (a) immediately for hourly Non-Firm Point-To-Point Transmission Service after notification by Big Rivers; and, (b) within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in Section 14.6) for Non-Firm Point-To-Point Transmission Service other than hourly transactions after notification by Big Rivers. Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and

Point(s) of Delivery will have the lowest reservation priority under the Tariff.

14.3 Use of Non-Firm Point-To-Point Transmission Service by Big Rivers:

Big Rivers will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under agreements executed on or after the date this Tariff goes into effect. Big Rivers will maintain separate accounting, pursuant to Section 8, for any use of Non-Firm Point-To-Point Transmission Service to make Third-Party Sales.

14.4 Service Agreements:

Big Rivers shall offer a standard form Non-Firm Point-To-Point Transmission Service Agreement (Attachment B) to an Eligible Customer when it first submits a Completed Application for Non-Firm Point-To-Point Transmission Service pursuant to the Tariff.

14.5 Classification of Non-Firm Point-To-Point Transmission Service:

Non-Firm Point-To-Point Transmission Service shall be offered under terms and conditions contained in Part II of the Tariff. Big Rivers undertakes no obligation under the Tariff to plan its Transmission System in order to have sufficient capacity for Non-Firm Point-To-Point Transmission Service. Parties requesting Non-Firm Point-To-Point Transmission Service for the transmission of firm power do so with the full realization that such service is subject to availability and to Curtailment or Interruption under the terms of the Tariff. In the event that a Transmission Customer (including the Transmission Provider for Third-Party Sales) exceeds its non-firm capacity reservation

at any Point of Receipt or Point of Delivery or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved, the Transmission Customer shall pay, in addition to the amount owing for the reserved capacity, a penalty on the excess amount of transmission taken at the specific Point of Receipt or Point of Delivery where the reserved capacity was exceeded, with a separate penalty for each period of unreserved use. The penalty for the unreserved use of transmission service shall be equal to 200% of the maximum applicable Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8. Non-Firm Point-To-Point Transmission Service shall include transmission of

energy on an hourly basis and transmission of scheduled short-term capacity and energy on a daily, weekly or monthly basis, but not to exceed one month's reservation for any one Application, under Schedule 8.

14.6 Scheduling of Non-Firm Point-To-Point Transmission Service:

Schedules for Non-Firm Point-To-Point Transmission Service must be submitted to Big Rivers no later than 2:00 p.m. of the day prior to commencement of such service. Schedules submitted after 2:00 p.m. will be accommodated, if practicable. Hour-to-hour schedules of energy that is to be delivered must be stated in increments of one (1) MW per hour. Transmission Customers within Big Rivers' service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under one (1) MW per hour, may consolidate their schedules at a common Point of Receipt into units of one (1) MW per hour. Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. Big Rivers will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify Big Rivers, and Big Rivers shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14.7 Curtailment or Interruption of Service:

Big Rivers reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System or the systems directly and indirectly interconnected with Big Rivers' Transmission System. Big Rivers may elect to implement such Curtailments pursuant to the Transmission Loading Relief procedures specified in Attachment J. Big Rivers reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (1) a request for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, (4) transmission service for Network Customers from non-designated resources, or (5) transmission service for Firm Point-to-Point Transmission Service during conditional curtailment periods as described in Section 15.4. Big Rivers also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If

multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g., hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Big Rivers will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

15 Service Availability

15.1 General Conditions:

Big Rivers will provide Firm and Non-Firm Point-To-Point Transmission Service over, on or across its Transmission System to any Transmission Customer that has met the requirements of Section 16.

15.2 Determination of Available Transfer Capability:

A description of Big Rivers' specific methodology for assessing available transfer capability posted on Big Rivers' OASIS (Section 4) is contained in Attachment C of

the Tariff. In the event sufficient transfer capability may not exist to accommodate a service request, Big Rivers will respond by performing a System Impact Study.

15.3 Initiating Service in the Absence of an Executed Service Agreement:

If Big Rivers and the Transmission Customer requesting Firm or Non-Firm Point-To-Point Transmission Service cannot agree on all the terms and conditions of the Point-To-Point Service Agreement, Big Rivers shall submit to the Transmission Customer, within thirty (30) days after the date the Transmission Customer provides written notification directing Big Rivers to do so, an unexecuted Point-To-Point Service Agreement containing terms and conditions deemed appropriate by Big Rivers for such requested Transmission Service. Big Rivers shall commence providing Transmission Service subject to the Transmission Customer agreeing to (i) compensate Big Rivers at its currently effective rate, and (ii) comply with the terms and conditions of the Tariff including posting appropriate security deposits in accordance with the terms of Section 17.3. In the event a Transmission Customer accepting transmission service from Big Rivers under an unexecuted agreement disagrees with the terms and conditions of such service, that customer shall have recourse to the dispute resolution procedures of Section 12 of the Tariff.

15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment:

- (a) If Big Rivers determines that it cannot accommodate a Completed

Application for Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Big Rivers will use due diligence to expand or modify its Transmission System to provide the requested Firm Transmission Service, consistent with its planning obligations in Attachment K, provided the Transmission Customer agrees to compensate Big Rivers for such costs pursuant to the terms of Section 27. Big Rivers will conform to Good Utility Practice and its planning obligations in Attachment K, in determining the need for new facilities and in the design and construction of such facilities. The obligation applies only to those facilities that Big Rivers has the right to expand or modify.

- (b) If Big Rivers determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Big Rivers will use due diligence to provide redispatch from its own resources until (i) Network Upgrades are completed for the Transmission Customer, (ii) Big Rivers determines through a biennial reassessment that it can no longer reliably provide the redispatch, or (iii) the Transmission Customer terminates the service because of redispatch changes resulting from the reassessment. Big Rivers shall not unreasonably deny self-provided

redispatch or redispatch arranged by the Transmission Customer from a third party resource.

- (c) If Big Rivers determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Big Rivers will offer the Firm Transmission Service with the condition that Big Rivers may curtail the service prior to the curtailment of other Firm Transmission Service for a specified number of hours per year or during System Condition(s). If the Transmission Customer accepts the service, Big Rivers will use due diligence to provide the service until (i) Network Upgrades are completed for the Transmission Customer, (ii) Big Rivers determines through a biennial reassessment that it can no longer reliably provide such service, or (iii) the Transmission Customer terminates the service because the reassessment increased the number of hours per year of conditional curtailment or changed the System Conditions.

15.5 Deferral of Service:

Big Rivers may defer providing service until it completes construction of new transmission facilities or upgrades needed to provide Firm Point-To-Point Transmission Service whenever Big Rivers determines that providing the requested service would, without such new facilities or upgrades, impair or degrade reliability to

any existing firm services.

15.6 Other Transmission Service Schedules:

Eligible Customers receiving transmission service under other agreements may continue to receive transmission service under those agreements until such agreements may be modified by the parties or an applicable regulatory commission, or expire.

15.7 Real Power Losses:

Real Power Losses are associated with all transmission service. Big Rivers is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by Big Rivers. Big Rivers shall recalculate average system Real Power loss factors on a yearly basis according to the methodology specified in Schedule 10.

15.8 Distribution of Unreserved Use Penalties:

In the event that unreserved use occurs in a given month pursuant to Section 3, 13.7(c) 14.5, 28.6, and/or 30.4, Big Rivers shall distribute revenues that it receives as penalties for unreserved use to those Transmission Customers (including the Transmission Provider for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during the month and did not incur unreserved use penalties in that month; provided, however, that Big Rivers shall retain 50% of any unreserved use penalties to reflect the base Firm Point-to-Point Transmission charge for the unreserved use. In the event that Big Rivers' power supply incurs unreserved

use penalties, Big Rivers shall be disqualified from receiving a distribution of unreserved use penalties, but shall nonetheless retain the portion of any unreserved use penalties that reflects the base Firm Point-to-Point Transmission Service charge for the unreserved use, as described in the preceding sentence.

Unreserved use penalty revenues shall be calculated and distributed on a monthly basis, based upon the ratio of the transmission service revenues from each Transmission Customer that did not incur unreserved use penalties in that month to the aggregate transmission service revenues from all such Transmission Customers that did not incur unreserved use penalties in that month. For purposes of distributing the 50% of unreserved use penalties that are not retained by Big Rivers, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the unreserved use penalties are incurred, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do not incur unreserved use penalties in a given month, any revenues shall be distributed and allocated to Transmission Customers that do not incur unreserved use penalties in the first month after unreserved use penalties are incurred and at least one Transmission Customer does not incur an unreserved use penalty, with interest calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a

separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

16 Transmission Customer Responsibilities

16.1 Conditions Required of Transmission Customers:

Point-To-Point Transmission Service shall be provided by Big Rivers only if the following conditions are satisfied by the Transmission Customer:

- (a) The Transmission Customer has pending a Completed Application for service;
- (b) The Transmission Customer meets the creditworthiness criteria set forth in Section 11;
- (c) The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to Big Rivers prior to the time service under Part II of the Tariff commences;
- (d) The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation;
- (e) The Transmission Customer provides the information required by Big

Rivers' planning process established in Attachment K; and

- (f) The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3.

16.2 Transmission Customer Responsibility for Third-Party Arrangements:

Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by Big Rivers, notification to Big Rivers identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by Big Rivers pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt.

However, Big Rivers will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

17 Procedures for Arranging Firm Point-To-Point Transmission Service

17.1 Application:

A request for Firm Point-To-Point Transmission Service for periods of one year or longer must contain a written Application to:

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Vice President System Operations

Telephone No. (270) 827-2561
Telefax No. (270) 827-0183

at least sixty (60) days in advance of the calendar month in which service is to commence. Big Rivers will consider requests for such firm service on shorter notice when feasible. Requests for firm service for periods of less than one year shall be subject to expedited procedures that shall be negotiated between the Parties within the time constraints provided in Section 17.5. All Firm Point-To-Point Transmission Service requests should be submitted by entering the information listed below on the Big Rivers OASIS. Prior to implementation of Big Rivers' OASIS, a Completed Application may be submitted by (i) transmitting the required information to Big Rivers by telefax, or (ii) providing the information by telephone over Big Rivers' time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the priority of the Application.

17.2 Completed Application:

A Completed Application shall provide all of the information included in 18 CFR 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

- (iii) The location of the Point(s) of Receipt and Point(s) of Delivery and the identities of the Delivering Parties and the Receiving Parties;
- (iv) The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. Big Rivers will treat this information as confidential except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice or pursuant to RTG transmission information sharing agreements. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations;
- (v) A description of the supply characteristics of the capacity and energy to be delivered;
- (vi) An estimate of the capacity and energy expected to be delivered to the Receiving Party;
- (vii) The Service Commencement Date and the term of the requested Transmission Service;
- (viii) The transmission capacity requested for each Point of Receipt and each Point of Delivery on Big Rivers' Transmission System; customers may combine their requests for service in order to satisfy the minimum

transmission capacity requirement;

- (ix) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service; and
- (x) Any additional information required by Big Rivers' planning process established in Attachment K.

Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations.

17.3 Deposit:

A Completed Application for Firm Point-To-Point Transmission Service also shall include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service requests of less than one month. If the Application is rejected by Big Rivers because it does not meet the conditions for service as set forth herein, or in the case of requests for service arising in connection with losing bidders in a Request For Proposals (RFP), said deposit shall be returned with interest (calculated using the one-year United States Treasury Bill rates effective as of the first business day of each applicable calendar month) less any reasonable costs incurred by Big Rivers in connection with the review of the losing bidder's Application. The deposit also will be returned with interest (calculated as above) less any reasonable costs

incurred by Big Rivers if Big Rivers is unable to complete new facilities needed to provide the service. If an Application is withdrawn or the Eligible Customer decides not to enter into a Service Agreement for Firm Point-To-Point Transmission Service, the deposit shall be refunded in full, with interest (calculated as above), less reasonable costs incurred by Big Rivers to the extent such costs have not already been recovered by Big Rivers from the Eligible Customer. Big Rivers will provide to the Eligible Customer a complete accounting of all costs deducted from the refunded deposit, which the Eligible Customer may contest if there is a dispute concerning the deducted costs. Deposits associated with construction of new facilities are subject to the provisions of Section 19. If a Service Agreement for Firm Point-To-Point Transmission Service is executed, the deposit, with interest, will be returned to the Transmission Customer upon expiration or termination of the Service Agreement for Firm Point-To-Point Transmission Service. Applicable interest shall be calculated from the day the deposit check is credited to Big Rivers' account.

17.4 Notice of Deficient Application:

If an Application fails to meet the requirements of the Tariff, Big Rivers shall notify the entity requesting service within fifteen (15) days of receipt of the reasons for such failure. Big Rivers will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Big Rivers shall return the Application, along with any deposit, with

interest. Upon receipt of a new or revised Application that fully complies with the requirements of Part II of the Tariff, the Eligible Customer shall be assigned a new priority consistent with the date of the new or revised Application.

17.5 Response to a Completed Application:

Following receipt of a Completed Application for Firm Point-To-Point Transmission Service, Big Rivers shall make a determination of available transfer capability as required in Section 15.2. Big Rivers shall notify the Eligible Customer as soon as practicable, but not later than thirty (30) days after the date of receipt of a Completed Application either (i) if it will be able to provide service without performing a System Impact Study or (ii) if such a study is needed to evaluate the impact of the Application pursuant to Section 19.1. Responses by Big Rivers must be made as soon as practicable to all completed applications (including applications by its own merchant function) and the timing of such responses must be made on a non-discriminatory basis.

17.6 Execution of Service Agreement:

Whenever Big Rivers determines that a System Impact Study is not required and that the service can be provided, it shall notify the Eligible Customer as soon as practicable but no later than thirty (30) days after receipt of the Completed Application. Where a System Impact Study is required, the provisions of Section 19 will govern the execution of a Service Agreement. Failure of an Eligible Customer to execute and

return the Service Agreement or request the filing of an unexecuted service agreement pursuant to Section 15.3, within fifteen (15) days after it is tendered by Big Rivers will be deemed a withdrawal and termination of the Application and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

17.7 Extensions for Commencement of Service:

The Transmission Customer can obtain, subject to availability, up to five (5) one-year extensions for the commencement of service. The Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Transmission Service for each year or fraction thereof within 15 days of notifying Big Rivers it intends to extend the commencement of service. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Transmission Service, and such request can be satisfied only by releasing all or part of the Transmission Customer's Reserved Capacity, the original Reserved Capacity will be released unless the following condition is satisfied. Within thirty (30) days, the original Transmission Customer agrees to pay the Firm Point-To-Point transmission rate for its Reserved Capacity concurrent with the new Service Commencement Date. In the event the Transmission Customer elects to release the Reserved Capacity, the reservation fees or portions thereof previously paid will be forfeited.

18 Procedures for Arranging Non-Firm Point-To-Point Transmission Service

18.1 Application:

Eligible Customers seeking Non-Firm Point-To-Point Transmission Service must submit a Completed Application to Big Rivers. Applications should be submitted by entering the information listed below on the Big Rivers OASIS. Prior to implementation of the Big Rivers OASIS, a Completed Application may be submitted by (i) transmitting the required information to Big Rivers by telefax, or (ii) providing the information by telephone over Big Rivers' time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application.

18.2 Completed Application:

A Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;
- (iii) The Point(s) of Receipt and the Point(s) of Delivery;
- (iv) The maximum amount of capacity requested at each Point of Receipt and Point of Delivery; and

- (v) The proposed dates and hours for initiating and terminating transmission service hereunder.

In addition to the information specified above, when required to properly evaluate system conditions, Big Rivers also may ask the Transmission Customer to provide the following:

- (vi) The electrical location of the initial source of the power to be transmitted pursuant to the Transmission Customer's request for service; and
- (vii) The electrical location of the ultimate load.

Big Rivers will treat this information in (vi) and (vii) as confidential at the request of the Transmission Customer except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice, or pursuant to RTG transmission information sharing agreements. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations.

- (viii) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service.

18.3 Reservation of Non-Firm Point-To-Point Transmission Service:

Requests for monthly service shall be submitted no earlier than sixty (60) days before service is to commence; requests for weekly service shall be submitted no earlier than fourteen (14) days before service is to commence, requests for daily service shall be submitted no earlier than two (2) days before service is to commence, and requests for hourly service shall be submitted no earlier than noon the day before service is to commence. Requests for service received later than 2:00 p.m. prior to the day service is scheduled to commence will be accommodated if practicable.

18.4 Determination of Available Transfer Capability:

Following receipt of a tendered schedule Big Rivers will make a determination on a non-discriminatory basis of available transfer capability pursuant to Section 15.2.

Such determination shall be made as soon as reasonably practicable after receipt, but not later than the following time periods for the following terms of service (i) thirty (30) minutes for hourly service, (ii) thirty (30) minutes for daily service, (iii) four (4) hours for weekly service, and (iv) two (2) days for monthly service.

19 Additional Study Procedures For Firm Point-To-Point Transmission Service Requests

19.1 Notice of Need for System Impact Study:

After receiving a request for service, Big Rivers shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of Big Rivers' methodology for completing a System Impact Study is provided in Attachment

D. If Big Rivers determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. Once informed, the Eligible Customer shall timely notify Big Rivers if it elects to have Big Rivers study redispatch or conditional curtailment as part of the System Impact Study. If notification is provided prior to tender of the System Impact Study Agreement, the Eligible Customer can avoid the costs associated with the study of these options. Big Rivers shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest.

19.2 System Impact Study Agreement and Cost Reimbursement:

- (i) The System Impact Study Agreement will clearly specify Big Rivers' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, Big Rivers shall rely, to the extent reasonably practicable, on existing transmission planning studies. The

Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

- (ii) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for Big Rivers to accommodate the requests for service, the costs of that study shall be pro-rated among the Eligible Customers.
- (iii) For System Impact Studies that Big Rivers conducts on its own behalf, Big Rivers shall record the cost of the System Impact Studies pursuant to Section 20.

19.3 System Impact Study Procedures:

Upon receipt of an executed System Impact Study Agreement, Big Rivers will use due diligence to complete the required System Impact Study within a sixty (60) day period.

The System Impact Study shall identify (1) any system constraints, identified with specificity by transmission element or flowgate, (2) redispatch options (when requested by an Eligible Customer) including an estimate of the cost of redispatch, (3) conditional curtailment options (when requested by an Eligible Customer) including the number of hours per year and the System Conditions during which conditional

curtailment may occur, and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within the Big Rivers Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If Big Rivers possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Big Rivers is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. Big Rivers will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. Big Rivers shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer

must execute a Service Agreement or request the issuance of an unexecuted Service Agreement pursuant to Section 15.3, or the Application shall be deemed terminated and withdrawn.

19.4 Facilities Study Procedures:

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Big Rivers, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest. Upon receipt of an executed Facilities Study Agreement, Big Rivers will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Big Rivers is unable to complete the Facilities Study in the allotted time period, Big Rivers shall notify the Transmission Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of

Direct Assignment Facilities to be charged to the Transmission Customer, (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades as determined pursuant to the provisions of Part II of the Tariff, and (iii) the time required to complete such construction and initiate the requested service. The Transmission Customer shall provide Big Rivers with a letter of credit or other reasonable form of security acceptable to Big Rivers equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Transmission Customer shall have thirty (30) days to execute a Service Agreement or request the issuance of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

19.5 Facilities Study Modifications:

Any change in design arising from inability to site or construct facilities as proposed will require development of a revised good faith estimate. New good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of Big Rivers that significantly affect the final cost of new facilities or upgrades to be charged to the Transmission Customer pursuant to the provisions of Part II of the Tariff.

19.6 Due Diligence in Completing New Facilities:

Big Rivers shall use due diligence to add necessary facilities or upgrade its Transmission System within a reasonable time. Big Rivers will not upgrade its existing or planned Transmission System in order to provide the requested Firm Point-To-Point Transmission Service if doing so would impair system reliability or otherwise impair or degrade existing firm service.

19.7 Partial Interim Service:

If Big Rivers determines that it will not have adequate transfer capability to satisfy the full amount of a Completed Application for Firm Point-To-Point Transmission Service, Big Rivers nonetheless shall be obligated to offer and provide the portion of the requested Firm Point-To-Point Transmission Service that can be accommodated without addition of any facilities and through redispatch. However, Big Rivers shall not be obligated to provide the incremental amount of requested Firm Point-To-Point Transmission Service that requires the addition of facilities or upgrades to the Transmission System until such facilities or upgrades have been placed in service.

19.8 Expedited Procedures for New Facilities:

In lieu of the procedures set forth above, the Eligible Customer shall have the option to expedite the process by requesting Big Rivers to tender at one time, together with the results of required studies, an "Expedited Service Agreement" pursuant to which the Eligible Customer would agree to compensate Big Rivers for all costs incurred

pursuant to the terms of the Tariff. In order to exercise this option, the Eligible Customer shall request in writing an expedited Service Agreement covering all of the above-specified items within thirty (30) days of receiving the results of the System Impact Study identifying needed facility additions or upgrades or costs incurred in providing the requested service. While Big Rivers agrees to provide the Eligible Customer with its best estimate of the new facility costs and other charges that may be incurred, such estimate shall not be binding and the Eligible Customer must agree in writing to compensate Big Rivers for all costs incurred pursuant to the provisions of the Tariff. The Eligible Customer shall execute and return such an Expedited Service Agreement within fifteen (15) days of its receipt or the Eligible Customer's request for service will cease to be a Completed Application and will be deemed terminated and withdrawn.

20 Procedures if Big Rivers is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service

20.1 Delays in Construction of New Facilities:

If any event occurs that will materially affect the time for completion of new facilities, or the ability to complete them, Big Rivers shall promptly notify the Transmission Customer. In such circumstances, Big Rivers shall within thirty (30) days of notifying the Transmission Customer of such delays, convene a technical meeting with the Transmission Customer to evaluate the alternatives available to the Transmission

Customer. Big Rivers also shall make available to the Transmission Customer studies and work papers related to the delay, including all information that is in the possession of Big Rivers that is reasonably needed by the Transmission Customer to evaluate any alternatives.

20.2 Alternatives to the Original Facility Additions:

When the review process of Section 20.1 determines that one or more alternatives exist to the originally planned construction project, Big Rivers shall present such alternatives for consideration by the Transmission Customer. If, upon review of any alternatives, the Transmission Customer desires to maintain its Completed Application subject to construction of the alternative facilities, it may request Big Rivers to submit a revised Service Agreement for Firm Point-To-Point Transmission Service. If the alternative approach solely involves Non-Firm Point-To-Point Transmission Service, Big Rivers shall promptly tender a Service Agreement for Non-Firm Point-To-Point Transmission Service providing for the service. In the event Big Rivers concludes that no reasonable alternative exists and the Transmission Customer disagrees, the Transmission Customer may seek relief under the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to any applicable regulatory commission with jurisdiction for resolution.

20.3 Refund Obligation for Unfinished Facility Additions:

If Big Rivers and the Transmission Customer mutually agree that no other reasonable

alternatives exist and the requested service cannot be provided out of existing capability under the conditions of Part II of the Tariff, the obligation to provide the requested Firm Point-To-Point Transmission Service shall terminate and any deposit made by the Transmission Customer shall be returned with interest (calculated using the one-year United States Treasury Bill rates effective as of the first business day of each applicable calendar month). However, the Transmission Customer shall be responsible for all prudently incurred costs by Big Rivers through the time construction was suspended.

21 Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities

21.1 Responsibility for Third-Party System Additions:

Big Rivers shall not be responsible for making arrangements for any necessary engineering, permitting, and construction of transmission or distribution facilities on the system(s) of any other entity or for obtaining any regulatory approval for such facilities. Big Rivers will undertake reasonable efforts to assist the Transmission Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

21.2 Coordination of Third-Party System Additions:

In circumstances where the need for transmission facilities or upgrades is identified pursuant to the provisions of Part II of the Tariff, and if such upgrades further require

the addition of transmission facilities on other systems, Big Rivers shall have the right to coordinate construction on its own system with the construction required by others. Big Rivers, after consultation with the Transmission Customer and representatives of such other systems, may defer construction of its new transmission facilities, if the new transmission facilities on another system cannot be completed in a timely manner. Big Rivers shall notify the Transmission Customer in writing of the basis for any decision to defer construction and the specific problems which must be resolved before it will initiate or resume construction of new facilities. Within sixty (60) days of receiving written notification by Big Rivers of its intent to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures pursuant to Section 12.

22 Changes in Service Specifications

22.1 Modifications On a Non-Firm Basis:

The Transmission Customer taking Firm Point-To-Point Transmission Service may request Big Rivers to provide transmission service on a non-firm basis over Receipt and Delivery Points other than those specified in the Service Agreement ("Secondary Receipt and Delivery Points"), in amounts not to exceed its firm capacity reservation, without incurring an additional Non-Firm Point-To-Point Transmission Service charge or executing a new Service Agreement, subject to the following conditions.

- (a) Service provided over Secondary Receipt and Delivery Points will be non-

firm only, on an as-available basis and will not displace any firm or non-firm service reserved or scheduled by third-parties under the Tariff or by Big Rivers on behalf of its Native Load Customers.

- (b) The sum of all Firm and non-firm Point-To-Point Transmission Service provided to the Transmission Customer at any time pursuant to this section shall not exceed the Reserved Capacity in the relevant Service Agreement under which such services are provided.
- (c) The Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service at the Receipt and Delivery Points specified in the relevant Service Agreement in the amount of its original capacity reservation.
- (d) Service over Secondary Receipt and Delivery Points on a non-firm basis shall not require the filing of an Application for Non-Firm Point-To-Point Transmission Service under the Tariff. However, all other requirements of Part II of the Tariff (except as to transmission rates) shall apply to transmission service on a non-firm basis over Secondary Receipt and Delivery Points.

22.2 Modification On a Firm Basis:

Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17

hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement.

23 Sale or Assignment of Transmission Service

23.1 Procedures for Assignment or Transfer of Service:

Subject to Federal Energy Regulatory Commission approval of any necessary filings, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement, but only to another Eligible Customer (the Assignee). The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement is hereafter referred to as the Reseller. Compensation to Resellers shall not exceed the higher of (i) the original rate paid by the Reseller, (ii) Big Rivers' maximum rate on file at the time of the assignment, or (iii) the Reseller's opportunity cost capped at Big Rivers' cost of expansion; provided that, for service prior to October 1, 2010, compensation to Resellers shall be at rates established by agreement between the Reseller and the Assignee.

The Assignee must execute a service agreement with Big Rivers governing reassignments of transmission service prior to the date on which the reassigned service commences. Big Rivers shall charge the Reseller, as appropriate, at the rate stated in

the Reseller's Service Agreement with Big Rivers or the associated OASIS schedule and credit the Reseller with the price reflected in the Assignee's Service Agreement with Big Rivers or the associated OASIS schedule; provided that, such credit shall be reversed in the event of non-payment by the Assignee. If the Assignee does not request any change in the Point(s) of Receipt or the Point(s) of Delivery, or a change in any other term or condition set forth in the original Service Agreement, the Assignee will receive the same services as did the Reseller and the priority of service for the Assignee will be the same as that of the Reseller. The Assignee will be subject to all terms and conditions of this Tariff. If the Assignee requests a change in service, the reservation priority of service will be determined by Big Rivers pursuant to Section 13.2.

23.2 Limitations on Assignment or Transfer of Service:

If the Assignee requests a change in the Point(s) of Receipt or Point(s) of Delivery, or a change in any other specifications set forth in the original Service Agreement, Big Rivers will consent to such change subject to the provisions of the Tariff, provided that the change will not impair the operation and reliability of Big Rivers' generation, transmission, or its member distribution systems. The Assignee shall compensate Big Rivers for performing any System Impact Study needed to evaluate the capability of the Transmission System to accommodate the proposed change and any additional costs resulting from such change. The Reseller shall remain liable for the performance

of all obligations under the Service Agreement, except as specifically agreed to by Big Rivers and the Reseller through an amendment to the Service Agreement.

23.3 Information on Assignment or Transfer of Service:

In accordance with Section 4, all sales or assignments of capacity must be conducted through or otherwise posted on Big Rivers' OASIS on or before the date the reassigned service commences and are subject to Section 23.1. Resellers may also use Big Rivers' OASIS to post transmission capacity available for resale.

24 Metering and Power Factor Correction at Receipt and Delivery Points(s)

24.1 Transmission Customer Obligations:

Unless otherwise agreed, the Transmission Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under Part II of the Tariff and to communicate the information to Big Rivers. Such equipment shall remain the property of the Transmission Customer.

24.2 Transmission Provider Access to Metering Data:

Big Rivers shall have access to metering data, which may reasonably be required to facilitate measurements and billing under the Service Agreement.

24.3 Power Factor:

Unless otherwise agreed, the Transmission Customer is required to maintain a power factor within the same range as Big Rivers pursuant to Good Utility Practices. The

power factor requirements are specified in the Service Agreement where applicable.

25 Compensation for Transmission Service

Rates for Firm and Non-Firm Point-To-Point Transmission Service are provided in the Schedules appended to the Tariff: Firm Point-To-Point Transmission Service (Schedule 7); and Non-Firm Point-To-Point Transmission Service (Schedule 8). Big Rivers shall use Part II of the Tariff to make its Third-Party Sales. Big Rivers shall account for such use at the applicable Tariff rates, pursuant to Section 8.

26 Stranded Cost Recovery

Big Rivers may seek to recover stranded costs from the Transmission Customer pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888.

27 Compensation for New Facilities and Redispatch Costs

Whenever a System Impact Study performed by Big Rivers in connection with the provision of Firm Point-To-Point Transmission Service identifies the need for new facilities, the Transmission Customer shall be responsible for such costs to the extent consistent with Federal Energy Regulatory Commission policy. Whenever a System Impact Study performed by Big Rivers identifies capacity constraints that may be relieved by redispatching Big Rivers' resources to eliminate such constraints, the Transmission Customer shall be responsible for the redispatch costs to the extent consistent with Federal Energy Regulatory Commission policy.

III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

Big Rivers will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which Big Rivers utilizes its Transmission System to serve its Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff.

28 Nature of Network Integration Transmission Service

28.1 Scope of Service:

Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in Big Rivers' Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to

Section 3.

28.2 Transmission Provider Responsibilities:

Big Rivers will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice and its planning obligations in Attachment K in order to provide the Network Customer with Network Integration Transmission Service over Big Rivers' Transmission System. Big Rivers, on behalf of its Native Load Customers, shall be required to designate resources and loads in the same manner as any Network Customer under Part III of this Tariff. This information must be consistent with the information used by Big Rivers to calculate available transfer capability. Big Rivers shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice and Attachment K, endeavor to construct and place into service sufficient transfer capability to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to Big Rivers' delivery of its own generating and purchased resources to its Native Load Customers.

28.3 Network Integration Transmission Service:

Big Rivers will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to Big Rivers' use of the Transmission System to reliably serve its Native Load Customers.

28.4 Secondary Service:

The Network Customer may use Big Rivers' Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Secondary service shall not require the filing of an Application for Network Integration Transmission Service under the Tariff. However, all other requirements of Part III of the Tariff (except for transmission rates) shall apply to secondary service. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.

28.5 Real Power Losses:

Real Power Losses are associated with all transmission service. Big Rivers is not obligated to provide Real Power Losses. The Network Customer is responsible for replacing losses associated with all transmission service rendered by Big Rivers at Real Power loss factors calculated by Big Rivers. Big Rivers shall recalculate average system Real Power Loss factors on an annual basis using the methodology specified in Schedule 10 of the Tariff.

28.6 Restrictions on Use of Service:

The Network Customer shall not use Network Integration Transmission Service for (i) sales of capacity and energy to non-designated loads, or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network

Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of Big Rivers' Transmission System. In the event that a Network Customer (including the Transmission Provider) uses Network Integration Transmission Service or secondary service pursuant to Section 28.4 to facilitate a wholesale sale that does not serve a Network Load, such use shall constitute an unreserved use of transmission service. In such instances of unreserved use, the Transmission Customer shall pay a penalty on the excess amount of transmission taken, with a separate penalty for each period of unreserved use. The penalty for the unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate (on-peak or off-peak, depending upon the day in which the unreserved use occurs) for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month,

the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8.

29 Initiating Service

29.1 Condition Precedent for Receiving Service:

Subject to the terms and conditions of Part III of the Tariff, Big Rivers will provide Network Integration Transmission Service to any Eligible Customer, provided that (i) the Eligible Customer completes an Application for service as provided under Part III of the Tariff, (ii) the Eligible Customer and Big Rivers complete the technical arrangements set forth in Sections 29.3 and 29.4, (iii) the Eligible Customer executes a Service Agreement pursuant to Attachment F for service under Part III of the Tariff or requests in writing that Big Rivers implement a proposed unexecuted Service Agreement, and (iv) the Eligible Customer executes a Network Operating Agreement with Big Rivers pursuant to Attachment G, or requests in writing that Big Rivers file a proposed unexecuted Network Operating Agreement.

29.2 Application Procedures:

An Eligible Customer requesting service under Part III of the Tariff must submit an Application, with a deposit approximating the charge for one month of service, to Big Rivers as far as possible in advance of the month in which service is to commence.

Unless subject to the procedures in Section 2, Completed Applications for Network Integration Transmission Service will be assigned a priority according to the date and time the Application is received, with the earliest Application receiving the highest priority. Applications should be submitted by entering the information listed below on Big Rivers' OASIS. Prior to implementation of Big Rivers' OASIS, a Completed Application may be submitted by (i) transmitting the required information to Big Rivers by telefax, or (ii) providing the information by telephone over Big Rivers' time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application. A Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the party requesting service;
- (ii) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;
- (iii) A description of the Network Load at each delivery point. This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each Transmission Provider substation at the same transmission voltage level. The description should

include a ten (10) year forecast of summer and winter load and resource requirements beginning with the first year after the service is scheduled to commence;

- (iv) The amount and location of any interruptible loads included in the Network Load. This shall include the summer and winter capacity requirements for each interruptible load (had such load not been interruptible), that portion of the load subject to interruption, the conditions under which an interruption can be implemented and any limitations on the amount and frequency of interruptions. An Eligible Customer should identify the amount of interruptible customer load (if any) included in the 10 year load forecast provided in response to (iii) above;
- (v) A description of Network Resources (current and 10-year projection). For each on-system Network Resource, such description shall include:
- Unit size and amount of capacity from that unit to be designated as Network Resource
 - VAR capability (both leading and lagging) of all generators
 - Operating restrictions
 - Any periods of restricted operations throughout the year
 - Maintenance schedules

- Minimum loading level of unit
- Normal operating level of unit
- Any must-run unit designations required for system reliability or contract reasons
- Approximate variable generating cost (\$/MWH) for redispatch computations
- Arrangements governing sale and delivery of power to third parties from generating facilities located in Big Rivers Control Area, where only a portion of unit output is designated as a Network Resource;

For each off-system Network Resource, such description shall include:

- Identification of the Network Resource as an off-system resource
- Amount of power to which the customer has rights
- Identification of the control area from which the power will originate
- Delivery point(s) to Big Rivers' Transmission System
- Transmission arrangements on the external transmission system(s)
- Operating restrictions, if any
 - Any periods of restricted operations throughout the year
 - Maintenance schedules
 - Minimum loading level of unit
 - Normal operating level of unit

- Any must-run unit designations required for system reliability or contract reasons
 - Approximate variable generating cost (\$/MWH) for redispatch computations;
- (vi) Description of Eligible Customer's transmission system:
- Load flow and stability data, such as real and reactive parts of the load, lines, transformers, reactive devices and load type, including normal and emergency ratings of all transmission equipment in a load flow format compatible with that used by Big Rivers
 - Operating restrictions needed for reliability
 - Operating guides employed by system operators
 - Contractual restrictions or committed uses of the Eligible Customer's transmission system, other than the Eligible Customer's Network Loads and Resources
 - Location of Network Resources described in subsection (v) above
 - 10 year projection of system expansions or upgrades
 - Transmission System maps that include any proposed expansions or upgrades
 - Thermal ratings of Eligible Customer's Control Area ties with other Control Areas;

- (vii) Service Commencement Date and the term of the requested Network Integration Transmission Service. The minimum term for Network Integration Transmission Service is one year;
- (viii) A statement signed by an authorized officer from or agent of the Network Customer attesting that all of the network resources listed pursuant to Section 29.2(v) satisfy the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) the Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis; and
- (ix) Any additional information required of the Transmission Customer as specified in Big Rivers' planning process established in Attachment K.

Unless the Parties agree to a different time frame, Big Rivers must acknowledge the request within ten (10) days of receipt. The acknowledgement must include a date by which a response, including a Service Agreement, will be sent to the Eligible Customer. If an Application fails to meet the requirements of this section, Big Rivers

shall notify the Eligible Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever possible, Big Rivers will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Big Rivers shall return the Application without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations.

29.3 Technical Arrangements to be Completed Prior to Commencement of Service:

Network Integration Transmission Service shall not commence until Big Rivers and the Network Customer, or a third party, have completed installation of all equipment specified under the Network Operating Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System. Big Rivers shall exercise reasonable efforts, in coordination with the Network Customer, to complete such arrangements as soon as practicable taking into consideration the Service Commencement Date.

29.4 Network Customer Facilities:

The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of each delivery point or interconnection necessary to reliably deliver capacity and energy from Big Rivers' Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each such delivery point or interconnection.

29.5 Filing of Service Agreement:

Big Rivers, if required, will file Network Service Agreements with applicable regulatory commissions in compliance with applicable regulations.

30 Network Resources

30.1 Designation of Network Resources:

Network Resources shall include all generation owned, purchased or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially

be designated as Network Resources until the Network Customer terminates the designation of such resources.

30.2 Designation of New Network Resources:

The Network Customer may designate a new Network Resource by providing Big Rivers with as much advance notice as practicable. A designation of a new Network Resource must be made through Big Rivers' OASIS by a request for modification of service pursuant to an Application under Section 29. This request must include a statement that the new network resource satisfies the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) The Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. The Network Customer's request will be deemed deficient if it does not include this statement and Big Rivers will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

30.3 Termination of Network Resources:

The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource by providing notification to Big Rivers through

OASIS as soon as reasonably practicable, but not later than the firm scheduling deadline for the period of termination. Any request for termination of Network Resource status must be submitted on OASIS, and should indicate whether the request is for indefinite or temporary termination. A request for indefinite termination of Network Resource status must indicate the date and time that the termination is to be effective, and the identification and capacity of the resource(s) or portions thereof to be indefinitely terminated. A request for temporary termination of Network Resource status must include the following:

- (i) Effective date and time of temporary termination;
- (ii) Effective date and time of redesignation, following period of temporary termination;
- (iii) Identification and capacity of resource(s) or portions thereof to be temporarily terminated;
- (iv) Resource description and attestation for redesignating the network resource following the temporary termination, in accordance with Section 30.2; and
- (v) Identification of any related transmission service requests to be evaluated concomitantly with the request for temporary termination, such that the requests for undesignation and the request for these related transmission service requests must be approved or denied as a single request. The

evaluation of these related transmission service requests must take into account the termination of the network resources identified in (iii) above, as well as all competing transmission service requests of higher priority.

As part of a temporary termination, a Network Customer may only redesignate the same resource that was originally designated, or a portion thereof. Requests to redesignate a different resource and/or a resource with increased capacity will be deemed deficient and Big Rivers will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

30.4 Operation of Network Resources:

The Network Customer shall not operate its designated Network Resources located in the Network Customer's or Big Rivers' Control Area such that the output of those facilities exceeds its designated Network Load, plus Non-Firm Sales delivered pursuant to Part II of the Tariff, plus losses, plus power sales under a Federal Energy Regulatory Commission-approved reserve sharing program. This limitation shall not apply to changes in the operation of a Transmission Customer's Network Resources at the request of Big Rivers to respond to an emergency or other unforeseen condition which may impair or degrade the reliability of the Transmission System. For all Network Resources not physically connected with Big Rivers' Transmission System, the Network Customer may not schedule delivery of energy in excess of the Network Resource's capacity, as specified in the Network Customer's Application pursuant to

Section 29, unless the Network Customer supports such delivery within Big Rivers' Transmission System by either obtaining Point-to-Point Transmission Service or utilizing secondary service pursuant to Section 28.4. In the event that a Network Customer's (including Big Rivers) schedule at the delivery point for a Network Resource not physically interconnected with Big Rivers' Transmission System exceeds the Network Resource's designated capacity, excluding energy delivered using secondary service or Point-to-Point Transmission Service, the difference between the Network Customer's schedule across the interface between the Transmission System and the transmission system in which the Network Resource resides and the Network Resource's designated capacity shall constitute an unreserved use of transmission service. In such instances of unreserved use, the Transmission Customer shall pay a penalty on the excess amount of transmission taken, with a separate penalty charge for each period of unreserved use. The penalty for the unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point

Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8.

30.5 Network Customer Redispatch Obligation:

As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by Big Rivers pursuant to Section 33.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and Big Rivers.

30.6 Transmission Arrangements for Network Resources Not Physically Interconnected With Big Rivers:

The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with Big Rivers' Transmission System. Big Rivers will undertake reasonable efforts to assist the Network Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other entity pursuant to Good

Utility Practice.

30.7 Limitation on Designation of Network Resources:

The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff.

30.8 Use of Interface Capacity by the Network Customer:

There is no limitation upon a Network Customer's use of Big Rivers' Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its Network Loads. However, a Network Customer's use of Big Rivers' total interface capacity with other transmission systems may not exceed the Network Customer's Load.

30.9 Network Customer Owned Transmission Facilities:

The Network Customer that owns existing transmission facilities that are integrated with Big Rivers' Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. In order to receive such consideration the Network Customer must demonstrate that its transmission facilities are integrated into the plans or operations of Big Rivers, to serve its power and transmission customers. For facilities added by the Network Customer subsequent to

the effective date of this Tariff, the Network Customer shall receive credit for such transmission facilities added if such facilities are integrated into the operations of Big Rivers' facilities; provided however, the Network Customer's transmission facilities shall be presumed to be integrated if such transmission facilities, if owned by Big Rivers, would be eligible for inclusion in Big Rivers' annual transmission revenue requirement as specified in Attachment H. Calculation of any credit under this subsection shall be addressed in either the Network Customer's Service Agreement or any other agreement between the Parties.

31 Designation of Network Load

31.1 Network Load:

The Network Customer must designate the individual Network Loads on whose behalf Big Rivers will provide Network Integration Transmission Service. The Network Loads shall be specified in the Service Agreement.

31.2 New Network Loads Connected With Big Rivers:

The Network Customer shall provide Big Rivers with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load must be made through a modification of service pursuant to a new Application. Big Rivers will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to

interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Federal Energy Regulatory Commission policies.

31.3 Network Load Not Physically Interconnected with Big Rivers:

This section applies to both initial designation pursuant to Section 31.1 and the subsequent addition of new Network Load not physically interconnected with Big Rivers. To the extent that the Network Customer desires to obtain transmission service for a load outside Big Rivers' Transmission System, the Network Customer shall have the option of (1) electing to include the entire load as Network Load for all purposes under Part III of the Tariff and designating Network Resources in connection with such additional Network Load, or (2) excluding that entire load from its Network Load and purchasing Point-To-Point Transmission Service under Part II of the Tariff. To the extent that the Network Customer gives notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made through a modification of service pursuant to a new Application.

31.4 New Interconnection Points:

To the extent the Network Customer desires to add a new Delivery Point or interconnection point between Big Rivers' Transmission System and a Network Load, the Network Customer shall provide Big Rivers with as much advance notice as reasonably practicable.

31.5 Changes in Service Requests:

Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (e.g. the addition of a new Network Resource or designation of a new Network Load) in any way relieve the Network Customer of its obligation to pay the costs of transmission facilities constructed by Big Rivers and charged to the Network Customer as reflected in the Service Agreement. However, Big Rivers must treat any requested change in Network Integration Transmission Service in a non-discriminatory manner.

31.6 Annual Load and Resource Information Updates:

The Network Customer shall provide Big Rivers with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff including, but not limited to, any information provided under section 29.2(ix) pursuant to Big Rivers' planning process in Attachment K. The Network Customer also shall provide Big Rivers with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting Big Rivers' ability to provide reliable service.

32 Additional Study Procedures For Network Integration Transmission Service Requests

32.1 Notice of Need for System Impact Study:

After receiving a request for service, Big Rivers shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of Big Rivers' methodology for completing a System Impact Study is provided in Attachment D. If Big Rivers determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, Big Rivers shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest.

32.2 System Impact Study Agreement and Cost Reimbursement:

- (i) The System Impact Study Agreement will clearly specify Big Rivers' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, Big Rivers shall rely, to the extent reasonably practicable, on existing transmission planning studies. The

Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

- (ii) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for Big Rivers to accommodate the service requests, the costs of that study shall be pro-rated among the Eligible Customers.
- (iii) For System Impact Studies that Big Rivers conducts on its own behalf, Big Rivers shall record the cost of the System Impact Studies pursuant to Section 8.

32.3 System Impact Study Procedures:

Upon receipt of an executed System Impact Study Agreement, Big Rivers will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall (1) identify any system constraints, identified with specificity by transmission element or flowgate, (2) redispatch options (when requested by an Eligible Customer) including, to the extent possible, an estimate of the cost of redispatch, (3) available options for installation of automatic devices to curtail service (when requested by an Eligible Customer), and (4) additional Direct

Assignment Facilities or Network Upgrades required to provide the requested service.

For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within Big Rivers' Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If Big Rivers possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Big Rivers is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. Big Rivers will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. Big Rivers shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or

request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn.

32.4 Facilities Study Procedures:

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Big Rivers, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest (calculated using the one-year United States Treasury Bill rates effective as of the first business day of each applicable calendar month). Upon receipt of an executed Facilities Study Agreement, Big Rivers will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Big Rivers is unable to complete the Facilities Study in the allotted time period, Big Rivers shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a

good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide Big Rivers with a letter of credit or other reasonable form of security acceptable to Big Rivers equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

33 Load Shedding and Curtailments

33.1 Procedures:

Prior to the Service Commencement Date, Big Rivers and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the Transmission System and on systems directly and indirectly interconnected with Transmission Provider's Transmission System. The Parties will implement such programs during any period when Big Rivers determines that a system contingency exists and such procedures are necessary to alleviate such contingency. Big Rivers

will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

33.2 Transmission Constraints:

During any period when Big Rivers determines that a transmission constraint exists on the Transmission System, and such constraint may impair the reliability of Big Rivers' system, Big Rivers will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of Big Rivers' system. To the extent Big Rivers determines that the reliability of the Transmission System can be maintained by redispatching resources, Big Rivers will initiate procedures pursuant to the Network Operating Agreement to redispatch all Network Resources and Big Rivers' own resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate between Big Rivers' use of the Transmission System on behalf of its Native Load Customers and any Network Customer's use of the Transmission System to serve its designated Network Load.

33.3 Cost Responsibility for Relieving Transmission Constraints:

Whenever Big Rivers implements least-cost redispatch procedures in response to a transmission constraint, Big Rivers and Network Customers will each bear a proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

33.4 Curtailments of Scheduled Deliveries:

If a transmission constraint on Big Rivers' Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and Big Rivers determines that it is necessary to Curtail scheduled deliveries, the Parties shall Curtail such schedules in accordance with the Network Operating Agreement or pursuant to the Transmission Loading Relief procedures specified in Attachment J.

33.5 Allocation of Curtailments:

Big Rivers shall, on a non-discriminatory basis, Curtail the transaction(s) that effectively relieve the constraint. However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by Big Rivers and Network Customer in proportion to their respective Load Ratio Shares. Big Rivers shall not direct the Network Customer to Curtail schedules to an extent greater than Big Rivers would Curtail Big Rivers' schedules under similar circumstances.

33.6 Load Shedding:

To the extent that a system contingency exists on Big Rivers' Transmission System and Big Rivers determines that it is necessary for Big Rivers and the Network Customer to shed load, the Parties shall shed load in accordance with previously established procedures under the Network Operating Agreement.

33.7 System Reliability:

Notwithstanding any other provisions of this Tariff, Big Rivers reserves the right,

consistent with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on Big Rivers' part for the purpose of making necessary adjustments to, changes in, or repairs on its lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on Big Rivers' Transmission System or on any other system(s) directly or indirectly interconnected with Big Rivers' Transmission System, Big Rivers, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or transmission facilities, or (iii) expedite restoration of service. Big Rivers will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will not be unduly discriminatory relative to Big Rivers' use of the Transmission System on behalf of its Native Load Customers. Big Rivers shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.

34 Rates and Charges

The Network Customer shall pay Big Rivers for any Direct Assignment Facilities, Ancillary Services, and applicable study costs along with the following:

34.1 Monthly Demand Charge:

The Network Customer shall pay a monthly Demand Charge, which shall be determined by multiplying its Load Ratio Share times one twelfth (1/12) of the Transmission Provider's Annual Transmission Revenue Requirement specified in Schedule H.

34.2 Determination of Network Customer's Monthly Network Load:

The Network Customer's monthly Network Load is its hourly load (including its designated Network Load not physically interconnected with Big Rivers under Section 31.3) coincident with Big Rivers' Monthly Transmission System Peak.

34.3 Determination of Transmission Provider's Monthly Transmission System Load:

Big Rivers' monthly Transmission System load is Big Rivers' Monthly Transmission System Peak minus the coincident peak usage of all Firm Point-To-Point Transmission Service customers pursuant to Part II of this Tariff plus the Reserved Capacity of all Firm Point-To-Point Transmission Service customers.

34.4 Redispatch Charge:

The Network Customer shall pay a Load Ratio Share of any redispatch costs allocated between the Network Customer and Big Rivers pursuant to Section 33. To the extent that Big Rivers incurs an obligation to the Network Customer for redispatch costs in accordance with Section 33, such amounts shall be credited against the Network

Customer's bill for the applicable month.

34.5 Stranded Cost Recovery:

Big Rivers may seek to recover stranded costs from the Network Customer pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888.

35 Operating Arrangements

35.1 Operation under The Network Operating Agreement:

The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement.

35.2 Network Operating Agreement:

The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part III of the Tariff shall be specified in the Network Operating Agreement. The Network Operating Agreement shall provide for the Parties to (i) operate and maintain equipment necessary for integrating the Network Customer within Big Rivers' Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), (ii) transfer data between Big Rivers and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units

outside Big Rivers' Transmission System, interchange schedules, unit outputs for redispatch required under Section 33, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint dispatching, (iv) exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either (i) operate as a Control Area under applicable guidelines of the Electric Reliability Organization (ERO) as defined in 18 C.F.R. § 39.1, (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with Big Rivers, or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, which satisfies the applicable reliability guidelines of the ERO. Big Rivers shall not unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services. The Network Operating Agreement is included in Attachment G.

35.3 Network Operating Committee:

A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall meet from time to time as need

requires, but no less than once each calendar year.

SCHEDULE 1

Scheduling, System Control and Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into Big Rivers' Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by Big Rivers. The Transmission Customer must purchase this service from Big Rivers. The charges for Scheduling, System Control and Dispatch Service are to be based on the rates set forth below:

\$0.8275/kW per year

\$0.0690/kW per month

\$0.0159/kW per week

\$0.0032/kW per day

\$0.1989 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

Dynamic Scheduling Service also will be provided by Big Rivers to the Transmission Customer as part of this service upon request at costs to be determined. Dynamic Scheduling Service involves the arrangement for moving the electrical effects of load or generation located

within one Control Area (or other larger area of coordinated dispatch operation) such that the electrical effect of the load or generation is recognized in the real-time control and dispatch of another Control Area. Under Dynamic Scheduling Service, Big Rivers agrees to assign certain customer load or generation to another Control Area, and to send the associated control signals to the respective control center of that Control Area. Dynamic Scheduling is implemented through the use of specific telemetry and control equipment, which a Transmission Customer requesting Dynamic Scheduling Service is required to provide and install at its own cost. The provisions under which Big Rivers will provide Dynamic Scheduling Service are set forth below:

- (1) The Transmission Customer may designate any amount of firm Point-to-Point Transmission Service as Dynamic Scheduling Service.
- (2) Designation of any amount of Firm Transmission Service as Dynamic Scheduling Service shall not relieve the Transmission Customer from paying Big Rivers the transmission charges for the total amount of reserved transmission capacity.
- (3) The amount of Firm Transmission Service not designated as Dynamic Scheduling Service shall be scheduled pursuant to the terms and conditions of this Tariff.
- (4) The amount of Firm Transmission Service designated as Dynamic Scheduling Service need not be scheduled, and no scheduling charge will be levied by Big Rivers.

In addition, assignment to Third-Parties and use of Secondary Point(s) of Receipt and Delivery shall not be allowed for Firm Transmission Service designated as Dynamic Scheduling Service.

SCHEDULE 2

Reactive Supply and Voltage Control from Generation or Other Sources Service

In order to maintain transmission voltages on Big Rivers' transmission facilities within acceptable limits, generating facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power as required by Big Rivers' transmission facilities. All Transmission Customers taking service from Big Rivers under this Tariff must obtain Reactive Supply and Voltage Control from Generation or Other Sources Service from Big Rivers for each transaction on Big Rivers' transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by Big Rivers.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided by Big Rivers. The Transmission Customer must purchase this service from Big Rivers.

The charges for such service will be based on the rates set forth below:

\$ 1.6924/kW per year

\$0.1410/kW per month

\$0.0325/kW per week

\$0.0065/kW per day

\$0.4068 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 3

Regulation and Frequency Response Service

Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load within Big Rivers' Control Area and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation in Big Rivers' Control Area, the output of which is raised or lowered (predominantly through the use of automatic generating control equipment) and by other non-generation resources capable of providing this service as necessary to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with Big Rivers. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers, or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation. The amount of and charges for Regulation and Frequency Response Service are set forth below:

\$1.4938/kW per year

\$0.1245/kW per month

\$0.0287/kW per week

\$0.0057/kW per day

\$0.3591 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 4

Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour. Big Rivers must offer this service when a Transmission Customer's requested transmission service is used to serve load within Big Rivers' Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. To the extent the Control Area operator performs this service for Big Rivers, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Big Rivers by that Control Area operator. Big Rivers may charge a Transmission Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Big Rivers shall establish charges for energy imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of incremental or decremental cost; (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of

the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of incremental cost or 75 percent of decremental cost.

For purposes of this Schedule, decremental cost shall represent Big Rivers' actual average hourly cost of the last 10 MW dispatched for any purpose, i.e., to supply Big Rivers' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchase and interchange power costs and taxes, as applicable.

In the event that Big Rivers assesses penalties for imbalances pursuant to this Schedule 4, Big Rivers shall distribute the penalty revenues in excess of Big Rivers' incremental cost of providing imbalance service to those Transmission Customers (including Big Rivers for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during the month and did not incur imbalance penalties (under either this Schedule 4 or Schedule 9) in that month. In the event that a division or organization within Big Rivers incurs imbalance

penalties, Big Rivers shall be disqualified from receiving a distribution of imbalance penalties, but nonetheless shall retain its incremental cost of providing imbalance energy.

Imbalance penalty revenues shall be calculated and distributed on a monthly basis, based upon the ratio of the transmission service revenues from each Transmission Customer that did not incur imbalance penalties in that month to the aggregate transmission service revenues from all such Transmission Customers that did not incur imbalance penalties in that month. For purposes of distributing imbalance penalty revenues, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the imbalance penalties are incurred, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do not incur imbalance penalties in a given month, any revenues shall be distributed and allocated to Transmission Customers that do not incur an imbalance penalty, using the calculation outlined in the preceding two sentences for the month in which at least one Transmission Customer does not incur an imbalance penalty, with interest calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

SCHEDULE 5

Operating Reserve - Spinning Reserve Service

Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output and by non-generation resources capable of providing this service. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. The amount of and charges for Spinning Reserve Service are set forth below:

\$0.7668 per kW per year

\$0.0639/kW per month

\$0.0147/kW per week

\$0.0029/kW per day

\$0.1843 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 6

Operating Reserve - Supplemental Reserve Service

Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation or by interruptible load or other non-generation resources capable of providing this service. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of and charges for Supplemental Reserve Service are set forth below:

\$0.9372/kW per year

\$0.0781/kW per month

\$0.0180/kW per week

\$0.0036/kW per day

\$0.2253 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 7

Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Big Rivers each month for Reserved Capacity at the sum of the applicable charges set forth below:

- 1) **Yearly delivery:** one-twelfth of the demand charge of \$ 11.985/KW of Reserved Capacity per year.
- 2) **Monthly delivery:** \$ 0.999/KW of Reserved Capacity per month.
- 3) **Weekly delivery:** \$ 0.230/KW of Reserved Capacity per week.
- 4) **Daily delivery:** \$ 0.046/KW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

- 5) **Discounts:** Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery,

Big Rivers must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

- 6) **Resales:** The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 8

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Big Rivers for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

- 1) **Monthly delivery:** \$ 0.999/KW of Reserved Capacity per month.
- 2) **Weekly delivery:** \$ 0.230/KW of Reserved Capacity per week.
- 3) **Daily delivery:** \$ 0.046/KW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

- 4) **Hourly delivery:** The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed \$ 2.881/MWH. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.
- 5) **Discounts:** Three principal requirements apply to discounts for transmission service as

follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Big Rivers must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

- 6) **Resales:** The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 9

Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator located in Big Rivers' Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within Big Rivers' Control Area over a single hour. Big Rivers must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. Big Rivers may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.

Charges for generator imbalance shall be based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of each month, at 100 percent of incremental or decremental cost, (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be

applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled at 125 percent of incremental cost or 75 percent of decremental cost, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by the Transmission Provider, a balancing authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent incremental and decremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

For purposes of this Schedule, decremental cost shall represent Big Rivers' actual average hourly cost of the last 10 MW dispatched for any purpose, i.e., to supply Big Rivers' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel,

unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes as applicable.

In the event that Big Rivers assesses penalties for imbalances pursuant to this Schedule 9, Big Rivers shall distribute the penalty revenues in excess of Big Rivers' incremental cost of providing imbalance service to those Transmission Customers (including Big Rivers for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during the month and did not incur imbalance penalties (under either this Schedule 4 or Schedule 9) in that month. In the event that a division or organization within Big Rivers incurs imbalance penalties, Big Rivers shall be disqualified from receiving a distribution of imbalance penalties, but nonetheless shall retain its incremental cost of providing imbalance energy.

Imbalance penalty revenues shall be calculated and distributed on a monthly basis, based upon the ratio of the transmission service revenues from each Transmission Customer that did not incur imbalance penalties in that month to the aggregate transmission service revenues from all such Transmission Customers that did not incur imbalance penalties in that month. For purposes of distributing imbalance penalty revenues, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the imbalance penalties are incurred, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do not incur imbalance penalties in a given month, any revenues shall be distributed and allocated to Transmission Customers that do not incur an

imbalance penalty, using the calculation outlined in the preceding two sentences for the month in which at least one Transmission Customer does not incur an imbalance penalty, with interest calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

SCHEDULE 10

Real Power Loss Factor Calculation

Real Power Losses are associated with all Transmission Service and must be provided by all Transmission Customers taking service under this Tariff. In January of every year, the average loss rate for the previous calendar year shall be calculated in the following manner:

$$\text{Average loss rate} = \frac{\text{Annual power losses}}{\text{Big Rivers' deliveries of energy}}$$

with

Annual power losses = [Big Rivers' receipt of energy – Big Rivers' deliveries of energy].

Big Rivers' receipts of energy shall be determined as the sum of: (i) energy from generation in Big Rivers' control area (excluding all generating station use); (ii) imports of energy for delivery within Big Rivers' control area (determined at Big Rivers' receipt points, including dynamically scheduled loads); (iii) receipts of energy for wheeling through transmission by others; and (iv) net inadvertent power exchanges with other control areas (i.e., inadvertent receipts minus inadvertent deliveries).

Big Rivers' deliveries of energy shall be determined as the sum of: (i) all deliveries of energy to destinations located within Big Rivers' control area (including deliveries to Henderson Municipal Power & Light); (ii) exports of energy from Big Rivers' control area (measured at Big Rivers' delivery points, including dynamically scheduled exports); and (iii) deliveries of energy for wheeling through transmission by others.

The three year average of the most currently calculated annual loss rate and the annual loss rate calculated for each of the previous two years shall become the effective annual loss rate as of February 1 in each year.

Page 1 of 4

ATTACHMENT A

**Form Of Service Agreement For
Firm Point-To-Point Transmission Service**

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation ("Big Rivers"), and _____ ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by Big Rivers to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to Big Rivers an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (1) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Kentucky Public Service Commission, to the extent applicable. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Telephone No. (270) 827-2561
Vice President System Operations

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Big Rivers:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

Specifications For Long-Term Firm Point-To-Point
Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and energy to be transmitted by Big Rivers including the electric Control Area in which the transaction originates.

3.0 Point(s) of Receipt: _____

Delivering Party: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

5.0 Maximum amount of capacity and energy to be transmitted
(Reserved Capacity): _____

6.0 Designation of party(ies) subject to reciprocal service
obligation: _____

7.0 Name(s) of any Intervening Systems providing transmission
service: _____

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission Charge: _____

8.2 System Impact and/or Facilities Study Charge(s):

8.3 Direct Assignment Facilities Charge: _____

8.4 Ancillary Services Charges: _____

ATTACHMENT A-1

**Form Of Service Agreement For
The Resale, Reassignment Or Transfer Of
Long-Term Firm Point-To-Point Transmission Service**

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation (“Big Rivers”), and _____ (the Assignee).
- 2.0 The Assignee has been determined by Big Rivers to be an Eligible Customer under the Tariff pursuant to which the transmission service rights to be transferred were originally obtained.
- 3.0 The terms and conditions for the transaction entered into under this Service Agreement shall be subject to the terms and conditions of Part II of the Big Rivers Tariff, except for those terms and conditions negotiated by the Reseller of the reassigned transmission capacity (pursuant to Section 23.1 of this Tariff) and the Assignee to include: contract effective and termination dates, the amount of reassigned capacity or energy, point(s) of receipt and delivery. Changes by the Assignee to the Reseller’s Points of Receipt and Points of Delivery will be subject to the provisions of Section 23.2 of this Tariff.
- 4.0 Big Rivers shall credit the Reseller for the price reflected in the Assignee’s Service Agreement or the associated OASIS schedule.
- 5.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Telephone No. (270) 827-2561
Vice President System Operations

Assignee:

6.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Big Rivers Electric Corporation:

By: _____
Name Title Date

Assignee:

By: _____
Name Title Date

Specifications For The Resale, Reassignment Or Transfer of
Long-Term Firm Point-To-Point Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and energy to be transmitted by Big Rivers including the electric Control Area in which the transaction originates.

3.0 Point(s) of Receipt: _____

Delivering Party: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

5.0 Maximum amount of reassigned capacity: _____

6.0 Designation of party(ies) subject to reciprocal service obligation: _____

7.0 Name(s) of any Intervening Systems providing transmission service: _____

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission Charge: _____

8.2 System Impact and/or Facilities Study Charge(s):

8.3 Direct Assignment Facilities Charge: _____

8.4 Ancillary Services Charges: _____

9.0 Name of Reseller of the reassigned transmission capacity:

ATTACHMENT B

**Form Of Service Agreement For Non-Firm Point-To-Point
Transmission Service**

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation (“Big Rivers”), and _____ (Transmission Customer).
- 2.0 The Transmission Customer has been determined by Big Rivers to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
- 3.0 Service under this Agreement shall be provided by Big Rivers upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information Big Rivers deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Telephone No. (270) 827-2561
Vice President System Operations

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

ATTACHMENT C

Methodology To Assess Available Transfer Capability

Big Rivers will assess the capability of the Transmission System to provide the service requested using the criteria and process for this assessment as detailed in the document titled *AFC/ATC Calculation Procedures*. The document is available on the Big Rivers OASIS. In determining the level of capacity available for new Transmission Service requests, Big Rivers may exclude, from capacity to be made available for new Transmission Service requests, that capacity needed to meet current and reasonably forecasted load of Native Load Customers and Network Customers, existing firm Point-to-Point Transmission Service customers, previously received pending Applications for firm Point-to-Point Transmission Service and to meet existing contractual obligations under other tariffs and rate schedules.

In subsequent updates, Big Rivers will compute the transmission transfer capability available from the Delivering Party to the Receiving Party using Good Utility Practice and the engineering and operating principles, standards, guidelines and criteria of Big Rivers, SERC, and any entity of which Big Rivers is a member and which has been approved by the Federal Energy Regulatory Commission to promulgate or apply regional or national reliability planning standards (such as an RTO), or any similar organization that may exist in the future of which Big Rivers is then a member. Principal items used to determine maximum transmission transfer capability available include reliability, transmission element loading, system contingency performance, voltage levels, and stability, and other criteria specified in the Big Rivers OASIS posting.

ATTACHMENT D

Methodology for Completing a System Impact Study

Big Rivers will assess the capability of the Transmission System to provide service requested pursuant to this Agreement. Big Rivers will determine whether a proposed use of the Transmission System results in transmission interface loading such that First Contingency Total Transfer Capability (FCTTC) is not exceeded. The FCTTC shall be as defined by NERC.

“Acceptable” and “unacceptable” steady-state voltages and facility loadings are defined by criteria established by Big Rivers and other utility systems with which Big Rivers is interconnected according to all applicable NERC and SERC standards.

In addition to the steady-state performance criteria described above, Big Rivers’ Transmission System is also designed taking into account dynamic stability performance to ensure any credible disturbance (short circuit or equipment disconnection) does not result in cascading tripping of transmission facilities. The criteria applied are those established by Big Rivers according to all applicable NERC and SERC standards.

Transmission System performance for the requested service shall include a consideration of (i) the load and projected loads of Big Rivers’ native load customers, (ii) the loads of firm Point-to-Point Transmission Customers under this Tariff and pursuant to other agreements, rate schedules, and contracts; (iii) transmission service to be provided in response to previously pending Valid Requests for transmission service under this Tariff and other contracts. Transmission Service to native load customers involves consideration of local transmission facility performance, in addition to consideration of any transmission interface transfer capability. This planning is performed the same as transmission planning for Big Rivers’ native load. The primary design criterion for the Transmission System is that failure of any one circuit or piece of equipment should not cause a sustained outage or unacceptably high or low voltage to customer load, nor should it cause excessive loading on Transmission System equipment. This must be satisfied at any load level, during peak load periods as well as off-peak periods.

The exceptions to this “single contingency” criterion are (i) small distribution substations which may be supplied by a single transmission line, and (ii) large groupings of substations for which double contingency system design may be employed.

ATTACHMENT E

Index Of Point-To-Point Transmission Service Customers

<u>Customer</u>	<u>Date of Service Agreement</u>
AEP Service Corp.	3/27/2002
Allegheny Energy Supply	9/11/2000
Big Rivers Power Supply	10/1/1998
Cargill-Alliant LLC	2/12/2002
Cash Creek Generation, LLC	7/16/2007
Cinergy Power Mkt. & Trading	10/31/2005
Cobb Electric Membership Corp.	6/9/2003
Conectiv Energy Supply	10/21/1999
Constellation Energy Commodities Group	10/13/1998
Coral Power L.L.C.	5/25/1999
DTE Energy Trading	7/24/2000
Duke Energy Indiana	10/31/2005
Duke Energy Kentucky, Inc.	10/31/2005
Duke Energy Trading and Marketing	8/13/1998
E.ON U.S. Services, Inc.	6/1/2000

Exelon Generation, LLC	5/14/2001
Hoosier Energy Power Marketing	10/8/1998
Lehman Bothers Commodity Services Inc.	1/16/2006
LG&E Energy Marketing Inc.	9/15/1998
NRG Power Marketing	1/15/2002
Peabody Energy	7/11/2002
PG&E Energy Trading Power, L.P.	12/15/1998
Powerex Corp.	1/24/2000
PPM Energy, Inc.	7/20/1998
Rainbow Energy Marketing Corp.	7/15/1998
Sempra Energy Trading Corp.	5/11/2000
Southern Illinois Power Coop. Marketing	8/3/1998
Southern Indiana Gas & Electric	7/15/1998
The Cincinnati Gas & Electric Company	10/31/2005
The Energy Authority	7/20/2000
The Legacy Energy Group	6/12/2000
Tennessee Valley Authority	12/9/2000

ATTACHMENT F

Service Agreement For Network Integration Transmission Service

I. GENERAL TERMS AND CONDITIONS

1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation (hereinafter Big Rivers), and _____ (hereinafter Transmission Customer).

2.0 This Transmission Customer has been determined by Big Rivers to have completed satisfactorily an Application for Network Integration Transmission Service;

3.0 Service under this Agreement shall commence on the later of: (1) _____, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as agreed by the parties hereto. Service under this Agreement shall terminate on _____;

4.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Network Integration Service in accordance with the provisions of the Tariff and this Service Agreement.

5.0 Any notice of request made to or by either party to this Agreement regarding this Service Agreement shall be made to the representative of the other party as indicated below.

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Vice President System Operations

Transmission Customer

6.0 The Big Rivers Open Access Transmission Tariff, the attached Specifications for Network Integration Transmission Service, and Network Operating Agreement are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Service Agreement to be executed by their respective authorized officials.

Big Rivers Electric Corporation

By: _____

Date: _____

Title: _____

Transmission Customer

By: _____

Date: _____

Title: _____

SPECIFICATIONS FOR NETWORK INTEGRATION TRANSMISSION SERVICE

1.0 Term of Network Service: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and/or energy to be transmitted by Big Rivers across Big Rivers' Transmission System (including electric control area in which the transaction originates).

3.0 Network Resources

(1) Transmission Customer Generation Owned:

<u>Resource</u>	<u>Capacity</u>	<u>Capacity Designated as Network Resource</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

(2) Transmission Customer Generation Purchased:

<u>Source</u>	<u>Contract Description</u>	<u>Capacity</u>
_____	_____	_____

Total Network Resources Capacity: (1) + (2) = _____

4.0 Network Load

(1) Transmission Customer Network Load:

<u>Network Load</u>	<u>Transmission Voltage Level</u>
_____	_____
_____	_____
_____	_____

(2) Member Systems Load Designated as Network Load:

<u>Network Load</u>	<u>Transmission Voltage Level</u>
_____	_____
_____	_____
_____	_____

5.0 Designation of party subject to reciprocity service obligation:

6.0 Service under this Agreement may be subject to some combination of the charges below.

(The appropriate charges for individual transactions will be determined in accordance with the Terms and Conditions of the Open Access Transmission Tariff).

6.1 Load Ratio Share of Annual Transmission Revenue Requirement:

6.2 Gross Up in Load Ratio Share for Average System Transmission Losses:

6.3 Facilities Study Charge: _____

6.4 Direct Assignment Facilities Charge: _____

6.5 Ancillary Services Charges: _____

6.6 Redispatch Charges: _____

ATTACHMENT G

Network Operating Agreement

To be developed between Big Rivers and future network customers.

ATTACHMENT H

**Annual Transmission Revenue Requirement
For Network Integration Transmission Service**

1. The Annual Transmission Revenue Requirement for purposes of the Network Integration Transmission Service shall be \$19,961,900.
2. The amount in (1) shall be effective until amended by Big Rivers or modified by the Kentucky Public Service Commission.

ATTACHMENT I

Index Of Network Integration Transmission Service Customers

<u>Customer</u>	<u>Date of Service Agreement</u>
None	

ATTACHMENT J

Procedures for Addressing Parallel Flows

The Joint Reliability Coordination Agreement (“JRCA”) entered into by the Midwest ISO, PJM Interconnection LLP, and the Tennessee Valley Authority (“TVA”) provides for cooperation in the management and operation of the electric transmission grid over a large portion of the eastern United States. As a utility within the TVA Reliability Coordinator footprint, Big Rivers is party to this agreement. The JRCA provides for the sharing of critical information, comprehensive reliability management, and congestion relief. The improved coordination provided by the JRCA allows each grid operator to recognize and manage the effects of parallel flows and preemptively address concerns.

The Big Rivers AFC/ATC calculation process takes advantage of the coordination provided by the JRCA. The impact of both internal and external transfers is considered with limits on both internal and coordinated external flowgates observed. The Big Rivers document titled *AFC/ATC Calculation Procedures* describes the coordinated AFC and ATC calculation procedures in detail. This document is available on the Big Rivers OASIS.

Real-time pre and post contingency congestion resulting from parallel flows is addressed through the TLR procedures described for the Eastern Interconnection in NERC Standard IRO-006-3 as implemented according to the JRCA.

ATTACHMENT K
Transmission Planning Process

ATTACHMENT K

PL-GEN-2

TABLE OF CONTENTS

Introduction

Central Public Power Participants (CPPP).....	1
Inter-regional Interaction	1

Commitment to the Nine Planning Principles of Rule 890

Principle 1: Coordination	1
Principle 2: Openness	3
Principle 3: Transparency.....	3
Principle 4: Information Exchange	4
Principle 5: Comparability.....	4
Principle 6: Dispute Resolution	4
Principle 7: Regional Participation	5
Principle 8: Economic Planning Studies.....	6
Principle 9: Cost Allocation.....	7

Introduction

Order 890 requires that Transmission Providers submit a proposal for a regional planning process that complies with the nine planning principles (described in detail below) and other requirements of the Final Rule. In the alternative, a Transmission Provider may make a compliance filing describing its existing coordinated and regional planning process, including the appropriate language in its tariff, and show that this existing process is consistent with or superior to the requirements in the Final Rule.

This document describes the nine planning principles and how Big Rivers Electric Corporation's (Big Rivers') existing planning process complies with the principles.

Central Public Power Participants:

Big Rivers and its neighboring public power companies AECl, EKPC, and TVA, have formed the Central Public Power Participants group (CPPP) for the purposes of coordinating planning within the region. The CPPP also provides the framework for stakeholder participation.

Inter-regional Participation:

Big Rivers participates in interregional planning through four relationships: as a member of the SERC Reliability Corporation; through participation in activities of the Eastern Interconnection Reliability Assessment Group (ERAG) as a SERC member; as a member of the Southeastern Interregional Planning Group (via CPPP), and through a Joint Reliability Coordination Agreement (TVA, PJM and MISO).

Commitment to the Nine Planning Principles of Rule 890

Principle 1 - Coordination:

- *The transmission provider must meet with all of its transmission customers and interconnected neighbors to develop a transmission plan on a nondiscriminatory basis*
- *The transmission provider must provide early and meaningful interaction opportunities for customers and other stakeholders to provide input regarding the transmission planning process and transmission expansion plans. The transmission provider must consider these inputs in its planning process.*
- *The FERC does not prescribe specific requirements for coordination, such as number of meetings, the scope of the meetings, the notice requirements, the format, etc.*

Coordination with retail customers is achieved through periodic meetings with each distribution cooperative and the involvement of each cooperative in the expansion planning process.

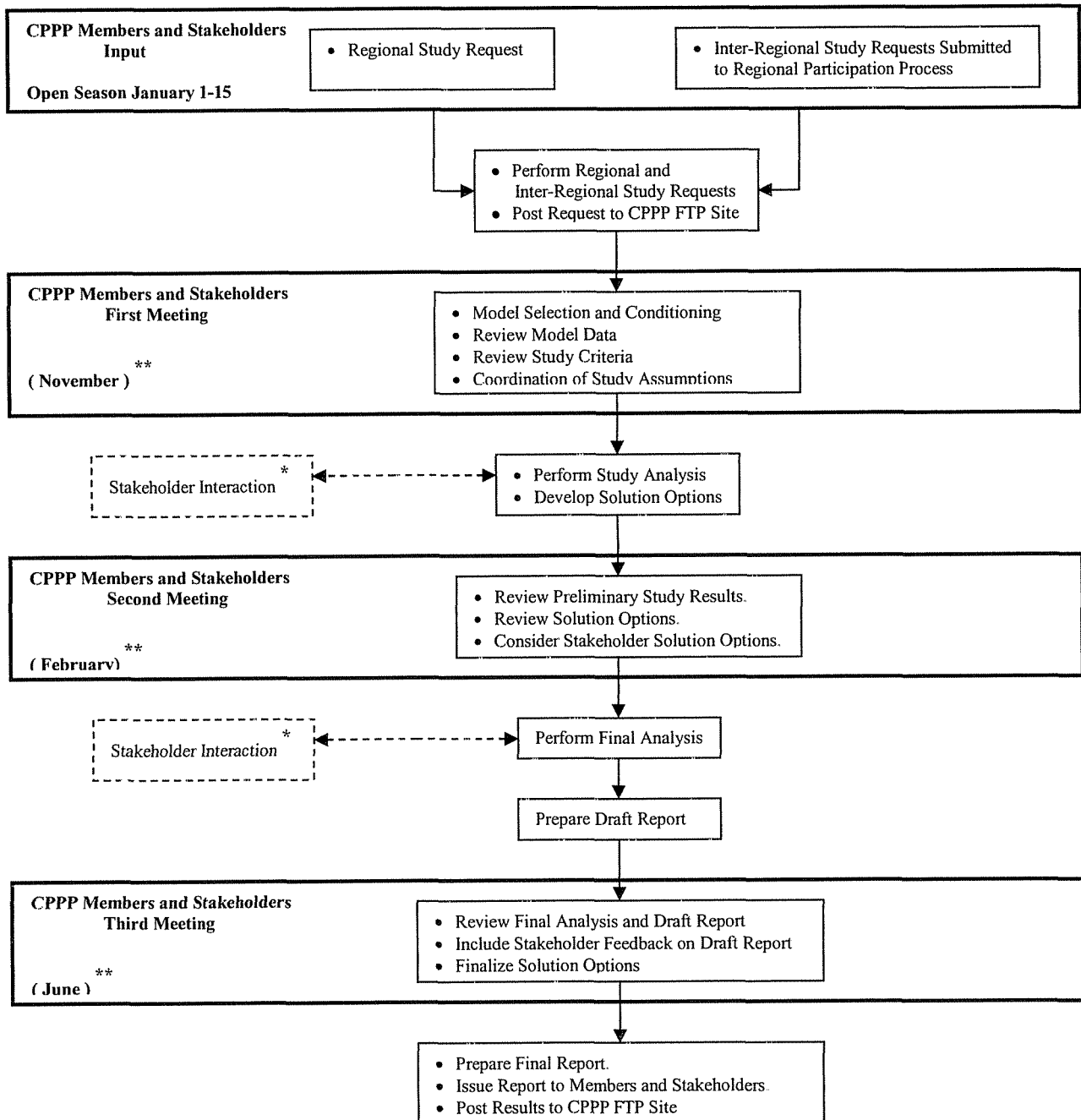
As an expansion of this effort, Big Rivers together with its CPPP partners sponsored the formation of the CPPP regional stakeholder group which is open to all transmission customers including full service distribution and direct served industrial customers, neighboring utilities and RTOs, regulatory agencies, and generation owner/development companies. The stakeholder group held its first meeting on November 14, 2007.

The stakeholder group is administered by the CPPP partners. An annual cycle of stakeholder meetings is scheduled to provide stakeholders with opportunities for participation and contributions including alternative

solutions.

As illustrated in Figure 1, the first meeting in the annual cycle is used to provide base data cases and review criteria and assumptions. At the second meeting assessments of potential reliability problems and preliminary solutions will be presented. At the third meeting, advanced solutions including stakeholder suggestions are reviewed. Opportunities for stakeholder input are open up to the point of final project selection.

Access to data, assumptions, notifications and proposals regarding studies, meeting and study schedules, study results, stakeholder group processes, and minutes and similar records is provided through OASIS. Other web-based locations will be established as required. Access to some information requires execution of a mutually acceptable confidentiality agreement.



* As required by Stakeholder planner

** Date to be established in coordination with Stakeholders and other meetings

Figure 1: CPPP Regional Transmission Development Plan Participation Process Diagram

Principle 2 - Openness:

- *The transmission provider's planning process must be open to all affected parties, including but not limited to transmission customers, interconnection customers, state commissions, and other stakeholders.*
- *The transmission provider must develop mechanisms such as confidentiality agreements and password-protected access to information to manage the release of Critical Energy Infrastructure Information (CEI) into the public domain.*

All members of the CPPP stakeholder group described above have the opportunity to access the Big Rivers transmission planning process through posted documents and stakeholder meetings.

As noted under Principle 1, information is shared through easily accessible systems subject to standard security and confidentiality measures.

Some business-related information may be considered confidential and will not be shared.

Similarly, critical infrastructure or CEI information that

1. Relates to the production, generation, transmission, or distribution of energy;
2. Could be useful to a person planning an attack on critical infrastructure;
3. Is exempt from mandatory disclosure under the Freedom of Information Act; and
4. Gives strategic information beyond the location of the critical infrastructure

Examples of CEI are details of critical contingencies and limiting facilities that would jeopardize the integrity of the bulk transmission system, specific information on protective relaying schemes, and breaker data.

It is noted that CEI data filed with the FERC as Form No. 715 can be obtained by filing a CEI request using the Commission's established procedures. For other CEI information or other commercially-sensitive information requests, Big Rivers will consider provision under a nondisclosure agreement where there is legitimate need.

Confidentiality provisions will be periodically reviewed to ensure that stakeholders have access to sufficient data to enable them to perform their own reliability and economic planning studies or replicate existing studies.

Principle 3 - Transparency:

- *The transmission provider is required to disclose data, study methodology, basic criteria, and assumptions that underlie its transmission system plans in written form.*
- *The transmission provider must make simultaneous disclosures regarding the status of transmission projects to all parties of concern.*

Data, study methodology, basic criteria, assumptions that underlie transmission system plans, and study reports will be made available each year to stakeholders through postings supported by discussions and presentations at scheduled stakeholder meetings.

The base data cases will be those used by CPPP members for their reliability studies. Data cases are developed for the Siemens PTI Power System Simulator for Engineering (PSS/E). Conversion of data for use in other programs is the responsibility of the user.

The study methodology, basic criteria, and assumptions that underlie transmission system plans are those used by Big Rivers to ensure compliance with NERC Standards.

Principle 4 - Information Exchange:

- *Network transmission customers must submit projected load and resource information on a comparable basis as that used by transmission providers in planning for native load.*
- *Point-to-point customers are required to submit projected need for transmission service over the planning horizon*
- *The transmission provider, in consultation with customers and other stakeholders, must develop information exchange guidelines and schedules for the submittal of transmission planning information.*
- *Information must be made available at regular intervals and be identified in advance.*

Big Rivers requires network customers to provide information regarding projected loads and resources on a comparable basis to that provided on behalf of native load customers for planning purposes.

A point-to-point customer must provide information about its utilization of the transmission system including transmission capacity, duration, and receipt and delivery points. These requirements are specified in Big Rivers Open Access Transmission Tariff. Information regarding planned generator additions or upgrades including status and expected in-service date, planned retirements, and environmental restrictions are also required in accordance with generator interconnection procedures.

This information is included in Big Rivers base case models so the needs of transmission customers are addressed in the transmission expansion plan. Additional information or changes to previously submitted information can be submitted throughout the planning process and will be incorporated into the planning process wherever possible.

Principle 5 - Comparability:

- *The transmission provider must develop a transmission plan that (1) meets the specific service requirements of transmission customers and (2) treats similarly situated customers (network and*

retail/wholesale native load) comparably in the transmission planning process.

- *Customer demand resources should be considered on a comparable basis to the service provided by comparable generation resources.*

Big Rivers develops transmission plans that meet the specific service requests of its transmission customers and otherwise treats similarly-situated customers comparably in transmission system planning.

Customer demand resources are considered on a comparable basis with generation resources.

Principle 6 - Dispute Resolution:

- *Transmission providers must propose a dispute resolution process. An existing dispute resolution process may be used, but the transmission provider must address how it would work in the transmission planning process.*
- *The timing of the dispute resolution process should be consistent with the transmission planning process*

For disputes arising under Attachment K the parties will attempt to settle the dispute through informal negotiation. The dispute resolution process will progress to discussions and meeting with Big Rivers senior management.

Principle 7 - Regional Participation:

- *The transmission provider must coordinate with interconnected systems to (1) share system plans to ensure simultaneous feasibility, (2) maximize use of consistent assumptions and data, and (3) identify system enhancements that relieve congestion or integrate new resources.*
- *The Transmission Planning proposal must specify the broader region in which it proposes to conduct integrated and coordinated regional planning.*
- *The transmission provider should consider and accommodate existing institutions, physical characteristics, and historical practices in their planning process.*

Big Rivers participates in regional and interregional planning through the CPPP group as described under Principles 1 and 8.

Participation in planning between regions is achieved through four relationships: the Southeastern Interregional Planning Group (via the CPPP), a joint TVA, PJM, and MISO planning agreement, membership in SERC Reliability Corporation, and participation in the Eastern Interconnection Reliability Assessment Group (ERAG). These relationships and joint studies ensure that Big Rivers coordinates with interconnected systems.

Southeastern Interregional Planning Group:

The Southeastern Interregional Planning Group plan defines an inter-regional process among transmission owners Alabama Electric Cooperative, Dalton Utilities, Duke Energy Carolinas, Entergy Operating Companies, Georgia Transmission Corporation, Municipal Electric Authority of Georgia,

Progress Energy Carolinas, Santee Cooper, South Carolina Electric and Gas, South Mississippi Electric Power Association, Southern Company, and Tennessee Valley Authority.

The process will be used to collect data, coordinate planning assumptions and address stakeholder study requests. Data and assumptions developed at the regional level will be consolidated and used in the development of models for use in the process. In addition to performing stakeholder requested studies, the interregional planning process provides a means for the participating transmission providers and stakeholders to review the data, assumptions, and assessments being performed on an interregional basis.

Joint Planning Agreements (JRCA) with TVA PJM and MISO:

A TVA, PJM, and MISO agreement exists for the exchange of information (including Big Rivers data) and the implementation of reliability and efficiency protocols. These agreements address the equitable and economical management of congestion on flowgates affected by flows of Big Rivers as well as TVA, PJM, and the Midwest ISO and use of the congestion management procedures by third parties on flowgates affected by the flows of any party that binds itself to the congestion management procedures of the agreements. The agreements also address arrangements for coordination of the parties systems.

The joint planning activities between TVA, PJM, and MISO are used as a basis for studies with SPP. These expanded activities are not yet fully covered by formal agreements. Initial studies include development of long term plans for the combined area for years 2018 and 2024.

Each of the entities has its own stakeholder group. The joint planning activities are being used as the basis for development of combined stakeholder participation, and for coordination of responses to stakeholder interregional study requests.

SERC Reliability Corporation:

SERC Reliability Corporation is a member of NERC and is responsible for reliability in the southeast. Big Rivers is a member of SERC and is included in the Central Subregion of SERC. Big Rivers planning personnel participate in a number of committees, groups and task forces within SERC to ensure regional coordination in transmission planning.

The SERC planning processes and their relationship to the local planning processes of the SERC member systems are described in the SERC Reference Document "Regional Transmission Assessment Study Processes Within SERC." In general, all members including Big Rivers conduct regional reliability studies within the SERC framework of intra-regional near-term & long-term studies. Member system models are combined into a SERC reliability study model annually. SERC members couple local transmission assessment activities with regional coordinated transmission study processes. Joint study efforts involving two or more parties are used to maintain coordination among systems and along system interfaces. The processes may also involve Regional Transmission Organizations (RTOs).

Eastern Interconnection Reliability Assessment Group (ERAG).

ERAG comprises the six NERC regions composing the eastern interconnection, for the purpose of augmenting reliability of the bulk power system in the joint areas. ERAG has responsibility for the Multiregional Modeling Working Group (MMWG). A single master study base case covering the entire eastern interconnection is developed each season. Big Rivers participates in ERAG activities through its

SERC membership.

ERAG study work is shared between regions under a number of study forums. SERC assigns members to conduct inter-regional studies with other RROs through the ERAG agreement. Also, SERC's designated liaison to the ERAG Multiregional Modeling Working Group (MMWG) updates the Eastern Interconnection study model.

Principle 8 - Economic Planning Studies:

- *The Transmission Provider must prepare studies identifying "significant and recurring" congestion and post such studies on their OASIS.*
- *Studies should analyze and report on (1) location and magnitude of congestion, (2) possible remedies for the elimination of congestion, (3) associated costs of congestion, (4) costs associated with relieving congestion.*
- *Such studies must include the integration of new generation resources or loads on an aggregated or regional basis.*
- *The planning process must consider both reliability and economic considerations (e.g. whether transmission upgrades or other investments can reduce the overall costs).*
- *Transmission providers should develop a means to allow the Transmission Provider and stakeholders to cluster requests for economic planning studies so that such studies can be performed in an efficient manner.*
- *Requests for economic planning studies, and responses to those requests, must be posted on OASIS. The transmission provider must coordinate with interconnected systems to (1) share system plans to ensure simultaneous feasibility, (2) maximize use of consistent assumptions and data, and (3) identify system enhancements that relieve congestion or integrate new resources.*

Big Rivers will continue to perform planning studies to identify transmission congestion within Big Rivers and between Big Rivers and other balancing areas, with integration of new resources including options suggested by stakeholders or loads on an aggregated basis. Big Rivers will use reliability and economic studies whenever feasible to improve efficiency and lower costs. Economic benefits such as those related to transmission congestion and integration of new transmission users will be considered when addressing reliability issues.

Study reports will identify congestion in its transmission system. These study reports will be posted on OASIS.

Big Rivers presently does not use LMP as the basis for its economic analysis of congestion. Reliability studies are directed towards elimination of congestion to allow optimal economic dispatch.

Stakeholder Requested Studies.

Through the CPPP planning process, a reasonable number of economic studies will be completed. All stakeholder requests will be posted on OASIS. All economic project requests will be considered as alternatives for reliability problem solutions.

Requests for economic studies must be supported by provision of the necessary data, such as generator

models and transaction patterns. Depending on confidentiality considerations, use of more generic industry data may be deemed acceptable.

Big Rivers' participation in the CPPP stakeholder process does not substitute for the official interconnection and transmission service request processes. The official interconnection process must be used for any requests to interconnect to the Big Rivers transmission system.

Principle 9 - Cost Allocation:

- *For projects that do not fit under the cost allocation structure in the existing pro forma OATT, such as regional projects involving several transmission owners or economic projects, transmission providers are required to address the allocation of costs for new facilities in its planning process.*
- *The proposal should identify the types of new projects not covered under existing cost allocation rules.*
- *FERC is not prescribing specific cost allocation methods, but will consider (1) whether a cost allocation proposal fairly allocates costs among participants, (2) whether the cost allocation proposal provides incentives to construct new transmission, and (3) whether the proposal is supported by state authorities and participants across the region.*

Costs of transmission system upgrades are recovered through Big Rivers' rates for transmission service.

Where existing rate structures do not apply, such as to regional projects involving several transmission owners or projects identified through economic planning studies, costs will be allocated to the customers requesting the project. Where a project crosses regional boundaries, each regional transmission owner will be responsible for allocating its share of the cost.

When a project is requested that is an acceleration or modification of a project already planned for implementation, the requesting party will pay the incremental costs.

If Big Rivers elects to enhance a stakeholder requested project, the requesting party will be responsible only for the costs of the project at the level requested for that party's needs.

In applying these cost allocation principles, Big Rivers will identify benefits that a requested project may provide to Big Rivers such as deferral of other transmission projects or a reduction in energy losses. The costs assigned to the requesting party will be a net value, recognizing the value of any such benefits.

ATTACHMENT L

Creditworthiness Procedures

1. Purpose – For the purpose of determining the ability of a Transmission Customer (“Customer”) to meet its financial obligations related to service under Big Rivers Electric Corporation’s (“BREC”) Open Access Transmission Tariff, BREC will use the following credit review procedures.
2. Credit Review – BREC will perform a credit review of each Customer. BREC’s CFO shall continuously assess each Transmission Customer’s credit risk and determine their credit limit, based upon both qualitative and quantitative factors. Among other things, such factors may include the Customer’s competitive position, capital structure, liquidity, financial strength, profitability and credit ratings. A credit file will be maintained for each Customer in support of such credit limit determination. BREC will treat Customer credit information confidential. The Customer shall provide the following minimum information:
 - a. The most recent two fiscal years audited financial statements (including the footnotes).
 - b. The most recent unaudited fiscal year, if any, and year-to-date financial statements.
 - c. DUNS number.
 - d. Moody’s and/or S&P’s long term senior unsecured debt ratings.
 - e. Primary credit officer contact information, including name, title, mailing address, telephone number and facsimile number.

Other commercially reasonable information may be requested by BREC during the credit review process. In determining credit level and collateral requirements, BREC may also use any third-party information it finds available and appropriate.

3. Credit Exposure – BREC’s CFO will monitor BREC’s credit exposure to each Customer. BREC will review the Customer’s payment history and ensure that no payment due it is in arrears. Overdue payments will include interest at the appropriate rate.
4. Security – In the event a Customer does not meet BREC’s creditworthiness standard, the Customer may substitute one or more of the following:

- a. An unconditional and irrevocable letter of credit from an institution acceptable to BREC in an amount and term sufficient to support Customer's responsibilities and obligations under the Tariff.
- b. A corporate guarantee acceptable to BREC.
- c. Prepayment of the charge for service on terms acceptable to BREC.

Any alternative form of security proposed by the Customer and acceptable to BREC may be used.

5. Notices – BREC will notify Customer of initial credit level and collateral requirements, and any change thereto. Customer may contest any adverse credit determination by BREC by providing supporting information, and may request an explanation of BREC's credit determination. When necessary, BREC will give Customer a reasonable opportunity to post additional collateral. All communication and notices to BREC regarding the Customer's credit shall be to the following address:

Big Rivers Electric Corporation
Attention: CFO
201 Third Street
Henderson, KY 42420
Phone: 270-827-2561
Facsimile: 270-827-2558

6. Waiver – No failure on the part of BREC to exercise any of its rights or remedies hereunder shall waive them, unless expressly stated by BREC in writing.

EXHIBIT B
COMPARISON OF PROPOSED OATT AGAINST CURRENT OATT

BIG RIVERS ELECTRIC CORPORATION

OPEN ACCESS

TRANSMISSION TARIFF

Revised July 23, 2001

C

TABLE OF CONTENTS

I. COMMON SERVICE PROVISIONS 9

 1. Definitions 9

 1.1 Ancillary Services 9

 1.2 Annual Transmission Costs 9

 1.3 Application 9

 1.4 Completed Application 9

 1.5 Control Area 9

 1.6 Curtailment 10

 1.7 Delivering Party 10

 1.8 Designated Agent 10

 1.9 Direct Assignment Facilities 11

 1.10 Eligible Customer 11

 1.11 Facilities Study 12

 1.12 FERC 12

 1.13 Firm Point To Point Transmission Service 12

 1.14 Good Utility Practice 12

 1.15 Hourly Non Firm Transmission Service 13

 1.16 Interruption 13

 1.17 LEM 13

 1.18 Load Ratio Share 13

 1.19 Load Shedding 14

 1.20 Long Term Firm Point To Point Transmission
 Service 14

 1.21 Native Load Customers 14

 1.22 Network Customer 14

 1.23 Network Integration Transmission Service 15

 1.24 Network Load 15

 1.25 Network Operating Agreement 15

 1.26 Network Operating Committee 16

 1.27 Network Resource 16

 1.28 Network Upgrades 16

 1.29 Non Firm Point To Point Transmission Service 17

 1.30 Open Access Same Time Information System (OASIS) 17

 1.31 Part I 17

 1.32 Part II 17

 1.33 Part III 17

	1.34	Parties	18
	1.35	Point(s) of Delivery	18
	1.36	Point(s) of Receipt	18
	1.37	Point To Point Transmission RAG Service	18
	1.38	Power Purchaser	19
	1.39	Receiving Party	19
	1.40	Regional Transmission Group (RTG)	19
	1.41	Reserved Capacity	19
	1.42	Secondary Point(s) of Receipt or Delivery	19
	1.43	Service Agreement	20
	1.44	Service Commencement Date	20
	1.45	Short Term Firm Point To Point Transmission Service	20
	1.46	Short Term Non Firm Point to Point Transmission Service	20
	1.47	System Impact Study	20
	1.48	Third Party Sale	21
	1.49	Transmission Customer	21
	1.50	Transmission Service	21
	1.51	Transmission System	21
	1.52	Transmission System Monthly Peak	22
2		Initial Allocation and Renewal Procedures	22
	2.1	Initial Allocation of Available Transmission Capability	22
	2.2	Reservation Priority For Existing Firm Service Customers	22
3		Ancillary Services	23
	3.1	Scheduling, System Control and Dispatch Service	25
	3.2	Reactive Supply and Voltage Control from Generation Sources Service	25
	3.3	Regulation and Frequency Response Service	25
	3.4	Energy Imbalance Service	26
	3.5	Operating Reserve – Spinning Reserve Service	26
	3.6	Operating Reserve – Supplemental Reserve Service	26
4		Open Access Same Time Information System (OASIS)	26
5		[Reserved]	
6		Reciprocity	27
7		Billing and Payment	28
	7.1	Billing Procedure	28
	7.2	Interest on Unpaid Balances	29
	7.3	Customer Default	30
8		Accounting for Big Rivers’ Use of the Tariff	31

8.1 Transmission Revenues 31

8.2 Study Costs and Revenues 31

~~9~~ Regulatory Filings 32

~~10~~ Force Majeure and Indemnification 33

10.1 Force Majeure 33

10.2 Indemnification 34

~~11~~ Creditworthiness 34

~~12~~ Dispute Resolution Procedures 35

12.1 Arbitration Procedures 35

12.2 Arbitrator Scheduled Procedure 35

12.3 Arbitration Decisions 36

12.4 Costs 37

12.5 Rights Under Federal Power Act 37

II. POINT TO POINT TRANSMISSION SERVICE

Preamble 38

~~13~~ Nature of Firm Point To Point Transmission Service 38

13.1 Term 38

13.2 Reservation Priority 38

C 13.3 Use of Firm Transmission Service by the Transmission
Provider 40

13.4 Service Agreements 41

13.5 Transmission Customer Obligations for Facility Additions or
Redispatch Costs 41

13.6 Curtailment of Firm Transmission Service 42

13.7 Classification of Firm Transmission Service 43

13.8 Scheduling of Firm Point To Point Transmission Service 46

~~14~~ Nature of Non Firm Point To Point Transmission Service 47

14.1 Term 47

14.2 Reservation Priority 48

14.3 Use of Non Firm Point To Point Transmission Service by
Big Rivers 49

14.4 Service Agreements 49

14.5 Classification of Non Firm Point To Point Transmission
Service 50

14.6 Scheduling of Non Firm Point To Point Transmission
Service 51

14.7 Curtailment or Interruption of Service 52

~~15~~ Service Availability 54

15.1	General Conditions.....	54
15.2	Determination of Available Transmission Capability	54
15.3	Initiating Service in the Absence of an Executed Service Agreement	55
15.4	Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System	56
15.5	Deferral of Service	56
15.6	Other Transmission Service Schedules	57
15.7	Real Power Losses	57
16	Transmission Customer Responsibilities	57
16.1	Conditions Required of Transmission Customers.....	
16.2	Transmission Customer Responsibility for Third Party Arrangements	58
17	Procedures for Arranging Firm Point To Point Transmission Service	59
17.1	Application	59
17.2	Completed Application	60
17.3	Deposit	62
17.4	Notice of Deficient Application	64
17.5	Response to a Completed Application	65
17.6	Execution of Service Agreement	65
17.7	Extensions for Commencement of Service	66
18	Procedures for Arranging Non Firm Point To Point Transmission Service	67
18.1	Application	67
18.2	Completed Application	68
18.3	Reservation of Non Firm Point To Point Transmission Service.....	69
18.4	Determination of Available Transmission Capability	70
19	Additional Study Procedures For Firm Point To Point Transmission Service Requests	70
19.1	Notice of Need for System Impact Study	70
19.2	System Impact Study Agreement and Cost Reimbursement	71
19.3	System Impact Study Procedures	72
19.4	Facilities Study Procedures	74
19.5	Facilities Study Modifications	76
19.6	Due Diligence in Completing New Facilities	76
19.7	Partial Interim Service.....	76
19.8	Expedited Procedures for New Facilities	77

C

20	Procedures if Big Rivers is Unable to Complete New Transmission Facilities for Firm Point To Point Transmission Service	78
20.1	Delays in Construction of New Facilities	78
20.2	Alternatives to the Original Facility Additions	79
20.3	Refund Obligation for Unfinished Facility Additions	80
21	Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities	80
21.1	Responsibility for Third Party System Additions	80
21.2	Coordination of Third Party System Additions	81
22	Changes in Service Specifications	82
22.1	Modifications On a Non Firm Basis	82
22.2	Modification On a Firm Basis	83
23	Sale or Assignment of Transmission Service	84
23.1	Procedures for Assignment or Transfer of Service	84
23.2	Limitations on Assignment or Transfer of Service	85
23.3	Information on Assignment or Transfer of Service	86
24	Metering and Power Factor Correction at Receipt and Delivery Points(s)	86
24.1	Transmission Customer Obligations	86
24.2	Big Rivers Access to Metering Data	87
24.3	Power Factor	87
25	Compensation for Transmission Service	87
26	Stranded Cost Recovery	87
27	Compensation for New Facilities and Redispatch Costs	88

III. NETWORK INTEGRATION TRANSMISSION SERVICE

	Preamble	88
28	Nature of Network Integration Transmission Service	95
28.1	Scope of Service	89
28.2	Big Rivers' Responsibilities	89
28.3	Network Integration Transmission Service	90
28.4	Secondary Service	91
28.5	Real Power Losses	91
28.6	Restrictions on Use of Service	91
29	Initiating Service	92
29.1	Condition Precedent for Receiving Service	92
29.2	Application Procedures	93

29.3	Technical Arrangements to be Completed Prior to Commencement of Service	96
29.4	Network Customer Facilities	97
29.5	Filing of Service Agreement	98
30	Network Resources	98
30.1	Designation of Network Resources	98
30.2	Designation of New Network Resources	98
30.3	Termination of Network Resources	99
30.4	Operation of Network Resources	99
30.5	Network Customer Redispatch Obligation	99
30.6	Transmission Arrangements for Network Resources Not Physically Interconnected With Big Rivers	100
30.7	Limitation on Designation of Network Resources	100
30.8	Use of Interface Capacity by the Network Customer	101
30.9	Network Customer Owned Transmission Facilities	101
31	Designation of Network Load	102
31.1	Network Load	102
31.2	New Network Loads Connected With Big Rivers	102
31.3	Network Load Not Physically Interconnected with the Transmission Provider	103
31.4	New Interconnection Points	103
31.5	Changes in Service Requests	104
31.6	Annual Load and Resource Information Updates	104
32	Additional Study Procedures For Network Integration Transmission Service Requests	105
32.1	Notice of Need for System Impact Study	105
32.2	System Impact Study Agreement and Cost Reimbursement	106
32.3	System Impact Study Procedures	107
32.4	Facilities Study Procedures	108
33	Load Shedding and Curtailments	110
33.1	Procedures	110
33.2	Transmission Constraints	111
33.3	Cost Responsibility for Relieving Transmission Constraints	112
33.4	Curtailments of Scheduled Deliveries	112
33.5	Allocation of Curtailments	112
33.6	Load Shedding	113
33.7	System Reliability	113
34	Rates and Charges	114
34.1	Monthly Demand Charge	114

C

34.2	Determination of Network Customer's Monthly Network Load.....	115
34.3	Determination of Big Rivers' Transmission System Monthly Load.....	115
34.4	Redispatch Charge.....	115
35	Operating Arrangements.....	116
35.1	Operation under The Network Operating Agreement.....	116
35.2	Network Operating Agreement.....	116
35.3	Network Operating Committee.....	118

SCHEDULE 1 119

I. COMMON SERVICE PROVISIONS **19**

1	DEFINITIONS.....	19
1.1	Affiliate:.....	19
1.2	Ancillary Services:	19
1.3	Annual Transmission Costs:.....	19
1.4	Application:	19
1.5	Completed Application:.....	19
1.6	Control Area:	20
1.7	Curtailment:.....	20
C 1.8	Delivering Party:.....	21
1.9	Designated Agent:	21
1.10	Direct Assignment Facilities:	11
1.11	Eligible Customer:.....	11
1.12	Facilities Study:	12
1.13	Firm Point-To-Point Transmission Service:.....	12
1.14	Good Utility Practice:.....	12
1.15	Interruption:	13
1.16	Load Ratio Share:	13
1.17	Load Shedding:.....	14
1.18	Long-Term Firm Point-To-Point Transmission Service:	14
1.19	Native Load Customers:	14
1.20	Network Customer:.....	15
1.21	Network Integration Transmission Service:.....	15
1.22	Network Load:	15
1.23	Network Operating Agreement:	15
1.24	Network Operating Committee:	16
1.25	Network Resource:	16

1.26	Network Upgrades:	16
1.27	Non-Firm Point-To-Point Transmission Service:	18
1.28	Non-Firm Sale:	18
1.29	Open Access Same-Time Information System (OASIS):	18
1.30	Part I:	18
1.31	Part II:	19
1.32	Part III:	19
1.33	Parties:	18
1.34	Point(s) of Delivery:	18
1.35	Point(s) of Receipt:	18
1.36	Point-To-Point Transmission Service:	18
1.37	Power Purchaser:	19
1.38	Pre-Confirmed Application:	19
1.39	Receiving Party:	19
1.40	Regional Transmission Group (RTG):	19
1.41	Reserved Capacity:	19
1.42	Service Agreement:	20
1.43	Service Commencement Date:	20
1.44	Short-Term Firm Point-To-Point Transmission Service:	20
1.45	System Condition	20
1.46	System Impact Study:	21
1.47	Third-Party Sale:	22
1.48	Transmission Customer:	22
1.49	Transmission Provider's Monthly Transmission System Peak:	22
1.50	Transmission Service:	22
1.51	Transmission System:	22
2	INITIAL ALLOCATION AND RENEWAL PROCEDURES	23
2.1	Initial Allocation of Available Transfer Capability:	23
2.2	Reservation Priority For Existing Firm Service Customers:	23
3	ANCILLARY SERVICES	25
3.1	Scheduling, System Control and Dispatch Service:	29
3.2	Reactive Supply and Voltage Control from Generation or Other Sources Service:	29
3.3	Regulation and Frequency Response Service:	29
3.4	Energy Imbalance Service:	30
3.5	Operating Reserve - Spinning Reserve Service:	30
3.6	Operating Reserve - Supplemental Reserve Service:	30
3.7	Generator Imbalance Service:	30

4	OPEN ACCESS SAME-TIME INFORMATION SYSTEM (OASIS).....	30
5	[RESERVED FOR FUTURE USE].....	27
6	RECIPROCITY.....	27
7	BILLING AND PAYMENT	29
7.1	Billing Procedure:.....	29
7.2	Interest on Unpaid Balances:.....	27
7.3	Customer Default:.....	30
8	ACCOUNTING FOR BIG RIVERS' USE OF THE TARIFF	31
8.1	Transmission Revenues:.....	31
8.2	Study Costs and Revenues:	31
9	REGULATORY FILINGS	31
10	FORCE MAJEURE AND INDEMNIFICATION	33
10.1	Force Majeure:.....	33
10.2	Indemnification:.....	33
11	CREDITWORTHINESS	34
12	DISPUTE RESOLUTION PROCEDURES	35
12.1	Internal Dispute Resolution Procedures:.....	35
12.2	External Arbitration Procedures:.....	35
12.3	Arbitration Decisions:.....	36
12.4	Costs:	37
12.5	Rights Under The Federal Power Act:	37
II.	POINT-TO-POINT TRANSMISSION SERVICE.....	37
13	NATURE OF FIRM POINT-TO-POINT TRANSMISSION SERVICE	38
13.1	Term:	38
13.2	Reservation Priority:.....	38
13.3	Use of Firm Transmission Service by Big Rivers:.....	40
13.4	Service Agreements:.....	42
13.5	Transmission Customer Obligations for Facility Additions or Redispatch Costs:	43
13.6	Curtailment of Firm Transmission Service:	44
13.7	Classification of Firm Transmission Service:	47
13.8	Scheduling of Firm Point-To-Point Transmission Service:	47
14	NATURE OF NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE	48
14.1	Term:	48
14.2	Reservation Priority:.....	49

14.3	Use of Non-Firm Point-To-Point Transmission Service by Big Rivers:.....	50
14.4	Service Agreements:.....	50
14.5	Classification of Non-Firm Point-To-Point Transmission Service:.....	50
14.6	Scheduling of Non-Firm Point-To-Point Transmission Service:.....	53
14.7	Curtailment or Interruption of Service:.....	44
15	SERVICE AVAILABILITY	54
15.1	General Conditions:.....	54
15.2	Determination of Available Transfer Capability:.....	55
15.3	Initiating Service in the Absence of an Executed Service Agreement:.....	55
15.4	Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment:	56
15.5	Deferral of Service:	58
15.6	Other Transmission Service Schedules:	58
15.7	Real Power Losses:.....	59
16	TRANSMISSION CUSTOMER RESPONSIBILITIES	61
16.1	Conditions Required of Transmission Customers:.....	61
C 16.2	Transmission Customer Responsibility for Third-Party Arrangements:.....	62
17	PROCEDURES FOR ARRANGING FIRM POINT-TO-POINT TRANSMISSION SERVICE.	54
17.1	Application:	54
17.2	Completed Application:.....	60
17.3	Deposit:.....	63
17.4	Notice of Deficient Application:	64
17.5	Response to a Completed Application:	65
17.6	Execution of Service Agreement:.....	65
17.7	Extensions for Commencement of Service:	66
18	PROCEDURES FOR ARRANGING NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE	67
18.1	Application:	67
18.2	Completed Application:.....	67
18.3	Reservation of Non-Firm Point-To-Point Transmission Service:.....	69
18.4	Determination of Available Transfer Capability:.....	70
19	ADDITIONAL STUDY PROCEDURES FOR FIRM POINT-TO-POINT TRANSMISSION SERVICE REQUESTS.....	70
19.1	Notice of Need for System Impact Study:.....	70
19.2	System Impact Study Agreement and Cost Reimbursement:	71
19.3	System Impact Study Procedures:	72
19.4	Facilities Study Procedures:	74

19.5	Facilities Study Modifications:.....	76
19.6	Due Diligence in Completing New Facilities:.....	76
19.7	Partial Interim Service:.....	77
19.8	Expedited Procedures for New Facilities:.....	77
20	<u>PROCEDURES IF BIG RIVERS IS UNABLE TO COMPLETE NEW TRANSMISSION FACILITIES FOR FIRM POINT-TO-POINT TRANSMISSION SERVICE</u>	78
20.1	Delays in Construction of New Facilities:.....	78
20.2	Alternatives to the Original Facility Additions:.....	79
20.3	Refund Obligation for Unfinished Facility Additions:.....	64
21	<u>PROVISIONS RELATING TO TRANSMISSION CONSTRUCTION AND SERVICES ON THE SYSTEMS OF OTHER UTILITIES</u>	64
21.1	Responsibility for Third-Party System Additions:.....	64
21.2	Coordination of Third-Party System Additions:.....	81
22	<u>CHANGES IN SERVICE SPECIFICATIONS</u>	82
22.1	Modifications On a Non-Firm Basis:.....	82
C 22.2	Modification On a Firm Basis:.....	83
23	<u>SALE OR ASSIGNMENT OF TRANSMISSION SERVICE</u>	84
23.1	Procedures for Assignment or Transfer of Service:.....	84
23.2	Limitations on Assignment or Transfer of Service:.....	85
23.3	Information on Assignment or Transfer of Service:.....	86
24	<u>METERING AND POWER FACTOR CORRECTION AT RECEIPT AND DELIVERY POINTS(S)</u>	86
24.1	Transmission Customer Obligations:.....	86
24.2	Transmission Provider Access to Metering Data:.....	87
24.3	Power Factor:.....	87
25	<u>COMPENSATION FOR TRANSMISSION SERVICE</u>	87
26	<u>STRANDED COST RECOVERY</u>	88
27	<u>COMPENSATION FOR NEW FACILITIES AND REDISPATCH COSTS</u>	88
III.	<u>NETWORK INTEGRATION TRANSMISSION SERVICE</u>	89
28	<u>NATURE OF NETWORK INTEGRATION TRANSMISSION SERVICE</u>	89
28.1	Scope of Service:.....	89
28.2	Transmission Provider Responsibilities:.....	90
28.3	Network Integration Transmission Service:.....	90
28.4	Secondary Service:.....	91
28.5	Real Power Losses:.....	91

28.6	Restrictions on Use of Service:	92
29	INITIATING SERVICE.....	93
29.1	Condition Precedent for Receiving Service:	93
29.2	Application Procedures:	94
29.3	Technical Arrangements to be Completed Prior to Commencement of Service:	101
29.4	Network Customer Facilities:.....	102
29.5	Filing of Service Agreement:	102
30	NETWORK RESOURCES	102
30.1	Designation of Network Resources:.....	102
30.2	Designation of New Network Resources:	103
30.3	Termination of Network Resources:	104
30.4	Operation of Network Resources:	106
30.5	Network Customer Redispatch Obligation:.....	108
30.6	Transmission Arrangements for Network Resources Not Physically Interconnected With Big Rivers:	108
C 30.7	Limitation on Designation of Network Resources:	109
30.8	Use of Interface Capacity by the Network Customer:	109
30.9	Network Customer Owned Transmission Facilities:.....	110
31	DESIGNATION OF NETWORK LOAD	110
31.1	Network Load:.....	111
31.2	New Network Loads Connected With Big Rivers:	111
31.3	Network Load Not Physically Interconnected with Big Rivers:	111
31.4	New Interconnection Points:	112
31.5	Changes in Service Requests:.....	112
31.6	Annual Load and Resource Information Updates:	113
32	ADDITIONAL STUDY PROCEDURES FOR NETWORK INTEGRATION TRANSMISSION SERVICE REQUESTS.....	113
32.1	Notice of Need for System Impact Study:.....	113
32.2	System Impact Study Agreement and Cost Reimbursement:	114
32.3	System Impact Study Procedures:	115
32.4	Facilities Study Procedures:	117
33	LOAD SHEDDING AND CURTAILMENTS.....	110
33.1	Procedures:	110
33.2	Transmission Constraints:	111
33.3	Cost Responsibility for Relieving Transmission Constraints:	111
33.4	Curtailments of Scheduled Deliveries:.....	112

33.5	Allocation of Curtailments:	112
33.6	Load Shedding:	113
33.7	System Reliability:	113
34	RATES AND CHARGES	114
34.1	Monthly Demand Charge:	114
34.2	Determination of Network Customer's Monthly Network Load:.....	114
34.3	Determination of Transmission Provider's Monthly Transmission System Load: 115	
34.4	Redispatch Charge:.....	115
34.5	Stranded Cost Recovery:	115
35	OPERATING ARRANGEMENTS	116
35.1	Operation under The Network Operating Agreement:.....	116
35.2	Network Operating Agreement:	116
35.3	Network Operating Committee:	117
SCHEDULE 1		115
_Scheduling, System Control and Dispatch Service—119		
.....115		
SCHEDULE 2—122		
.....117		
_Reactive Supply and Voltage Control from From Generation Sources Service—122		117
SCHEDULE 3—124		
.....119		
_Regulation and Frequency Response Service—124		
.....119		
SCHEDULE 4—126		
.....121		
_Energy Imbalance Service.....		126
.....121		
SCHEDULE 5		
—127.....		124
_Operating Reserve - Spinning Reserve Service		
—127.....		124

C

SCHEDULE 6—128
.....125
__Operating Reserve - Supplemental Reserve Service.....128
.....125

SCHEDULE 7—129
.....126
_Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service
.....126
Transmission Service.....129

SCHEDULE 8131
~~Short-Term Non-Firm Point To Point~~
~~Transmission Service~~131

SCHEDULE 9133
~~Hourly Non-Firm Point To-Point Transmission~~
~~Service~~.....133

SCHEDULE 10—
SCHEDULE 8128
Non-Firm Point-to-Point Transmission Service128

SCHEDULE 9130
Generator Imbalance Service130

SCHEDULE 10134
_Real Power Loss Factor
——Calculation.....134

ATTACHMENT A-
.....136
_Form Of Service Agreement For
for Firm Point-To-Point Transmission Service136

ATTACHMENT B-A-
1.....140
_Form Of Service Agreement For Non-Firm for the Resale, Reassignment or Transfer
of Point-To-to-..

<u>Point</u>	
<u>Transmission Service</u>	140
<u>ATTACHMENT B</u>	144
<u>Form of Service Agreement for Non-Firm Point-to-Point Transmission Service</u>	144
<u>ATTACHMENT C</u>	142
<u>Methodology To Assess Available Transmission Transfer Capability</u>	142
<u>Methodology To Assess Available Transmission Transfer Capability</u>	146
<u>ATTACHMENT D</u>	143
<u>Methodology for Completing a System Impact Study</u>	143
<u>Methodology for Completing a System Impact Study</u>	147
<u>ATTACHMENT E</u>	145
<u>Index Of Point-To-Point Transmission Service Customers</u>	145
<u>Index Of Point-To-Point Transmission Service Customers</u>	148
<u>ATTACHMENT F</u>	146
<u>Service Agreement For Network Integration</u>	150
<u>Transmission Service</u>	146
<u>ATTACHMENT G</u>	152
<u>Network Operating Agreement</u>	152
<u>ATTACHMENT H</u>	153
<u>Annual Transmission Revenue Requirement</u>	153
<u>For for Network Integration Transmission Service</u>	150
<u>ATTACHMENT G</u>	155
<u>Network Operating Agreement</u>	155
<u>ATTACHMENT H</u>	156
<u>Annual Transmission Revenue Requirement for Network Integration Transmission</u>	156
<u>Service</u>	156

ATTACHMENT I—154
.....157
_Index Of Network Integration Transmission Service Customers157
Customers.....154

C

ATTACHMENT J158
...Procedures for Addressing Parallel Flows158
ATTACHMENT K159
Transmission Planning Process159
ATTACHMENT L171
Creditworthiness Procedures171

Big Rivers Electric Corporation

Open Access Transmission Tariff
Original Sheet No.18

c |

I. COMMON SERVICE PROVISIONS

1

1 Definitions

1.1 ~~1.1~~ Affiliate:

With respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

1.2 ~~Ancillary Services:-:~~

C Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of Big Rivers' Transmission System in accordance with Good Utility Practice.

1.3 ~~1.2~~ Annual Transmission Costs:-:

The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by Big Rivers.

1.4 ~~1.3~~ Application:- Application:

A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.

1.5 ~~1.4~~ Completed Application:

An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit. __

1.6 ~~1.5~~ Control Area:

An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

1. ~~(1)~~ — match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
2. ~~(2)~~ — maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
3. ~~(3)~~ — maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
4. ~~(4)~~ — provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

1.7 ~~1.6~~ Curtailment: Curtailment:

A reduction in firm or non-firm transmission service in response to a ~~transmission capacity~~ transfer capability shortage as a result of system

reliability conditions.

1.8 ~~1.7~~ Delivering Party:-;

The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

1.9 ~~1.8~~ Designated Agent:-;

Any entity that performs actions or functions on behalf of Big Rivers, an Eligible Customer, or the Transmission Customer ~~that are~~ required under the Tariff.

1.10 ~~1.9~~ Direct Assignment Facilities:—:

Facilities or portions of facilities that are constructed by Big Rivers for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to regulatory approval where applicable.

1.11 ~~1.10~~ Eligible Customer:—(i):

- C
- i. Any electric utility (including Big Rivers and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Federal Energy Regulatory Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that Big Rivers offer the unbundled transmission service, or pursuant to a voluntary offer of such service by Big Rivers. ~~(ii)~~

ii. Any retail customer taking unbundled Transmission

C ~~Service~~transmission service pursuant to a state requirement that Big Rivers offer the transmission service, or pursuant to a voluntary offer of such service by Big Rivers, is an Eligible Customer under the Tariff.

C ~~1.12 1.11~~ **Facilities Study**:-:

An engineering study conducted by Big Rivers to determine the required modifications to -Big Rivers' Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service.

T ~~1.12 FERC: The Federal Energy Regulatory Commission, or its successor agency.~~

C ~~1.13 1.13~~ **Firm Point-To-Point Transmission Service**:-:

Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

C ~~1.14 1.14~~ **Good Utility Practice**:-:

Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been

expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by

C Federal Power Act section 215(a)(4).

C ~~1.15 Hourly Non-Firm Transmission Service: Non Firm Transmission Service under Rate Schedule HNF that is scheduled and paid for on an as-available basis and is subject to interruption.~~

C ~~1.15 1.16~~ **Interruption:-:**

A reduction in non-firm transmission service due to economic reasons pursuant to Section ~~12~~14.7.

T ~~1.17 LEM: LG&E Energy Marketing Inc., the purchaser of all of Big Rivers' generating unit output, directly or indirectly during the term of Big Rivers' twenty-five year transaction with LEM, LG&E Energy Corp., and other affiliates of LG&E Energy Corp.~~

C ~~1.18~~16 **Load Ratio Share:-:**

Ratio of a Transmission Customer's Network Load to Big Rivers' total load computed in accordance with Sections 34.2 and 34.3 of the Network

Integration Transmission Service under Part III of the Tariff and calculated on a rolling twelve month basis.

C **1.1917 Load Shedding:-:**

The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.

C **1.2018 Long-Term Firm Point-To-Point Transmission Service:-:**

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one year or more.——

C **1.2119 Native Load Customers:-:**

The wholesale power customers of Big Rivers; on whose behalf Big Rivers, by contract, has undertaken an obligation to construct and operate its system to meet the reliable electric needs of such customers. Big Rivers' native load customers specifically include its ~~four~~three member distribution cooperatives and their successors: ~~Green River Electric Corporation; Henderson Union Electric Cooperative~~ Kenergy Corp; Jackson Purchase ~~Electric Cooperative~~ Energy Corporation; and Meade County Rural Electric Cooperative Corporation.____

T

C ~~1.22 Network Customer:~~ **20 Network Customer:**

An entity receiving transmission service pursuant to the terms of Big Rivers' Network Integration Transmission Service under Part III of the Tariff.

C ~~1.23~~ **21 Network Integration Transmission Service:**

The transmission service provided under Part III of the Tariff.

C ~~1.24~~ **22 Network Load:**

The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of Delivery. Where an Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

C ~~1.25~~ **23 Network Operating Agreement:**

An executed agreement that contains the terms and conditions under which the

Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.

C **1.2624 Network Operating Committee—:**

A group made up of representatives from the Network Customer(s) and Big Rivers established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.

C **1.2725 Network Resource—:**

Any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a Federal Energy Regulatory Commission-approved reserve sharing program.

C **1.2826 Network Upgrades—:**

Modifications or additions to transmission-related facilities that are integrated with
and support Big Rivers' overall Transmission System for the general
benefit of all users of such Transmission System.

~~1.29~~27 **Non-Firm Point-To-Point Transmission Service:-:**

Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section ~~4~~13.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on an hourly basis as Hourly Non-Firm Transmission Service or on a daily, weekly, or monthly basis for renewable terms as Short-Term Non-Firm Transmission Service.

~~1.30~~ Open Access Same-Time Information System (OASIS):- 1.28 **Non-Firm Sale:**

An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.

1.29 **Open Access Same-Time Information System (OASIS):**

The information system and standards of conduct contained in Part 37 of the Federal Energy Regulatory ~~Commission's~~Commission's regulations and all additional requirements implemented by subsequent ~~FERC~~Federal Energy Regulatory Commission orders dealing with OASIS.

~~1.31~~30 **Part I:-:**

Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

1.3231 Part II:-;

Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission

Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.3332 Part III:-;

Tariff Sections 28 through 35 pertaining to Network Integration Transmission

Service in conjunction

—_with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.3433 Parties:-:

Big Rivers and the Transmission Customer receiving service under the Tariff.

1.3534 Point(s) of Delivery:-:

Point(s) on Big Rivers' Transmission System where capacity and energy transmitted by Big Rivers will be made available to the Receiving Party under Part II of the Tariff. The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-to-Point Transmission Service.

1.3635 Point(s) of Receipt:-:

Point(s) of interconnection on Big Rivers' Transmission System where capacity and energy will be made available to Big Rivers by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-to-Point Transmission Service.

1.3736 Point-To-Point Transmission Service:

The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

1.3837 Power Purchaser:-:

The entity that is purchasing the capacity and energy to be transmitted under the Tariff.

1.38 Pre-Confirmed Application:

An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service.

1.39 Receiving Party:-:

The entity receiving the capacity and energy transmitted by Big Rivers to Point(s) of Delivery.

1.40 Regional Transmission Group (RTG):-:

A voluntary organization of transmission owners, transmission users and other entities approved by the Federal Energy Regulatory Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

1.41 Reserved Capacity:-:

The maximum amount of capacity and energy that Big Rivers agrees to transmit for the Transmission Customer over Big Rivers' Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole

megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

C ~~1.42 Secondary Point(s) of Receipt of Delivery: Points of Receipt and/or Point(s) of Delivery other than those specified in a Service Agreement which a transmission customer taking firm service under a Service Agreement desires to use on a non-firm basis pursuant to Section 21.1 under Part II of this Tariff.:~~

~~1.43 Service Agreement:~~

The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and Big Rivers for service under the Tariff.

C ~~1.44~~ 43 ~~Service Commencement Date:~~

The date Big Rivers begins to provide service pursuant to the terms of an executed Service Agreement, or the date Big Rivers begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

C ~~1.45~~ 44 ~~Short-Term Firm Point-To-Point Transmission Service:~~

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

C ~~1.46 Short Term Non Firm Point to Point Transmission Service: Non Firm Transmission Service that is reserved and/or scheduled on a daily, weekly, or monthly basis for renewable terms of not more than one (1) month and charged under Rate Schedule STNF.~~ 1.45 System Condition

A specified condition on Big Rivers' system or on a neighboring system, such as a constrained transmission element or flowgate, that may trigger

Curtailment of Long-Term Firm Point-to-Point Transmission Service using

the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.

C

1.4746 System Impact Study:- :

An assessment by Big Rivers of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration

C ———Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.

C **1.4847 Third-Party Sale:-:**

Any sale for resale in interstate commerce to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service.

C **1.4948 Transmission Customer:-:**

Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that Big Rivers ~~create~~file with the Kentucky Public Service Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

C/T

1.49 Transmission Provider's Monthly Transmission System Peak:

C The maximum firm usage of Big Rivers' Transmission System in a calendar month.

1.50 Transmission Service:-:

Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.

1.51 Transmission System:-:

The facilities owned, controlled or operated by Big Rivers that are used to provide transmission service under Part II and Part III of the Tariff.

~~1.52 Transmission System Monthly Peak: The maximum firm usage of Big Rivers' Transmission System in a calendar month.~~

2 ~~2~~ **Initial Allocation and Renewal Procedures**

2.1 ~~2.1~~ **Initial Allocation of Available Transmission Transfer Capability:**

⋮

C For purposes of determining whether existing capability on Big Rivers' Transmission System is adequate to accommodate a request for firm service under this Tariff, all Completed Applications for new firm transmission service received during the initial sixty (60) day period commencing with the effective date of the Tariff will be deemed to have been filed simultaneously. A lottery system conducted by an independent party shall be used to assign priorities for Completed Applications filed simultaneously. All Completed Applications for firm transmission service received after the initial sixty (60) day period shall be assigned a priority pursuant to Section 13.2.

2.2 ~~2.2~~ **Reservation Priority For Existing Firm Service Customers:**⋮

Existing firm service customers (wholesale requirements and transmission-only, with a contract term of ~~one year~~ five years or more), have the right to continue to take transmission service from Big Rivers when the —contract expires, rolls over or is renewed. This transmission reservation

priority is independent of whether the existing customer continues to purchase capacity and energy from Big Rivers or elects to purchase capacity and energy from another supplier. If at the end of the contract term, Big Rivers'

Transmission System cannot accommodate all of the requests for transmission service, the existing firm service customer must agree to accept a contract

term at least equal to athe longest competing request by any new Eligible

Customer and to pay the current rate in effect for such service; provided that,

the firm service customer shall have a right of first refusal at the end of such

service only if the new contract is for five years or more. The existing firm

service customer must provide notice to Big Rivers whether it will exercise its

right of first refusal no less than one year prior to the expiration date of its

transmission service agreement. This transmission reservation priority for

existing firm service customers is an ongoing right that may be exercised at

the end of all firm contract terms of ~~one year~~ five years or longer. Service

agreements subject to a right of first refusal entered into prior to the date of

implementation of this Tariff or associated with a transmission service request

received prior to July 13, 2007, unless terminated, will become subject to the

five year/one year requirement on the first rollover date after the date of

implementation of this Tariff; provided that, the one-year notice requirement

shall apply to such service agreements with five years or more left in their

terms as of the date of implementation of this Tariff.

3 Ancillary Services

Ancillary Services

~~Ancillary Services~~ are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. Big

C Rivers is required to provide, and the Transmission Customer is required to purchase, the following Ancillary Services (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources.

C In addition, ~~Big Rivers, as Control Area Operator,~~ is required to offer to provide the following ~~ancillary services~~ Ancillary Services only to the Transmission ~~Customers~~ Customer serving load within the Big Rivers² Control Area: (i) Regulation and Frequency Response, (ii) Energy Imbalance ~~Service~~, (iii) Operating Reserve - Spinning, and (iv) Operating Reserve - Supplemental. Big Rivers will provide these services for a pass-through of costs to Big Rivers under arrangements with LEM at LEM's FERC approved tariff rates. ~~A~~ The Transmission Customer serving load within the Big Rivers² Control Area is required to acquire these Ancillary Services, ~~either~~ whether from Big Rivers, from LEM, or from a third party, or by self-supply when technically feasible.

Big Rivers is required to provide (or offer to arrange with the local Control Operator as discussed below), to the extent it is physically feasible to do so from its resources or from resources available to it, Generator Imbalance Service when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer using Transmission Service to deliver energy from a generator located within Big Rivers' Control Area is required to acquire Generator Imbalance Service, whether from Big Rivers, from a third-party, or by self-supply.

The Transmission Customer may not decline Big Rivers' offer of these required Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in

its Application which Ancillary Services it will purchase from Big Rivers. A
Transmission Customer that exceeds its firm reserved capacity at any Point of

C/T Receipt or Point of Delivery or an Eligible Customer that uses Transmission
Service at a Point of Receipt or Point of Delivery that it has not reserved is
required to pay for all of the Ancillary Services identified in this section that were
provided by Big Rivers associated with the unreserved service. The Transmission
Customer or Eligible Customer will pay for Ancillary Services based on the
amount of transmission service it used but did not reserve.

T ~~In the event of unauthorized use of Ancillary Services by a Transmission~~
~~Customer, Big Rivers will charge such transmission customer the full cost to Big Rivers~~
~~for such services, including any penalties imposed by LEM.~~

In the event a Transmission Customer (including Big Rivers for Third-Party
Sales) makes an unreserved use of Ancillary Services in excess of the amount of
such services associated with reserved Point-to-Point Transmission Service under
this Tariff or in a Service Agreement (if such Service Agreement specifies a lower
C/T amount of any one or more Ancillary Services), the Transmission Customer shall
pay, in addition to the amount owing for the Ancillary Services properly reserved,
a penalty on the excess Ancillary Services taken, with a separate penalty
applicable to each hour in which excess Ancillary Services are taken. The penalty
for the unreserved use of Ancillary Services for each hour in which excess
Ancillary Services are taken shall be equal to 200% of the maximum applicable

Ancillary Services Charge for that hour. Penalties collected pursuant to this
c/T section shall be distributed in the manner set forth in section 15.8.

_____The specific Ancillary Services, prices and/or compensation methods are
described on the Schedules that are attached to and

made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by Big Rivers in conjunction with its provision of transmission service as follows: (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by Big Rivers' one's wholesale merchant or any affiliate's an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Big Rivers' system. Sections 3.1 through 3.67 below list the ~~six~~seven Ancillary Services.

3.1 ~~3.1~~ Scheduling, System Control and Dispatch Service:

The rates and/or methodology are described in Schedule 1.

3.2 ~~3.2~~ Reactive Supply and Voltage Control from Generation Sources Service: Reactive Supply and Voltage Control from Generation or Other Sources Service:

The rates and/or methodology are described in Schedule 2 and will amount to a flow through of the charges assessed Big Rivers under LEM's tariff.

3.3 ~~3.3~~ Regulation and Frequency Response Service: This service is described in Schedule 3 and will amount to a flow through of the charges assessed Big Rivers under LEM's tariff.

3.4

Where applicable the rates and/or methodology are described in Schedule 3.

T ~~3.4 **Energy Imbalance Service:** This service is described in Schedule 4 and will amount to a flow through of the charges assessed Big Rivers under LEM's tariff when service is obtained from LEM.;~~

3.5 — Where applicable the rates and/or methodology are described in Schedule 4.

T ~~3.5 **Operating Reserve - Spinning Reserve Service:** This service is described in Schedule 5 and will amount to a flow through of the charges assessed Big Rivers under LEM's tariff when service is obtained from LEM.;~~

3.6 — Where applicable the rates and/or methodology are described in Schedule 5.

T ~~3.6 **Operating Reserve - Supplemental Reserve Service:** This service is described in Schedule 6 and will amount to a flow through of the charges assessed Big Rivers under LEM's tariff when service is obtained from LEM.;~~

4 — Where applicable the rates and/or methodology are described in Schedule 6.

3.7 Generator Imbalance Service:

C Where applicable the rates and/or methodology are described in Schedule 9.

4 Open Access Same-Time Information System (OASIS)

_____ Terms and conditions regarding Open Access Same-Time Information

System and standards of conduct are set forth in 18 CFR § 37 of the Federal Energy

Regulatory Commission's regulations (Open Access Same-Time Information System and

Standards of Conduct for Public Utilities). ~~Big Rivers will adopt an OASIS meeting~~

C ~~FERC's Requirements, and will implement an OASIS as required for public utilities by~~

~~FERC, either alone or in coordination with other utilities in the region.) and 18 C.F.R. §~~

38 of the Federal Energy Regulatory Commission's regulations (Business Practice

Standards and Communication Protocols for Public Utilities). In the event available

C | ~~transmission-transfer~~ capability as posted on the OASIS is insufficient to accommodate a
request for firm transmission

service, additional studies may be required as provided by this Tariff pursuant to Sections 19 and 32.

5 _____ Big Rivers shall post on OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. Big Rivers shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained. Big Rivers shall also post on its OASIS and on its public website an electronic link to a statement of the process by which Big Rivers shall add, delete or otherwise modify the rules, standards and practices that are not included in this tariff. Such process shall set forth the means by which Big Rivers shall provide reasonable advance notice to Transmission Customers and Eligible Customers of any such additions, deletions or modifications, the associated effective date, and any additional implementation procedures that Big Rivers deems appropriate.

5 **[Reserved for Future Use]**

6 ~~6~~ **Reciprocity**

_____ A Transmission Customer receiving transmission service under this Tariff

agrees to provide comparable transmission service that it is capable of providing to Big Rivers on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled, or operated by the Transmission Customer's corporate ~~affiliates.~~Affiliates. A Transmission Customer that is a member of, or takes transmission service from, a power pool-~~or,~~ Regional Transmission Group, Regional Transmission Organization (RTO), Independent System Operator (ISO) or other transmission organization approved by the Federal Energy Regulatory Commission for the operation of transmission facilities also agrees to provide comparable transmission service to the transmission-owning members of such power pool and Regional Transmission Group, RTO, ISO or other transmission organization on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or, operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled, or operated by the Transmission Customer's corporate ~~affiliates.~~Affiliates.

_____ This reciprocity requirement applies not only to the Transmission Customer that obtains transmission service under the Tariff, but also to all parties to a transaction that involves the use of transmission service under the Tariff, including the power seller, buyer and any intermediary, such as a power marketer. This reciprocity requirement also applies to any Eligible Customer that owns, controls, or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under the Tariff. If the Transmission Customer does not own, control, or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its Application is not to assist an Eligible Customer to avoid the requirements of this provision.

7.1 ~~7.1~~ Billing and Payment **Billing and Payment**

7.1 ~~7.1~~ **Billing Procedure**:

Within a reasonable time after the first day of each month, Big Rivers shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission Customer by the first working day after the twenty-fourth day of the month. All payments shall

—_be made in immediately available funds payable to Big Rivers, or by wire

transfer to ~~Farmers~~Old National Bank of ~~Henderson, Kentucky~~Evansville,

Indiana, ABA #~~083900538~~,086300012 for credit to Big Rivers' Account No.

1085559, or such other financial institution or account number as Big Rivers

shall specify in writing.

C 7.2 ~~7.2~~**Interest on Unpaid Balances**:-;

Interest on any unpaid amounts (including amounts placed in escrow) shall be

calculated using the ~~Discount Rate as published in the Money Rates section~~

~~of the Wall Street Journal~~one-year United States Treasury Bill rates

effective as of the first business day of the calendar month in which an

unpaid balance becomes overdue. Interest on delinquent amounts shall be

calculated from the due date of the bill to the date of payment, with interest

calculated and pro-rated for that portion of the month in which amounts are

outstanding. The applicable interest rate shall be recalculated each month

using the new ~~Discount Rate as published in the Money Rates section of the~~

~~Wall Street Journal~~one year United States Treasury Bill rate effective as of

the first business day of the month. When payments are made by mail, bills

shall be considered as having been paid on the date of receipt by Big Rivers

C 7.3 _____.

7.3 Customer Default—:

In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to Big Rivers on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after Big Rivers notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, Big Rivers may terminate service subject to any applicable regulatory approval or subject to the dispute resolution procedures of Section 11 if no regulatory approval is applicable; provided, however, that Big Rivers shall not be entitled to terminate service for non-payment of undisputed bills without application of the Section 11 dispute resolution procedures if no regulatory approvals are required. In the event of a billing dispute between Big Rivers and the Transmission Customer, Big Rivers will continue to provide service under the Service Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements

for continuation of service, then Big Rivers may provide notice to the Transmission Customer of its intention to suspend service in sixty (60) days.

8 ~~8—Accounting for Big Rivers’ Use of the Tariff:~~ **Accounting for Big Rivers’ Use of the Tariff**

Big Rivers shall record the following amounts, as outlined below.

8.1 ~~8.1~~Transmission Revenues:

Include in a separate operating revenue account or subaccount the revenues it receives from Transmission Service when making Third-Party Sales under Part II of the Tariff.

8.2 ~~8.2~~Study Costs and Revenues—:

Include in a separate transmission operating expense account or subaccount, costs properly chargeable to expense that are incurred to perform any System Impact Studies or Facilities Studies which Big Rivers conducts to determine if it must construct new transmission facilities or upgrades necessary for its own uses, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Transmission Customer's billing under the Tariff.

9 ~~9—Regulatory Filings~~

5 _____ Nothing contained in the Tariff or any Service Agreement ~~thereunder~~ shall be construed as affecting in any way the right of Big Rivers to unilaterally make changes in rates, terms and conditions, charges, classifications of service, rules or regulations of this Tariff. This Tariff, and any Service Agreement entered into thereunder, will terminate immediately; at Big Rivers' option, if (i) ~~FERC~~ 1) upon request made by Big Rivers, the Federal Energy Regulatory Commission declines to issue a declaratory order approving this Tariff as complying with the reciprocity provisions of FERC's Order Nos. 888 and 890; (ii) if a ~~FERC~~ Federal Energy Regulatory Commission order approving the Tariff as complying with reciprocity is vacated on appeal; or (iii) if the Federal Energy Regulatory Commission subsequently alters its decision in the declaratory order that this ~~tariff~~ Tariff complies with the reciprocity requirement and requires modifications to this ~~tariff~~ Tariff that Big Rivers finds unacceptable. In the event Big Rivers terminates this Tariff pursuant to the above reasons, Big Rivers will continue to provide firm and non-firm transmission service to existing Transmission Customers pursuant to contractual commitments specified in Service Agreements so long as such Transmission Customers continue to grant reciprocal access to their own transmission systems or those of any affiliates pursuant to Section 6 of this Tariff.

6 _____ Nothing contained in the Tariff or any Service Agreement ~~thereunder~~ shall

be construed as affecting in any way the ability of any Party receiving service under the Tariff to exercise any applicable rights under the Federal Power Act and pursuant to ~~FERC's~~ the Federal Energy Regulatory Commission's rules and regulations promulgated thereunder, ~~including any rights exercisable under Section 211 of the Federal Power Act.~~

10 ~~10~~ Force Majeure and Indemnification

10.1 Force Majeure:

~~10.1 Force Majeure:~~

An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing.

Neither Big Rivers nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Tariff is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Tariff.

10.2 ~~10.2~~ Indemnification:-;

The Transmission Customer shall at all times indemnify, defend, and save Big Rivers harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from Big Rivers' performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by Big Rivers.

C 11 ~~11~~ Creditworthiness ~~Creditworthiness~~

~~For the purpose of determining the ability of the Transmission Customer to meet its obligations related to service hereunder, Big Rivers may require reasonable credit review procedures. This review shall be conducted in accordance with standard commercial practices. In addition, Big Rivers may require the Transmission Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under the Tariff, or an alternative form of security proposed by the Transmission Customer and acceptable to Big Rivers and consistent with commercial practices established by the Uniform Commercial Code that protects Big Rivers against the risk of non-payment.~~

C ~~12~~ Big Rivers will specify its Creditworthiness procedures in

Attachment L.

12 Dispute Resolution Procedures

C **12.1 ~~12.1~~ Internal Dispute Resolution Procedures:**

Any dispute between a Transmission Customer and Big Rivers involving transmission service under the Tariff shall be referred to a designated senior representative of Big Rivers and a senior representative of the Transmission Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days or such other period as the Parties may agree upon by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

C **12.2 ~~12.2~~ External Arbitration Procedures:**

Any arbitration initiated under the Tariff shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) days of the referral of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including

electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and any applicable regulations or Regional Transmission Group rules.

12.3 ~~12.3~~—Arbitration Decisions:

Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any Service Agreement entered into under the Tariff and shall have no power to modify or change any of the above in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act and/or the Administrative Dispute Resolution Act.

C 12.4 ~~12.4~~ — ~~Costs:~~—:

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

C 1. ~~(A)~~ — the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or

2. ~~(B)~~ one half the cost of the single arbitrator jointly chosen by the Parties.

C ~~12.5~~ ~~12.5~~ — ~~Rights Under The Federal Power Act: Nothing in this section shall restrict the rights of any party to file an Application for Transmission Services with the Commission under Section 211 of the Federal Power Act.:~~

H. —
C/T Nothing in this section shall restrict the rights of any party to take applicable action before a regulatory commission having valid jurisdiction over the subject of the complaint.

II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

Preamble

____ Big Rivers will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff. Point-To-Point

Transmission Service is for the receipt of capacity and energy at designated Point(s) of

C Receipt and the ~~transmission~~ transfer of such capacity and energy to designated Point(s) of Delivery.

13 ~~13~~ Nature of Firm Point-To-Point Transmission Service

13.1 ~~13.1~~ Term:-;

The minimum term of Firm Point-To-Point Transmission Service shall be one day and the maximum term shall be specified in the Service Agreement.

13.2 ~~13.2~~ Reservation Priority:-;

(i) Long-Term Firm Point-To-Point Transmission Service shall be available on a first-come, first-served basis, i.e., in the chronological sequence in which each Transmission Customer has ~~reserved~~requested service.

(ii) Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction— or reservation. However, Pre-Confirmed Applications for Short-Term Point-to-Point Transmission Service will receive priority over earlier-submitted requests that are not Pre-Confirmed and that have equal or shorter duration. Among requests or reservations with the same duration and, as relevant, pre-confirmation status (pre-confirmed, confirmed, or not confirmed), priority will be given to an Eligible Customer's request or reservation that offers the highest price, followed by

the date and time of the request or reservation.

- (iii) If the Transmission System becomes oversubscribed, requests for longer term service may preempt requests for shorter term service competing reservations up to the following conditional reservation deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service.

Before the conditional reservation deadline, if available

~~transmission~~transfer capability is insufficient to satisfy all

~~Applications~~requests and reservations, an Eligible Customer with

a reservation for shorter term service or equal duration service

and lower price has the right of first refusal to match any longer

term reservation request or equal duration service with a higher

price before losing its reservation priority. A longer term

competing request for Short-Term Firm Point-~~to~~To-Point

Transmission Service will be granted if the Eligible Customer

with the right of first refusal does not agree to match the

competing request within 24 hours (or earlier if necessary to

comply with the scheduling deadlines provided in section 13.8)

C

from being notified by Big Rivers of a longer-term competing request for Short-Term Firm Point-~~to~~To-Point Transmission Service. When a longer duration request preempts multiple shorter duration reservations, the shorter duration reservations shall have simultaneous opportunities to exercise the right of first refusal. Duration, price and time of response will be used to determine the order by which the multiple shorter duration reservations will be able to exercise the right of first refusal.

After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff.

(iv) Firm Point-To-Point Transmission Service will always have a reservation priority over Non-Firm Point-To-Point Transmission Service under the Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

C **13.3 ~~13.3~~ — Use of Firm Transmission Service by Big Rivers:**

Big Rivers will be subject to the rates, terms and conditions of Part II of the

Tariff when making Third-Party Sales under agreements executed after the date this Tariff becomes effective. Big Rivers will maintain separate accounting, pursuant to Section 8, for any use of the Point-To-Point Transmission Service to make Third-Party Sales.

13.4 ~~13.4~~ — Service Agreements:

Big Rivers shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it submits a Completed Application for Long-Term Firm Point-To-Point Transmission Service. Big Rivers shall offer a standard form Firm Point-~~to~~To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Short-Term Firm Point-~~to~~To-Point Transmission Service pursuant to the Tariff. An Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved and that has not executed a Service Agreement will be deemed, for purposes of assessing any appropriate charges and penalties, to have executed the appropriate Service Agreement. The Service Agreement shall, when applicable, specify any conditional curtailment options selected by the Transmission Customer. Where the Service Agreement contains conditional curtailment options and is subject to a biennial reassessment as described in Section 15.4, Big Rivers shall provide the Transmission Customer notice of any changes to the curtailment conditions no less than 90 days prior to the date for imposition of new curtailment conditions. Concurrent with such notice, Big Rivers shall provide the Transmission

Customer with the reassessment study and a narrative description of the study, including the reasons for changes to the number of hours per year or System Conditions under which conditional curtailment may occur.

13.5 ~~13.5~~ ~~Transmission Customer Obligations for Facility Additions or Redispatch Costs:~~ Transmission Customer Obligations for Facility Additions or Redispatch Costs:

In cases where Big Rivers determines that the Transmission System is not capable of providing Firm Point-To-Point Transmission Service without (1) degrading or impairing the reliability of service to Native Load Customers, Network Customers, and other Transmission Customers taking Firm Point-To-Point Transmission Service, or (2) interfering with Big Rivers' ability to meet prior firm contractual commitments to others, Big Rivers will be obligated to expand or upgrade its Transmission System pursuant to the terms of Section 15.4. The Transmission Customer must agree to compensate Big

—Rivers for any necessary transmission facility additions pursuant to the terms of Section 27. To the extent Big Rivers can relieve any system constraint ~~more economically by arranging for redispatch of~~ redispatching Big Rivers' generating resources located in Big Rivers' control area rather than through constructing Network Upgrades, it shall do so, provided that the Eligible Customer agrees to compensate Big Rivers ~~and/or the party whose resources are redispatched pursuant to the terms of Section 27~~ and agrees to either (i) compensate Big Rivers for any necessary transmission facility additions or (ii) accept the service subject to a biennial reassessment by Big Rivers of redispatch requirements as described in Section 15.4. Any redispatch, Network Upgrade, or Direct Assignment Facilities costs to be charged to the Transmission Customer on an incremental basis under the Tariff will be specified in the Service Agreement prior to initiating service.

13.6 ~~13.6~~ ~~— Curtailment of Firm Transmission Service:~~ **Curtailment of Firm Transmission Service:**

In the event that a Curtailment on Big Rivers' Transmission System, or a portion thereof, is required to maintain reliable operation of such system and the system directly and indirectly interconnected with Big Rivers' Transmission System, Curtailments ~~first~~ will be made on a non-discriminatory basis to ~~all Native Load Customer~~

Big Rivers Electric Corporation

Open Access Transmission Tariff

Revised Sheet No.42

Replacing Original Sheet No.42

C
| ~~transactions involving service to customers that~~
~~have agreed to accept interruptible retail service~~
~~and all non-Native Load Customer transactions~~the
transaction(s) that effectively relieve the constraint. ~~In the event~~

~~That curtailing all applicable interruptible service Native Load Customer transactions and all non Native Load Customer transaction does not effectively relieve the constraint, curtailments then will be made on a non-discriminatory basis to Native Load Customer transactions that effectively relieve the constraint. Subject to this higher priority for Native Load Customers not taking interruptible retail service, if Big Rivers may elect to implement such Curtailments pursuant to the Transmission Loading Relief procedures specified in Attachment J. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, Big Rivers will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission Service on a basis comparable basis. When making to the curtailment of service to Big Rivers' Native Load Customers. All Curtailments will be made on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. Long-Term Firm Point-to-Point Service subject to conditions described in Section 15.4 shall be curtailed with secondary service in cases where the conditions apply, but otherwise will be curtailed on a pro rata basis with other Firm Transmission Service. When Big Rivers determines that an electrical emergency exists on~~

its Transmission System and implements emergency procedures to Curtail

Firm Transmission Service, the Transmission Customer shall make the required reductions upon request of Big Rivers. However, Big Rivers

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Reserves reserves the right to Curtail, in whole or in part, any Firm Transmission Service provided under the Tariff when, in Big Rivers' sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System. Big Rivers will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments.

13.7 ~~13.7~~ — **Classification of Firm Transmission Service:**

(a) —

The Transmission Customer taking Firm Point-To-Point Transmission Service may (1) change its Receipt and Delivery Points to obtain service on a

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— Intentionally Left Blank

(a) ~~non-firm basis over Secondary Points of Receipt and/or Delivery~~
consistent with the terms of Section 22.1 or (2) request a
modification of the Points of Receipt or Delivery on a firm basis
pursuant to the terms of Section 22.2.

(b) ~~(b)~~ The Transmission Customer may purchase transmission
service to make sales of capacity and energy from multiple
generating units that are on Big Rivers' Transmission System.
C For such a purchase of transmission service, the resources will be
designated as multiple Points of Receipt, unless the multiple
generating units are at the same generating plant, in which case
the units would be treated as a single Point of Receipt.

(c) ~~(e)~~ Big Rivers shall provide firm deliveries of capacity and
energy from the Point(s) of Receipt to the Point(s) of Delivery.
Each Point of Receipt at which firm transmission capacity is
reserved by the Transmission Customer shall be set forth in the
Firm Point-To-Point Service Agreement for Long-Term Firm
Transmission Service along with a corresponding capacity
reservation associated with each Point of Receipt. Points of
Receipt and corresponding capacity reservations shall be as

mutually agreed upon by the Parties for Short-Term Firm Transmission. Each Point of Delivery at which firm ~~transmission capacity~~ transfer capability is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Delivery. Points of Delivery and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. The greater of either (1) the sum of the capacity reservations at the Point(s) of Receipt, or (2) the sum of the capacity reservations at the Point(s) of Delivery shall be the Transmission Customer's Reserved Capacity. The Transmission Customer will be billed for its Reserved Capacity under the terms of Schedule ~~6-7~~. The Transmission Customer may not exceed its firm capacity reserved at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 22. ~~Big Rivers shall specify the rate treatment and all related terms and conditions applicable in~~ In the event that a Transmission Customer (including Big Rivers for Third-Party

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Sales by Big Rivers) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery- or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved, the Transmission Customer shall pay, in addition to the amount owing for the reserved capacity, a penalty on the excess amount of transmission taken at the specific Point of Receipt or Point of Delivery where the reserved capacity was exceeded, with a separate penalty for each period of unreserved use. The penalty for the unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Services, based on the hour during the week in

which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8

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13.8 ~~13.8~~ ~~— Scheduling of Firm Point To Point Transmission Service:~~
Scheduling of Firm Point-To-Point Transmission Service:

Schedules for the Transmission Customer's Firm Point-To-Point Transmission Service must be submitted to Big Rivers no later than 10:00 a.m. of the day prior to commencement of such service. Schedules submitted after 10:00 a.m. ~~of the day prior to commencement service~~ will be accommodated, if practicable. Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of one (1) MW per hour. Transmission Customers within Big Rivers' service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under one (1) MW per hour, may consolidate their service requests at a common point of receipt into units of one (1) MW per hour for scheduling and billing purposes.

Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. Big Rivers will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify Big Rivers, and Big Rivers shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14 ~~14~~ Nature of Non-Firm Point-To-Point Transmission Service

14.1 ~~14.1~~ Term:

C Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of ~~Short Term Non-Firm Point to Point Transmission Service~~ service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

14.2 ~~14.2~~ **Reservation Priority**:-;

C Non-Firm Point-To-Point Transmission Service shall be available from ~~transmission~~transfer capability in excess of that needed for reliable service to Native Load Customers, Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be assigned to ~~first to requests or~~ reservations with a longer duration of service and second to Pre-Confirmed Applications. In the event the Transmission System is constrained, competing requests of the same Pre-Confirmation status and equal duration will be prioritized based on the highest price offered by the Eligible Customer for the Transmission Service. Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term ~~reservation request~~ before being preempted. A longer term competing request C for Non-Firm Point-~~to~~To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the C competing request: (a) immediately for hourly Non-Firm Point-~~to~~To-Point Transmission Service after notification by Big Rivers; and, (b) within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in C Section 14.6) for Non-Firm Point-~~to~~To-Point Transmission Service other than

C hourly transactions after notification by Big Rivers. Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have the lowest reservation priority under the Tariff.

14.3 ~~14.3~~—Use of Non-Firm Point-To-Point Transmission Service by Big Rivers:

C Big Rivers will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under agreements executed on or after the date this ~~tariff~~ Tariff goes into effect. Big Rivers will maintain separate accounting, pursuant to Section 8, for any use of Non-Firm Point-To-Point Transmission Service to make Third-Party Sales.

14.4 ~~14.4~~—Service Agreements:-:

C Big Rivers shall offer a standard form Non-Firm Point-To-Point Transmission Service Agreement (Attachment B) to an Eligible Customer when it first submits a Completed Application for Non-Firm Point-To-Point Transmission Service pursuant to the Tariff.

14.5 ~~14.5~~—Classification of Non-Firm Point-To-Point Transmission Service:-:

Non-Firm Point-To-Point Transmission Service shall be offered under terms and conditions contained in Part II of the Tariff. Big Rivers undertakes no obligation under the Tariff to plan its Transmission System in order to have sufficient capacity for Non-Firm Point-To-Point Transmission Service.

Parties requesting Non-Firm Point-To-Point Transmission Service for the transmission of firm power do so with the full realization that such service is subject to availability and to Curtailment or Interruption under the terms of the

Tariff. ~~Non-Firm Transmission Service in excess of non-firm capacity~~

T ~~reservations made on Big Rivers' OASIS (including all unscheduled uses of transmission by third parties) shall be billed at 120% of the maximum applicable Rate Schedule HNF rates. In the event that a Transmission~~

Customer (including the Transmission Provider for Third-Party Sales) exceeds its non-firm capacity reservation at any Point of Receipt or Point of Delivery or uses Transmission Service at a Point of Receipt or Point of Delivery that it

c/T has not reserved, the Transmission Customer shall pay, in addition to the amount owing for the reserved capacity, a penalty on the excess amount of transmission taken at the specific Point of Receipt or Point of Delivery where the reserved capacity was exceeded, with a separate penalty for each period of unreserved use. The penalty for the unreserved use of transmission service

shall be equal to 200% of the maximum applicable Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances or unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8. Non-Firm Point-To-Point Transmission Service shall include (i) ~~Hourly Non-Firm Transmission Service~~ Transmission-transmission of energy on an hourly basis under Schedule HNF. (ii) ~~Short Term Non Firm Transmission Service~~ Transmission and transmission of scheduled short-term capacity and energy

C/T

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C on a ~~short term, non-firm basis which is reserved on a sequential~~ daily, weekly or monthly basis ~~under Schedule STNF~~, but not to exceed one ~~month's~~ month's reservation for any one Application, under Schedule 78.

14.6 ~~14.6~~ **Scheduling of Non-Firm Point-To-Point Transmission Service**:-;

Schedules for Non-Firm Point-To-Point Transmission Service must be submitted to Big Rivers no later than 2:00 p.m. of the day prior to commencement of such service ~~unless otherwise mutually agreed~~. Schedules submitted after 2:00 p.m. of the day prior to commencement of service will be accommodated, if practicable. Hour-to-hour schedules of energy that is to be delivered must be stated in increments of one (1) MW per hour.

C Transmission Customers within Big Rivers' service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under one (1) MW per hour, may consolidate their schedules at a common Point of Receipt into units of one (1) MW per hour. Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. Big Rivers will furnish to the

C Delivering Party's system operator, hour-to-hour schedules equal to those

—_furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party, or Receiving Party revise or terminate any schedule, such party shall immediately notify Big Rivers, and Big Rivers shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered. ~~Until such time as Big Rivers develops its OASIS, all Non-Firm Transmission Service Schedules and any changes thereto shall be submitted to Big Rivers at:~~

~~—Telephone No. (270) 827-9553~~

~~—Telefax No. (270) 827-2855.~~

~~Thereafter, all Non-firm Transmission Service Schedules shall be submitted directly onto Big Rivers' OASIS in accordance with FERC approved procedures.~~

C 14.7 14.7 — Curtailment or Interruption of Service:

Big Rivers reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System or the systems directly and indirectly interconnected with Big Rivers' Transmission System. Big

Big Rivers Electric Corporation

Open Access Transmission Tariff

Revised Sheet No.52

Replacing Original Sheet No.52

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Rivers may elect to implement such Curtailments pursuant to the

Transmission Loading Relief procedures specified in Attachment J. Big

Rivers reserves the right to Interrupt, in

C ———_whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (1) a request for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, ~~or~~(4) transmission service for Network Customers from non-designated resources, or (5) transmission service for Firm Point-to-Point Transmission Service during conditional curtailment periods as described in Section 15.4. Big Rivers also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or

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Interruptions will be made to transactions of the

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~~Shortest~~shortest term (e.g., hourly non-firm transactions will

be -Curtailed or Interrupted before ~~daily non-firm~~

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~~transactions and daily non-firm transactions~~ and daily non-firm transactions will
be Curtailed or Interrupted before weekly non-firm
transactions). Transmission service for Network
Customers from resources other than designated Network
Resources will have a higher priority than any Non-Firm
Point-To-Point Transmission Service under the
Tariff. Non-Firm Point-To-Point Transmission Service
over ~~Secondary~~ secondary Point(s) of Receipt and Point(s) of Delivery will
have a lower priority than any Non-Firm Point-To-Point
Transmission Service under the Tariff.

~~15 Service Availability:~~ Big Rivers will provide advance notice of
Curtailment or Interruption where such notice can be provided consistent with
Good Utility Practice.

15 ~~15.1~~ General Conditions: Service Availability

15.1 General Conditions:

Big Rivers will provide Firm and Non-Firm Point-To-Point Transmission
Service over, on, or across its Transmission System to any Transmission
Customer that has met the requirements of Section 16.

15.2 ~~15.2~~——Determination of Available ~~Transmission~~Transfer Capability~~—~~;

C A description of Big Rivers' specific methodology for assessing available ~~transmission~~transfer capability posted on Big Rivers' OASIS (~~described in~~ Section 4 ~~of this Tariff~~) is contained in Attachment C of the Tariff. In the event sufficient ~~transmission~~transfer capability may not exist to accommodate a service request, Big Rivers will respond by performing a System Impact Study.

15.3 ~~15.3~~——Initiating Service in the Absence of an Executed Service Agreement~~—~~;

C If Big Rivers and a ~~the~~Transmission Customer requesting Firm or Non-Firm Point-To-Point Transmission Service cannot agree on all the terms and conditions of a ~~the~~Point-To-Point Service Agreement, Big Rivers shall submit to the Transmission Customer, within thirty (30) days after the date the Transmission Customer provides written notification directing Big Rivers to do so, an unexecuted Point-To-Point Service Agreement containing terms and conditions deemed appropriate by Big Rivers for such requested Transmission Service. Big Rivers shall commence providing Transmission Service subject to the Transmission Customer agreeing to (i) compensate Big Rivers at its currently effective rate, and (ii) comply with the terms and conditions of the

Tariff including posting appropriate security deposits in accordance with the terms of Section 17.3. In the event a Transmission Customer accepting transmission service from Big Rivers under an unexecuted agreement disagrees with the terms and conditions of such service, that customer shall have recourse to the dispute resolution procedures of Section 12 of the Tariff.

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15.4 ~~15.4~~ ~~—Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System:—~~ Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment:

- (a) If Big Rivers determines that it cannot accommodate a Completed Application for Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Big Rivers will use due diligence to expand or modify its Transmission System to provide the requested Firm Transmission Service, consistent with its planning obligations in Attachment K, provided the Transmission Customer agrees to compensate Big Rivers for such costs pursuant to the terms of Section 27. Big Rivers will conform to Good Utility Practice and its planning obligations in Attachment K, in determining the need for new facilities and in the design and construction of such facilities.
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~~This~~The obligation applies only to those facilities that Big Rivers has the right to expand ~~and~~/or modify.

- (b) ~~15.5 ——— Deferral of Service: Big Rivers may~~ If Big Rivers determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Big Rivers will use due diligence to provide redispatch from its own resources until (i) Network Upgrades are completed for the Transmission Customer, (ii) Big Rivers determines through a biennial reassessment that it can no longer reliably provide the redispatch, or (iii) the Transmission Customer terminates the service because of redispatch changes resulting from the reassessment. Big Rivers shall not unreasonably deny self-provided redispatch or redispatch arranged by the Transmission Customer from a third party resource.
- (c) If Big Rivers determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Big Rivers will offer the Firm Transmission Service with

C the condition that Big Rivers may curtail the service prior to the curtailment of other Firm Transmission Service for a specified number of hours per year or during System Condition(s). If the Transmission Customer accepts the service, Big Rivers will use due diligence to provide the service until (i) Network Upgrades are completed for the Transmission Customer, (ii) Big Rivers determines through a biennial reassessment that it can no longer reliably provide such service, or (iii) the Transmission Customer terminates the service because the reassessment increased the number of hours per year of conditional curtailment or changed the System Conditions.

15.5 Deferral of Service:

C Big Rivers may defer providing transmission-service until it completes construction of new transmission facilities or upgrades needed to provide Firm Point-To-Point Transmission Service whenever Big Rivers determines that providing the requested service would, without such new facilities or upgrades, impair or degrade reliability to any existing firm services.

15.6 ~~15.6~~ — Other Transmission Service Schedules:-:

Eligible Customers receiving transmission service under other agreements

may continue to receive transmission service under those agreements until such ~~time as these agreements are~~may be modified by the parties or an applicable regulatory commission, or expire.

15.7 ~~15.7~~ Real Power Losses:-;

Real Power Losses are associated with all transmission service. Big Rivers is not obligated to provide Real Power Losses to ~~Transmission Customers~~. The Transmission Customer is responsible for replacing losses associated with all transmission service as ~~such losses are~~ calculated by Big Rivers.- Big Rivers shall recalculate average system Real Power ~~Loss~~loss factors on a yearly basis according to the methodology specified in Schedule 10.

15.8 Distribution of Unreserved Use Penalties:

In the event that unreserved use occurs in a given month pursuant to Section 3, 13.7(c) 14.5, 28.6, and/or 30.4, Big Rivers shall distribute revenues that it receives as penalties for unreserved use to those Transmission Customers (including the Transmission Provider for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during the month and did not incur unreserved use penalties in that month; provided, however, that Big Rivers shall retain 50% of any unreserved use penalties to reflect the base Firm Point-to-Point Transmission charge for the unreserved

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use. In the event that Big Rivers' power supply incurs unreserved use penalties, Big Rivers shall be disqualified from receiving a distribution of unreserved use penalties, but shall nonetheless retain the portion of any unreserved use penalties that reflects the base Firm Point-to-Point Transmission Service charge for the unreserved use, as described in the preceding sentence.

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Unreserved use penalty revenues shall be calculated and distributed on a monthly basis, based upon the ratio of the transmission service revenues from each Transmission Customer that did not incur unreserved use penalties in that month to the aggregate transmission service revenues from all such Transmission Customers that did not incur unreserved use penalties in that month. For purposes of distributing the 50% of unreserved use penalties that are not retained by Big Rivers, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the unreserved use penalties are incurred, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do not incur unreserved use penalties in a given month, any revenues shall be distributed and allocated to Transmission Customers that do not incur unreserved use penalties in the first month after unreserved use

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penalties are incurred and at least one Transmission Customer does not incur an unreserved use penalty, with interest calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

16 Transmission Customer Responsibilities

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16.1 ~~16.1~~ Conditions Required of Transmission Customers:

Point-To-Point Transmission Service shall be provided by Big Rivers only if the following conditions are satisfied by the Transmission Customer:

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(a) a.—The Transmission Customer has pending a Completed Application for service;

(b) b.—The Transmission Customer meets the creditworthiness criteria set forth in Section 11;

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(c) e.—The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to Big Rivers prior to the time service

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under Part II of the Tariff commences;

(d) ~~d.~~—The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation; ~~and~~

(e) ~~e.~~—The Transmission Customer provides the information required by Big Rivers' planning process established in Attachment K; and

(f) ~~f.~~—The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3.

16.2 ~~16.2~~—~~Transmission Customer Responsibility for Third-Party Arrangements:~~ Transmission Customer Responsibility for Third-Party Arrangements:

Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by Big Rivers, notification to Big Rivers

—_identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by Big Rivers pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. However,- Big Rivers will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

17 ~~17~~ Procedures for Arranging Firm Point-To-Point Transmission Service

17.1 ~~17.1~~ Application:-:

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A request for Firm Point-To-Point Transmission Service for periods of one year or longer must contain a written Application to:

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Vice President System Operations
Telephone No. (270) 827-2561
Telefax No. (270) 827-~~2558~~0183

at least sixty (60) days in advance of the calendar month in which service is to commence. Big Rivers will consider requests for such firm service on shorter notice when feasible. Requests for ~~Short-Term Firm Transmission Service~~ firm service for periods of less than one year shall be subject to expedited

procedures that shall be negotiated between the Parties within the time constraints provided in Section 17.5. All Firm Point-To-Point Transmission Service requests should be submitted by entering the information listed below on ~~the Big Rivers'~~ Rivers OASIS. Prior to implementation of Big Rivers' OASIS, a Completed Application may be submitted by (i) transmitting the required information to Big Rivers by telefax, or (ii) providing the information by telephone over Big Rivers' time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the priority of the Application. —

17.2 ~~17.2~~ — Completed Application—:

A Completed Application shall provide all of the information included in ~~the Federal Energy Regulatory Commission's regulations at 18 CFR § 2.20,~~ including but not limited to the following:

(i) ~~(i)~~ — The identity, address, telephone number and facsimile number of the entity requesting service;

(ii) ~~(ii)~~ — A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(iii) ~~(iii)~~ ——— The location of the Point(s) of Receipt and Point(s) of Delivery and the identities of the Delivering Parties and the Receiving Parties;

(iv) ~~(iv)~~ ——— The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. Big Rivers will treat this information as confidential except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice or pursuant to RTG transmission information sharing agreements. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of ~~FERC's~~ the Federal Energy Regulatory Commission's regulations;

(v) ~~(v)~~ ——— A description of the supply characteristics of the capacity and energy to be delivered;

(vi) ~~(vi)~~——An estimate of the capacity and energy expected to be delivered to the Receiving Party;

(vii) ~~(vii)~~——The Service Commencement Date and the term of the requested Transmission Service;~~and~~

(viii) ~~(viii)~~——The transmission capacity requested for each Point of Receipt and each Point of Delivery on Big Rivers' Transmission System; customers may combine their requests for service in order to satisfy the minimum transmission capacity requirement of one (1) MW.;

(ix) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service; and

(x) Any additional information required by Big Rivers' planning process established in Attachment K.

Big Rivers shall treat this information consistent with the standards of conduct

contained in Part 37 of ~~FERC's~~ the Federal Energy Regulatory Commission's regulations.

C **17.3** ~~17.3~~ **Deposit:**

A Completed Application for Firm Point-To-Point Transmission Service also shall include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service

C — requests of less than one month. If the Application is rejected by Big Rivers because it does not meet the conditions for service as set forth herein, or in the case of requests for service arising in connection with losing bidders in a Request For Proposals (RFP), said deposit shall be returned with interest (calculated using the ~~Discount Rate~~one-year United States Treasury Bill rates effective as published in the Money Rates section of the Wall Street Journal during of the first business day of each applicable calendar month while the deposit is held) less any reasonable costs incurred by Big Rivers in connection with the review of the losing bidder's Application. The deposit also will be returned with interest (calculated as above,) less any reasonable costs incurred by Big Rivers, if Big Rivers is unable to complete new facilities needed to provide the service. If an Application is withdrawn or the Eligible Customer decides not to enter into a Service Agreement for Firm Point-To-Point Transmission Service, the deposit shall be refunded in full, with interest (calculated as above), less reasonable costs incurred by Big Rivers to the extent such costs have not already been recovered by Big Rivers from the Eligible Customer. Big Rivers will provide to the Eligible Customer a complete accounting of all costs deducted

—_from the refunded deposit, which the Eligible Customer may contest if there is a dispute concerning the deducted costs. Deposits associated with construction of new facilities are subject to the provisions of Section 19. If a Service Agreement for Firm Point-To-Point Transmission Service is executed, the deposit, with interest ~~calculated as above~~, will be returned to the Transmission Customer upon expiration or termination of the Service Agreement for Firm Point-To-Point Transmission Service. Applicable interest shall be calculated from the day the deposit check is credited to Big Rivers' account.

17.4 ~~17.4~~——Notice of Deficient Application—:

If an Application fails to meet the requirements of the Tariff, Big Rivers shall notify the entity requesting service within fifteen (15) days of receipt of the reasons for such failure. Big Rivers will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Big Rivers shall return the Application, along with any deposit, with interest. Upon receipt of a new or revised Application that fully complies with the requirements of Part II of the Tariff, the Eligible Customer shall be assigned a new priority consistent with the date of the new or revised Application.

17.5 ~~17.5~~ — **Response to a Completed Application:**

Following receipt of a Completed Application for Firm Point-To-Point Transmission Service, Big Rivers shall make a determination of available ~~transmission~~transfer capability as required in Section 15.2. Big Rivers shall notify the Eligible Customer as soon as practicable, but not later than thirty (30) days after the date of receipt of a Completed Application either (i) if it will be able to provide service without performing a System Impact Study or (ii) if such a study is needed to evaluate the impact of the Application pursuant to Section 19.1. Responses by Big Rivers must be made as soon as practicable to all completed applications (including applications by its own merchant function) and the timing of such responses must be made on a non-discriminatory basis.

17.6 ~~17.6~~ — ~~Execution of Service Agreement:~~ **Execution of Service Agreement:**

Whenever Big Rivers determines that a System Impact Study is not required and that the service can be provided, it shall notify the Eligible Customer as soon as practicable but no later than thirty (30) days after receipt of the Completed Application. Where a System Impact Study is required, the provisions of Section 19 will govern the execution of a Service Agreement. Failure of an Eligible Customer to execute and return the Service Agreement

or request the filing of an unexecuted service agreement pursuant to Section 15.3, within fifteen (15) days after it is tendered by Big Rivers will be deemed a withdrawal and termination of the Application; and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

~~17.7~~ ~~17.7~~ ~~Extensions for Commencement of Service:~~ Extensions for Commencement of Service:

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The Transmission Customer can obtain, subject to availability, up to five (5) one-year extensions for the commencement of service. The Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Transmission Service for each year or fraction thereof within 15 days of notifying Big Rivers it intends to extend the commencement of service. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Transmission Service, and such request can be satisfied only by releasing all or part of the Transmission Customer's Reserved Capacity, the original Reserved Capacity will be released unless the following condition is satisfied. Within thirty (30) days, the original Transmission Customer agrees to pay the Firm Point-To-Point transmission rate for its Reserved Capacity concurrent with the new Service Commencement Date. In

the event the Transmission Customer elects to release the Reserved Capacity, the reservation fees or portions thereof previously paid will be forfeited.

18 ~~18~~ Procedures for Arranging Non-Firm Point-To-Point Transmission Service

~~18.1~~ 18.1 Application:

Eligible Customers seeking Non-Firm Point-To-Point Transmission Service must submit a Completed Application to Big Rivers. Applications should be submitted by entering the information listed below on the Big Rivers² OASIS. Prior to implementation of the Big Rivers² OASIS, a Completed Application may be submitted by (i) transmitting the required information to Big Rivers by telefax, or (ii) providing the information by telephone over Big Rivers' time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application.

~~18.2~~ 18.2 Completed Application:

A Completed Application shall provide all of the information included in ~~the Federal Energy Regulatory Commission's regulations at 18 CFR §§ 2.20,~~ including but not limited to the following:

- (i) ~~(i)~~ The identity, address, telephone number and facsimile number of the entity requesting service;

(ii) ~~(ii)~~—A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(iii) ~~(iii)~~—The Point(s) of Receipt and the Point(s) of Delivery;

(iv) ~~(iv)~~—The maximum amount of capacity requested at each Point of Receipt and Point of Delivery; and

(v) ~~(v)~~—The proposed dates and hours for initiating and terminating transmission service hereunder.

In addition to the information specified above, when required to properly evaluate system conditions, Big Rivers also may ask the Transmission Customer to provide the following:

(vi) The electrical location of the initial source of the power to be transmitted pursuant to the Transmission Customer's request for service; and

(vii) ~~(vii)~~—The electrical location of the ultimate load.

Big Rivers will treat this information in (vi) and (vii) as confidential at the request of the Transmission Customer except to the extent that disclosure of

this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice, or pursuant to RTG transmission information sharing agreements. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations.

(viii) ~~18.3~~ ~~Reservation of Non-Firm Point-To-Point~~

~~Transmission Service: A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service.~~

18.3 Reservation of Non-Firm Point-To-Point Transmission Service:

Requests ~~to reserve~~ for monthly service shall be submitted no earlier than sixty (60) days before service is to commence; requests ~~to reserve~~ for weekly service shall be submitted no earlier than fourteen (14) days before service is to commence, requests ~~to reserve~~ for daily service shall be submitted no earlier than two (2) days before service is to commence, and requests ~~to reserve~~ for hourly service shall be submitted no earlier than noon the day before service is to commence. Requests for ~~Short-Term Non-Firm Service~~

service received later than 2:00 p.m. prior to the day service is scheduled to commence will be accommodated if practicable.

18.4 ~~18.4~~——Determination of Available ~~Transmission~~ Transfer Capability~~:-~~:

Following receipt of a tendered ~~Application~~ schedule Big Rivers will make a determination on a non-discriminatory basis of available ~~transmission~~ transfer capability pursuant to Section 15.2. Such determination shall be made as soon as reasonably practicable after receipt, but not later than the following time periods for the following terms of service (i) thirty (30) minutes for hourly service, (ii) thirty (30) minutes for daily service, (iii) four (4) hours for weekly service, and (iv) two (2) days for monthly service.

19 ~~19~~ Additional Study Procedures For Firm Point-To-Point Transmission Service Requests

19.1 ~~19.1~~——Notice of Need for System Impact Study~~:-~~:

After receiving a request for service, Big Rivers shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of Big Rivers' methodology for completing a System Impact Study is provided in Attachment D. If Big Rivers determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. ~~In such cases,~~ Once informed,

the Eligible Customer shall timely notify Big Rivers if it elects to have Big Rivers study redispach or conditional curtailment as part of the System Impact Study. If notification is provided prior to tender of the System Impact Study Agreement, the Eligible Customer can avoid the costs associated with the study of these options. Big Rivers shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest.

19.2 ~~19.2~~ ~~System Impact Study Agreement and Cost Reimbursement~~ System Impact Study Agreement and Cost Reimbursement:

- (i) The System Impact Study Agreement will clearly specify Big Rivers' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, Big Rivers

shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

(ii) ~~(ii)~~—If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for Big Rivers to accommodate the requests for service, the costs of that study shall be pro-rated among the Eligible Customers.

(iii) ~~(iii)~~—For System Impact Studies that Big Rivers conducts on its own behalf, Big Rivers shall record the cost of the System Impact Studies pursuant to Section ~~19~~20.

19.3 ~~19.3~~—**System Impact Study Procedures**—:

Upon receipt of an executed System Impact Study Agreement, Big Rivers will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify (1) any system

constraints and, identified with specificity by transmission element or flowgate, (2) redispatch options, (when requested by an Eligible Customer) including an estimate of the cost of redispatch, (3) conditional curtailment options (when requested by an Eligible Customer) including the number of hours per year and the System Conditions during which conditional curtailment may occur, and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within the Big Rivers Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If Big Rivers possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Big Rivers is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the

System Impact Study is complete. Big Rivers will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. Big Rivers shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the issuance of an unexecuted Service Agreement pursuant to Section 15.3, or the Application shall be deemed terminated and withdrawn.

19.4 ~~19.4~~ ~~Facilities Study Procedures:~~ Facilities Study Procedures:

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Big Rivers, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the

Facilities Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest. Upon receipt of an executed Facilities Study Agreement, Big Rivers will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Big Rivers is unable to complete the Facilities Study in the allotted time period, Big Rivers shall notify the Transmission Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Transmission Customer, (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades as determined pursuant to the provisions of Part II of the Tariff, and (iii) the time required to complete such construction and initiate the requested service. The Transmission Customer shall provide Big Rivers with a letter of credit or other reasonable form of security acceptable to Big Rivers equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform

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Commercial Code. The Transmission Customer shall have thirty (30) days to execute a Service Agreement or request the ~~file~~issuance of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

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19.5 ~~19.5~~ — **Facilities Study Modifications**:-:

Any change in design arising from inability to site or construct facilities as proposed will require development of a revised good faith estimate. New good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of Big Rivers that significantly affect the final cost of new facilities or upgrades to be charged to ~~Big Rivers~~the Transmission Customer pursuant to the provisions of Part II of the Tariff.

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19.6 ~~19.6~~ — ~~Due Diligence in Completing New Facilities~~: **Due Diligence in Completing New Facilities**:

Big Rivers shall use due diligence to add necessary facilities or upgrade its Transmission System within a reasonable time. Big Rivers will not upgrade its existing or planned Transmission System in order to provide the requested

Firm Point-To-Point Transmission Service if doing so would impair system reliability or otherwise impair or degrade existing firm service.

19.7 ~~19.7~~——Partial Interim Service—:

If Big Rivers determines that it will not have adequate ~~transmission-transfer~~ capability to satisfy the full amount of a Completed Application for Firm Point-To-Point Transmission Service, Big Rivers nonetheless shall be obligated to offer and provide the portion of the requested Firm Point-To-Point Transmission Service that can be accommodated without addition of any facilities and through redispatch. However, Big Rivers shall not be obligated to provide the incremental amount of requested Firm Point-To-Point Transmission Service that requires the addition of facilities or upgrades to the Transmission System until such facilities or upgrades have been placed in service.

19.8 ~~19.8~~——Expedited Procedures for New Facilities—:

In lieu of the procedures set forth above, the Eligible Customer shall have the option to expedite the process by requesting Big Rivers to tender at one time, together with the results of required studies, an "Expedited Service Agreement" pursuant to which the Eligible Customer would agree to compensate Big Rivers for all costs incurred pursuant to the terms of the

Tariff. In order to exercise this option, the Eligible Customer shall request in writing an expedited Service Agreement covering all of the above-specified items within thirty (30) days of receiving the results of the System Impact Study identifying needed facility additions or upgrades or costs incurred in providing the requested service. While Big Rivers agrees to provide the Eligible Customer with its best estimate of the new facility costs and other charges that may be incurred, such estimate shall not be binding and the Eligible Customer must agree in writing to compensate Big Rivers for all costs incurred pursuant to the provisions of the Tariff. The Eligible Customer shall execute and return such an Expedited Service Agreement within fifteen (15) days of its receipt or the Eligible Customer's request for service will cease to be a Completed Application and will be deemed terminated and withdrawn.

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20 Procedures if Big Rivers is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service

20.1 20.1 Delays in Construction of New Facilities:

If any event occurs that will materially affect the time for completion of new facilities, or the ability to complete them, Big Rivers shall promptly notify the Transmission Customer. In such circumstances, Big Rivers shall within thirty (30) days of notifying the Transmission Customer of such delays, convene a technical meeting with the Transmission Customer to evaluate the alternatives

available to the Transmission Customer. Big Rivers also shall make available to the Transmission Customer studies and work papers related to the delay, including all information that is in the possession of Big Rivers that is reasonably needed by the Transmission Customer to evaluate any alternatives.

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20.2 ~~20.2~~ Alternatives to the Original Facility Additions:

When the review process of Section 20.1 determines that one or more alternatives exist to the originally planned construction project, Big Rivers shall present such alternatives for consideration by the Transmission Customer. If, upon review of any alternatives, the Transmission Customer desires to maintain its Completed Application subject to construction of the alternative facilities, it may request Big Rivers to submit a revised Service Agreement for Firm Point-To-Point Transmission Service. If the alternative approach solely involves Non-Firm Point-To-Point Transmission Service, Big Rivers shall promptly tender a Service Agreement for Non-Firm Point-To-Point Transmission Service providing for the service. In the event Big Rivers concludes that no reasonable alternative exists and the Transmission Customer disagrees, the

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— Transmission Customer may seek relief under the dispute resolution

procedures pursuant to Section 12 or it may refer the dispute to any applicable regulatory commission with jurisdiction for resolution.

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20.3 ~~20.3~~ — Refund Obligation for Unfinished Facility Additions—:

If Big Rivers and the Transmission Customer mutually agree that no other reasonable alternatives exist and the requested service cannot be provided out of existing capability under the conditions of Part II of the Tariff, ~~Big Rivers'~~ the obligation to provide the requested Firm Point-To-Point Transmission Service shall terminate and any deposit made by the Transmission Customer shall be returned with interest (calculated for each month using the Discount Rate as published in the Money Rates section of the Wall Street Journal measured one-year United States Treasury Bill rates effective as of the first business day of the month for each such month during which the deposit was held each applicable calendar month). However, the Transmission Customer shall be responsible for all prudently incurred costs by Big Rivers through the time construction was suspended.

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21 ~~21~~ Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities

21.1 ~~21.1~~ — Responsibility for Third-Party System Additions—:

Big Rivers Electric Corporation

Open Access Transmission Tariff

Revised Sheet No.80

Replacing Original Sheet No.80

Big Rivers shall not be responsible for making arrangements for any necessary

| engineering, permitting, and

C —_construction of transmission or distribution facilities on the system(s) of any other entity or for obtaining any regulatory approval for such facilities.

Big Rivers will undertake reasonable efforts to assist the Transmission Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

C **21.2 ~~21.2~~—Coordination of Third-Party System Additions—:**

In circumstances where the need for transmission facilities or upgrades is identified pursuant to the provisions of Part II of the Tariff, and if such upgrades further require the addition of transmission facilities on other systems, Big Rivers shall have the right to coordinate construction on its own system with the construction required by others. Big Rivers, after consultation with the Transmission Customer and representatives of such other systems, may defer construction of its new transmission facilities, if the new transmission facilities on another system cannot be completed in a timely manner. Big Rivers shall notify the Transmission Customer in writing of the basis for any decision to defer construction and the specific problems which must be resolved before it will initiate or resume construction of new facilities. Within sixty (60) days of receiving written notification by Big

Rivers of its intent to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures pursuant to Section 12.

22 ~~22~~ Changes in Service Specifications

22.1 ~~22.1~~ — Modifications On a Non-Firm Basis:-;

The Transmission Customer taking Firm Point-To-Point Transmission Service may request Big Rivers to provide transmission service on a non-firm basis over Receipt and Delivery Points other than those specified in the Service Agreement ("Secondary Receipt and Delivery Points"), in amounts not to exceed its firm capacity reservation, without incurring an additional Non-Firm Point-To-Point Transmission Service charge or executing a new Service Agreement, subject to the following conditions.

(a) ~~(a)~~ Service provided over Secondary Receipt and Delivery Points will be non-firm only, on an as-available basis and will not displace any firm or non-firm service reserved or scheduled by third-parties under the Tariff or by Big Rivers on behalf of its Native Load Customers.

(b) ~~(b)~~ The sum of all Firm and non-firm Point-To-Point Transmission Service provided to the Transmission Customer at any time pursuant to this section shall not exceed the Reserved

Capacity in the relevant Service Agreement under which such services are provided.

(c) ~~(e)~~—The Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service at the Receipt and Delivery Points specified in the relevant Service Agreement in the amount of its original capacity reservation.

(d) ~~(d)~~—Service over Secondary Receipt and Delivery Points on a non-firm basis shall not require the filing of an Application for Non-Firm Point-To-Point Transmission Service under the Tariff. However, all other requirements of Part II of the Tariff (except as to transmission rates) shall apply to transmission service on a non-firm basis over Secondary Receipt and Delivery Points.

22.2 ~~22.2~~ ~~Modification On a Firm Basis:~~ Modification On a Firm Basis:

Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement.

While such new request is pending, the Transmission Customer shall retain its

priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement.

23 ~~23~~ Sale or Assignment of Transmission Service

23.1 ~~23.1~~ ~~Procedures for Assignment or Transfer of Service: A Transmission Customer taking service under this tariff~~ **Procedures for Assignment or Transfer of Service:**

Subject to Federal Energy Regulatory Commission approval of any necessary filings, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement, but only to another Eligible Customer (the Assignee). The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement is hereafter referred to as the Reseller. Compensation to the Reseller-Resellers shall not exceed the higher of (i) the original rate paid by the Reseller, (ii) Big Rivers' maximum rate on file at the time of the assignment, or (iii) the Reseller's Reseller's opportunity cost capped at Big Rivers' cost of expansion; provided that, for service prior to October 1, 2010, compensation to Resellers shall be at rates established by agreement between the Reseller and the Assignee.

The Assignee must execute a service agreement with Big Rivers governing reassignments of transmission service prior to the date on which the reassigned service commences. Big Rivers shall charge the Reseller, as appropriate, at the rate stated in the Reseller's Service Agreement with Big

Rivers or the associated OASIS schedule and credit the Reseller with the price reflected in the Assignee's Service Agreement with Big Rivers or the associated OASIS schedule; provided that, such credit shall be reversed in the event of non-payment by the Assignee. If the Assignee does not request any change in the Point(s) of Receipt or the Point(s) of Delivery, or a change in any other term or condition set forth in the original Service Agreement, the Assignee will receive the same services as did the Reseller and the priority of service for the Assignee will be the same as that of the Reseller. ~~A Reseller should notify Big Rivers as soon as possible after any assignment or transfer of service occurs but in any event, notification must be provided prior to any provision of service to the Assignee.~~ The Assignee will be subject to all terms and conditions of this Tariff. If the Assignee requests a change in service, the reservation priority of service will be determined by Big Rivers pursuant to Section 13.2.

~~23.2 23.2~~ ~~Limitations on Assignment or Transfer of Service:~~
Limitations on Assignment or Transfer of Service:

If the Assignee requests a change in the Point(s) of Receipt or Point(s) of Delivery, or a change in any other specifications set forth in the original Service Agreement, Big Rivers will consent to such change subject to the provisions of the Tariff, provided that the change will not impair the operation

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and reliability of Big Rivers' generation, transmission system, or its member distribution cooperatives' distribution systems. The Assignee shall compensate Big Rivers for performing any System Impact Study needed to evaluate the capability of the Transmission System to accommodate the proposed change and any additional costs resulting from such change. The Reseller shall remain liable for the performance of all obligations under the Service Agreement, except as specifically agreed to by Big Rivers and the Parties Reseller through an amendment to the Service Agreement.

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~~23.3~~ ~~23.3~~ ~~Information on Assignment or Transfer of Service:~~
Information on Assignment or Transfer of Service:

In accordance with Section 4, all sales or assignments of capacity must be conducted through or otherwise posted on Big Rivers' OASIS on or before the date the reassigned service commences and are subject to Section 23.1.

Resellers may also use Big Rivers' Rivers' OASIS to post transmission capacity available for resale.

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~~24~~ ~~24~~ ~~Metering and Power Factor Correction at Receipt and Delivery Points(s)~~
Metering and Power Factor Correction at Receipt and Delivery Points(s)

~~24.1~~ ~~24.1~~ ~~Transmission Customer Obligations:-:~~

Unless otherwise agreed, the Transmission Customer shall be responsible for installing and maintaining compatible metering and communications

equipment to accurately account for the capacity and energy being transmitted under Part II of the Tariff and to communicate the information to Big Rivers.

Such equipment shall remain the property of the Transmission Customer; ~~unless otherwise specified in the applicable Service Agreement.~~

24.2 ~~24.2~~——Transmission Provider Access to Metering Data:

Big Rivers shall have access to all-metering data, which may reasonably be required to facilitate measurements and billing under the Service Agreement.

24.3 ~~24.3~~——Power Factor:

C Unless otherwise agreed, the Transmission Customer is required to maintain ~~the a~~ power factor of the load at Big Rivers' delivery points at a level greater than or equal to 0.95, leading or lagging, ~~within the same range as Big Rivers~~ pursuant to Good Utility Practices. The power factor requirements are specified in the Service Agreement where applicable.

25 ~~25~~——Compensation for Transmission Service

~~_____~~ Rates for Firm and Non-Firm Point-To-Point Transmission Service are provided in the Schedules appended to the Tariff: Firm Point-To-Point Transmission Service (Schedule 7); and Non-Firm Point-To-Point Transmission Service (Schedule FTS); Schedule 8: Short Term Non Firm Point To Point Transmission Service (Schedule STNF); and Schedule 9: Hourly Non Firm

~~Transmission Service (Schedule HNF). Big Rivers shall use Part II of the Tariff to~~
C make its Third-Party Sales ~~under new contracts commencing on the effective date~~
~~of this Tariff.~~ Big Rivers shall account for such use at the applicable Tariff rates,
pursuant to Section 8.

C **26 ~~26~~ Stranded Cost Recovery**

~~_____ Big Rivers reserves the right to~~ may seek to recover stranded costs from the
Transmission Customer pursuant to this Tariff in accordance with the terms,
conditions and procedures set forth in FERC Order No. 888, ~~to the extent~~
applicable.

27 ~~27~~ Compensation for New Facilities and Redispatch Costs

~~_____ Whenever a System Impact Study performed by Big Rivers in connection~~
with the provision of Firm Point-To-Point Transmission Service identifies the
need for new facilities, the Transmission Customer shall be responsible for such
C/T costs to the extent consistent with Federal Energy Regulatory Commission policy.

Whenever a System Impact Study performed by Big Rivers identifies capacity
constraints that may be relieved ~~more economically~~ by redispatching ~~generating~~
~~resources located within Big Rivers' Control Area rather than by building new~~
~~facilities or upgrading existing facilities~~ resources to eliminate such constraints,
the Transmission Customer shall be responsible for the redispatch costs to the
extent consistent with Federal Energy Regulatory Commission policy.

~~III.~~

III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

Big Rivers will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which Big Rivers utilizes its Transmission System to serve its Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff.

28 ~~28~~ Nature of Network Integration Transmission Service

28.1 ~~28.1~~ Scope of Service:-;

Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in Big Rivers' Rivers' Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff.

The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 3.

28.2 ~~28.2~~ — ~~Big Rivers'~~ Transmission Provider Responsibilities :-:

Big Rivers will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice and its planning obligations in Attachment K in order to provide the Network Customer with Network Integration Transmission Service over Big Rivers' Transmission System. Big Rivers, on behalf of its Native Load Customers, shall be required to designate resources and loads in the same manner as any Network Customer under Part III of this Tariff. This information must be consistent with the information used by Big Rivers to calculate available ~~transmission~~transfer capability. Big Rivers shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice and Attachment K, endeavor to construct and place into service sufficient ~~transmission capacity~~transfer capability to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to Big Rivers' delivery of its own generating and purchased resources to its Native Load Customers.

28.3 ~~28.3~~ — Network Integration Transmission Service :-:

Big Rivers will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to Big Rivers' Rivers' use of the Transmission System to reliably serve its Native Load Customers.

28.4 ~~28.4~~——Secondary Service—:

The Network Customer may use Big Rivers' Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Secondary service shall not require the filing of an Application for Network Integration Transmission Service under the Tariff. However, all other requirements of Part III of the Tariff (except for transmission rates) shall apply to secondary service. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.

28.5 ~~28.5~~——Real Power Losses—:

Real Power Losses are associated with all transmission service. Big Rivers is not obligated to provide Real Power Losses to ~~Network Customers.~~ The

C Network Customer is responsible for replacing losses associated with all transmission service rendered by Big Rivers at Real Power ~~Loss~~loss factors calculated by Big Rivers. Big Rivers shall recalculate average system Real Power Loss factors on an annual basis using the methodology specified in Schedule 10 of the Tariff.

C **28.6** ~~28.6~~ — Restrictions on Use of Service: Restrictions on Use of Service:

C/T The Network Customer shall not use Network Integration Transmission Service for (i) sales of capacity and energy to non-designated loads, or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of Big Rivers' Transmission System. In the event that a Network Customer (including the Transmission Provider) uses Network Integration Transmission Service or secondary service pursuant to Section 28.4 to facilitate a wholesale sale that does not serve a Network Load, such use shall constitute an unreserved use of transmission service. In such instances of unreserved use, the Transmission Customer shall pay a penalty on the excess amount of transmission taken, with a separate penalty for each period of unreserved use. The penalty for the

unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate (on-peak or off-peak, depending upon the day in which the unreserved use occurs) for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8.

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29 ~~29~~ Initiating Service

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29.1 ~~29.1~~ Condition Precedent for Receiving Service:

Subject to the terms and conditions of Part III of the Tariff, Big Rivers will provide Network Integration Transmission Service to any Eligible Customer,

provided that (i) the Eligible Customer completes an Application for service as provided under Part III of the Tariff, (ii) the Eligible Customer and Big Rivers complete the technical arrangements set forth in Sections 29.3 and 29.4, (iii) the Eligible Customer executes a Service Agreement pursuant to Attachment F for service under Part III of the Tariff or requests in writing that Big Rivers implement a proposed unexecuted Service Agreement, and (iv) the Eligible Customer executes a Network Operating Agreement with Big Rivers pursuant to Attachment G, or requests in writing that Big Rivers file a proposed unexecuted Network Operating Agreement.

29.2 ~~29.2~~ ~~Application Procedures:~~ Application Procedures:

An Eligible Customer requesting service under Part III of the Tariff must submit an Application, with a deposit approximating the charge for one month of service, to Big Rivers as far as possible in advance of the month in which service is to commence. Unless subject to the procedures in Section 2, Completed Applications for Network Integration Transmission Service will be assigned a priority according to the date and time the Application is received, with the earliest Application receiving the highest priority. Applications should be submitted by entering the information listed below on Big Rivers' OASIS. Prior to implementation of Big Rivers' OASIS, a Completed

Application may be submitted by (i) transmitting the required information to Big Rivers by telefax, or (ii) providing the information by telephone over Big Rivers' time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application. -A Completed Application shall provide all of the information included in the Federal Energy Regulatory Commission's regulations at 18 CFR § 2.20 including but not limited to the following:

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(i) ~~(i)~~—The identity, address, telephone number and facsimile number of the party requesting service;

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(ii) ~~(ii)~~—A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

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(iii) ~~(iii)~~—A description of the Network Load at each delivery point. This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each of Big Rivers' substations Transmission Provider substation at the same transmission voltage level. The description should

include a ten (10) year forecast of summer and winter load and resource requirements beginning with the first year after the service is scheduled to commence;

(iv) ~~(iv)~~—The amount and location of any interruptible loads included in the Network Load. This shall include the summer and winter capacity requirements for each interruptible load (had such load not been interruptible), that portion of the load subject to interruption, the conditions under which an interruption can be implemented and any limitations on the amount and frequency of interruptions. An Eligible Customer should identify the amount of interruptible customer load (if any) included in the 10 year load forecast provided in response to (iii) above;

(v) ~~(v)~~—A description of Network Resources (current and 10-year projection), ~~which shall include, for~~. For each on-system Network Resource, such description shall include:

- —Unit size and amount of capacity from that unit to be designated as Network Resource
- —VAR capability (both leading and lagging) of all

generators

• — Operating restrictions

 — Any periods of restricted operations ~~through-~~
~~out~~throughout the year

 — Maintenance schedules

 — Minimum loading level of unit

 — Normal operating level of unit

 — Any must-run unit designations required for system
reliability or contract reasons

• — Approximate variable generating cost (\$/MWH) for
redispatch computations

• — Arrangements governing sale and delivery of power to
third parties from generating facilities located in Big Rivers'
Rivers Control Area, where only a portion of unit output is
designated as a Network Resource;

~~— Description of purchased power designated as a Network
Resource including source of supply, Control Area location,
transmission arrangements and delivery~~ For each off-system
Network Resource, such description shall include:

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- Identification of the Network Resource as an off-system resource
- Amount of power to which the customer has rights
- Identification of the control area from which the power will originate
- Delivery point(s) to Big Rivers' Transmission System;
- (vi) — Transmission arrangements on the external transmission system(s)
- Operating restrictions, if any
 - Any periods of restricted operations throughout the year
 - Maintenance schedules
 - Minimum loading level of unit
 - Normal operating level of unit
 - Any must-run unit designations required for system reliability or contract reasons
- Approximate variable generating cost (\$/MWH) for redispatch computations;

(vi) Description of Eligible Customer's transmission sys-

~~tem~~transmission system:

● ——Load flow and stability data, such as real and reactive parts of the load, lines, transformers, reactive devices and load type, including normal and emergency ratings of all transmission equipment in a load flow format compatible with that used by Big Rivers

● ——Operating restrictions needed for reliability

● ——Operating guides employed by system operators

● ——Contractual restrictions or committed uses of the Eligible Customer's transmission system, other than the Eligible Customer's Network Loads and Resources

● ——Location of Network Resources described in subsection (v) above——

● ——10 year projection of system expansions or upgrades

● ——Transmission System maps that include any proposed expansions or upgrades

● ——Thermal ratings of Eligible Customer's Control Areas with other Control Areas; and

(vii)——(vii)——Service Commencement Date and the term of the

requested Network Integration Transmission Service. The minimum term for Network Integration Transmission Service is one year--;

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- (viii) A statement signed by an authorized officer from or agent of the Network Customer attesting that all of the network resources listed pursuant to Section 29.2(v) satisfy the following conditions:
- (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) the Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis; and
- (ix) Any additional information required of the Transmission Customer as specified in Big Rivers' planning process established in Attachment K.

Unless the Parties agree to a different time frame, Big Rivers must

acknowledge the request within ten (10) days of receipt. ~~The acknowledgment~~ The acknowledgement must include a date by which a response, including a Service Agreement, will be sent to the Eligible Customer. If an Application fails to meet the requirements of this section, Big Rivers shall notify the Eligible Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever possible, Big Rivers will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Big Rivers shall return the Application without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations.

29.3 ~~29.3~~ — Technical Arrangements to be Completed Prior to Commencement of Service—;

Network Integration Transmission Service shall not commence until Big Rivers and the Network Customer, or a third party, have completed installation of all equipment specified under the Network Operating

Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System. Big Rivers shall exercise reasonable efforts, in coordination with the Network Customer, to complete such arrangements as soon as practicable taking into consideration the Service Commencement Date.

29.4 ~~29.4~~——Network Customer Facilities—:

The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of each delivery point or interconnection necessary to reliably deliver capacity and energy from Big Rivers' Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each such delivery point or interconnection.

29.5 ~~29.5~~——Filing of Service Agreement—:

Big Rivers, if required, will file Network Service Agreements with any applicable regulatory commissions in compliance with applicable regulations.

30 ~~30~~ Network Resources Network Resources

30.1 ~~30.1~~——Designation of Network Resources—:

C Network Resources shall include all generation owned, purchased, or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

C **30.2** ~~30.2~~ — **Designation of New Network Resources:** ~~The Network:~~
C The Network Customer may designate a new Network Resource by providing Big Rivers with as much advance notice as practicable. A designation of a new Network Resource must be made through Big Rivers' OASIS by a request for modification of service pursuant to an Application under Section ~~28-~~29. This request must include a statement that the new network resource satisfies the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a

contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) The Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. The Network Customer's request will be deemed deficient if it does not include this statement and Big Rivers will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

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30.3 ~~30.3~~ Termination of Network Resources:-:

The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource ~~at any time but should provide~~ by providing notification to Big Rivers through OASIS as soon as reasonably practicable, but not later than the firm scheduling deadline for the period of termination. Any request for termination of Network Resource status must be submitted on OASIS, and should indicate whether the request is for indefinite or temporary termination. A request for indefinite termination of Network Resource status must indicate the date and time that the termination is to be effective, and the identification and capacity of the resource(s) or portions thereof to be indefinitely terminated. A request for

temporary termination of Network Resource status must include the following:

- (i) ~~30.4 — Operation of Network Resources:~~ Effective date and time of temporary termination;
- (ii) Effective date and time of redesignation, following period of temporary termination;
- (iii) Identification and capacity of resource(s) or portions thereof to be temporarily terminated;
- (iv) Resource description and attestation for redesignating the network resource following the temporary termination, in accordance with Section 30.2; and
- (v) Identification of any related transmission service requests to be evaluated concomitantly with the request for temporary termination, such that the requests for undesignation and the request for these related transmission service requests must be approved or denied as a single request. The evaluation of these related transmission service requests must take into account the termination of the network resources identified in (iii) above, as well as all competing transmission service requests of higher

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priority.

As part of a temporary termination, a Network Customer may only redesignate the same resource that was originally designated, or a portion thereof.

C Requests to redesignate a different resource and/or a resource with increased capacity will be deemed deficient and Big Rivers will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

30.4 Operation of Network Resources:

C The Network Customer shall not operate its designated Network Resources located in the Network Customer's or Big Rivers' Control Area such that the output of those facilities exceeds its designated Network Load, plus ~~non-firm sales~~ Non-Firm Sales delivered pursuant to Part II of the Tariff, plus losses, plus power sales under a Federal Energy Regulatory Commission-approved reserve sharing program. This limitation shall not apply to changes in the operation of a Transmission ~~Customer's~~ Customer's Network Resources at the request of Big Rivers to respond to an emergency or other unforeseen condition which may impair or degrade the reliability of the Transmission

C/T System. For all Network Resources not physically connected with Big Rivers' Transmission System, the Network Customer may not schedule delivery of energy in excess of the Network Resource's capacity, as specified in the

Network Customer's Application pursuant to Section 29, unless the Network Customer supports such delivery within Big Rivers' Transmission System by either obtaining Point-to-Point Transmission Service or utilizing secondary service pursuant to Section 28.4. In the event that a Network Customer's (including Big Rivers) schedule at the delivery point for a Network Resource not physically interconnected with Big Rivers' Transmission System exceeds the Network Resource's designated capacity, excluding energy delivered using secondary service or Point-to-Point Transmission Service, the difference between the Network Customer's schedule across the interface between the Transmission System and the transmission system in which the Network Resource resides and the Network Resource's designated capacity shall constitute an unreserved use of transmission service. In such instances of unreserved use, the Transmission Customer shall pay a penalty on the excess amount of transmission taken, with a separate penalty charge for each period of unreserved use. The penalty for the unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the penalty shall be 200% of the maximum applicable daily rate for

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Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the penalty shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the penalty shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8.

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30.5 30.5——Network Customer Redispatch Obligation—;

As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by Big Rivers pursuant to Section 33.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and Big Rivers.

30.6 30.6——Transmission Arrangements for Network Resources Not Physically Interconnected With Big Rivers—;

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The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with Big Rivers' Transmission System. Big Rivers will undertake reasonable efforts to assist the Network Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other entity pursuant to Good Utility Practice.

30.7 ~~30.7~~—Limitation on Designation of Network Resources—:

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The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff.

30.8 ~~30.8~~—Use of Interface Capacity by the Network Customer—:

There is no limitation upon a Network Customer's use of Big Rivers' Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its Network Loads. However, a Network Customer's use of Big Rivers' total interface capacity with other transmission systems may not exceed the Network Customer's Load.

30.9 ~~30.9~~ — Network Customer Owned Transmission Facilities—:

The Network Customer that owns existing transmission facilities that are integrated with Big Rivers' Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. In order to receive such consideration the Network Customer must demonstrate that its transmission facilities are integrated into the plans or operations of Big Rivers, to serve its power and transmission customers. For facilities constructed added by the Network Customer subsequent to the Service Commencement Date under Part III effective date of this Tariff, the Network Customer shall receive credit wherefor such transmission facilities added if such facilities are jointly planned and installed in coordination with integrated into the operations of Big Rivers' facilities; provided however, the Network Customer's transmission facilities shall be presumed to be integrated if such transmission facilities, if owned by Big Rivers, would be eligible for inclusion in Big Rivers' annual transmission revenue requirement as specified in Attachment H. Calculation of the credit any credit under this subsection shall be addressed in either the Network Customer's Service Agreement or any other agreement between the Parties.

31 ~~31.1~~ ~~Network Load:~~ Network Load

31.1 Network Load:

The Network Customer must designate the individual Network Loads on whose behalf Big Rivers will provide Network Integration Transmission Service. The Network Loads shall be specified in the Service Agreement.

31.2 ~~31.2~~ ~~New Network Loads Connected With Big Rivers:~~ New Network Loads Connected With Big Rivers:

The Network Customer shall provide Big Rivers with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load must be made through a modification of service pursuant to a new Application. Big Rivers will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Federal Energy Regulatory Commission policies.

31.3 ~~31.3~~ ~~Network Load Not Physically Interconnected with Big Rivers:~~ Network Load Not Physically Interconnected with Big Rivers:

This section applies to both initial designation pursuant to Section 31.1 and

the subsequent addition of new Network Load not physically interconnected with Big Rivers. To the extent that the Network Customer desires to obtain transmission service for a load outside Big Rivers' Transmission System, the Network Customer shall have the option of (1) electing to include the entire load as Network Load for all purposes under Part III of the Tariff and designating Network Resources in connection with such additional Network Load, or (2) excluding that entire load from its Network Load and purchasing Point-To-Point Transmission Service under Part II of the Tariff. To the extent that the Network Customer gives notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made through a modification of service pursuant to a new Application.

31.4 ~~31.4~~—New Interconnection Points—:

To the extent the Network Customer desires to add a new Delivery Point or interconnection point between Big Rivers' Transmission System and a Network Load, the Network Customer shall provide Big Rivers with as much advance notice as reasonably practicable.

31.5 ~~31.5~~—Changes in Service Requests—:

Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (e.g.

the addition of a new Network Resource or designation of a new Network Load) in any way relieve the Network Customer of its obligation to pay the costs of transmission facilities constructed by Big Rivers and charged to the Network Customer as reflected in the Service Agreement. However, Big Rivers must treat any requested change in Network Integration Transmission Service in a non-discriminatory manner.

31.6 ~~31.6~~ Annual Load and Resource Information Updates:

The Network Customer shall provide Big Rivers with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff including, but not limited to, any information provided under section 29.2(ix) pursuant to Big Rivers' planning process in Attachment K.

The Network Customer also shall provide Big Rivers with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting Big Rivers' ability to provide reliable service.

32 ~~32~~ Additional Study Procedures For Network Integration Transmission Service Requests

32.1 ~~32.1~~ Notice of Need for System Impact Study:

After receiving a request for service, Big Rivers shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of Big Rivers' methodology for completing a System Impact Study is provided in Attachment D. If Big Rivers determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, Big Rivers shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest.

32.2 ~~32.2~~ System Impact Study Agreement and Cost Reimbursement:

~~(i)~~

(i) The System Impact Study Agreement will clearly specify Big Rivers' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost

of the study. In performing the System Impact Study, Big Rivers shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

(ii) ~~(ii)~~ If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for Big Rivers to accommodate the service requests, the costs of that study shall be pro-rated among the Eligible Customers.

(iii) ~~(iii)~~ For System Impact Studies that Big Rivers conducts on its own behalf, Big Rivers shall record the cost of the System Impact Studies pursuant to Section 8.

32.3 ~~32.3~~ System Impact Study Procedures:-:

Upon receipt of an executed System Impact Study Agreement, Big Rivers will use due diligence to complete the required System Impact Study within a sixty

(60) day period. The System Impact Study shall (1) identify any system constraints and, identified with specificity by transmission element or flowgate, (2) redispatch options, (when requested by an Eligible Customer) including, to the extent possible, an estimate of the cost of redispatch, (3) available options for installation of automatic devices to curtail service (when requested by an Eligible Customer), and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within Big Rivers' Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If Big Rivers possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Big Rivers is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as

C | soon as the System Impact Study is complete. Big Rivers will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. Big Rivers shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn.

C | **32.4 ~~32.4~~ — Facilities Study Procedures—:**

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Big Rivers, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities

C — Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest (calculated for each calendar month or partial calendar month using the Discount Rate as published in the Money Rates section of the Wall Street Journal applicable on the using the one-year United States Treasury Bill rates effective as of the first business day of each such applicable calendar month or partial calendar month during which the deposit was held.) Upon receipt of an executed Facilities Study Agreement, Big Rivers will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Big Rivers is unable to complete the Facilities Study in the allotted time period, Big Rivers shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study.

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C —_When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide Big Rivers with a letter of credit or other reasonable form of security acceptable to Big Rivers equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

C **33 ~~33~~ Load Shedding and Curtailments**

33.1 ~~33.1~~ Procedures:-:

Prior to the Service Commencement Date, Big Rivers and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the Transmission System and on systems directly and indirectly interconnected with Transmission Provider's Transmission System.

The Parties will implement such programs during any period when Big Rivers determines that a system contingency exists and such procedures are necessary to alleviate such contingency. Big Rivers will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

33.2 —~~33.2~~—Transmission Constraints—:

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During any period when Big Rivers determines that a transmission constraint exists on the Transmission System, and such constraint may impair the reliability of Big Rivers' system, Big Rivers will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of Big Rivers' system. To the extent Big Rivers determines that the reliability of the Transmission System can be maintained by redispatching resources, Big Rivers will initiate procedures pursuant to the Network Operating Agreement to redispatch all Network Resources and Big Rivers' own resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate between Big Rivers' use of the Transmission System on behalf of its Native Load Customers and any Network Customer's use of the Transmission System to serve its designated Network Load.

33.3 ~~33.3~~—Cost Responsibility for Relieving Transmission

Constraints:-;

Whenever Big Rivers implements least-cost redispatch procedures in response to a transmission constraint, Big Rivers and Network Customers will each bear a proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

33.4 ~~33.4~~—Curtailments of Scheduled Deliveries:-;

If a transmission constraint on Big Rivers' Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and Big Rivers determines that it is necessary to Curtail scheduled deliveries, the Parties shall Curtail such schedules in accordance with the Network Operating Agreement, or pursuant to the Transmission Loading Relief procedures specified in Attachment J.

33.5 ~~33.5~~—Allocation of Curtailments:-;

Big Rivers shall, on a non-discriminatory basis, Curtail the transaction(s) that effectively relieve the constraint. However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by Big Rivers and the Network Customer in proportion to their respective Load Ratio Shares. Big Rivers shall not direct the Network Customer to Curtail schedules to an extent greater than Big Rivers would Curtail Big Rivers' schedules under

similar circumstances.

C **33.6 ~~33.6~~——Load Shedding:-:**

To the extent that a system contingency exists on Big Rivers' Transmission System and Big Rivers determines that it is necessary for Big Rivers and the Network Customer to shed load, the Parties shall shed load in accordance with previously established procedures under the Network Operating Agreement.

C **33.7 ~~33.7~~——System Reliability:-:**

Notwithstanding any other provisions of this Tariff, Big Rivers reserves the right, consistent with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on Big Rivers' part for the purpose of making necessary adjustments to, changes in, or repairs on its lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on Big Rivers' Transmission System or on any other system(s) directly or indirectly interconnected with Big Rivers' Transmission System, Big Rivers, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or

transmission facilities, or (iii) expedite restoration of service. Big Rivers will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will not be ~~not~~ unduly discriminatory relative to Big Rivers' use of the Transmission System on behalf of its Native Load Customers. Big Rivers shall specify ~~in the Network Operating Agreement~~ the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.

34 34 Rates and Charges

_____The Network Customer shall pay Big Rivers for any Direct Assignment Facilities, Ancillary Services, and applicable study costs, along with the following:

34.1 34.1 Monthly Demand Charge:-:

The Network Customer shall pay a monthly Demand Charge, which shall be determined by multiplying its Load Ratio Share times one twelfth (1/12) of ~~Big Rivers'~~ the Transmission Provider's Annual Transmission Revenue Requirement specified in Schedule H.

34.2 34.2 Determination of Network Customer's Monthly Network Load:-:

The Network Customer's monthly Network Load is its hourly load (including

its designated Network Load not physically interconnected with Big Rivers under Section ~~30~~31.3) coincident with Big Rivers' Monthly Transmission System Monthly Peak.

34.3 ~~34.3~~ — Determination of Big Rivers' Transmission Provider's Monthly Transmission System Monthly Load:-:

Big Rivers' monthly Transmission System load is Big Rivers' Monthly Transmission System monthly load is Big Rivers' Transmission System Monthly Peak minus the coincident peak usage of all Firm Point-To-Point Transmission Service customers pursuant to Part II of this Tariff plus the Reserved Capacity of all Firm Point-To-Point Transmission Service customers.

34.4 ~~34.4~~ — Redispatch Charge:-:

The Network Customer shall pay a Load Ratio Share of any redispatch costs allocated between the Network Customer and Big Rivers pursuant to Section 33. To the extent that Big Rivers incurs an obligation to the Network Customer for redispatch costs in accordance with Section 33, such amounts shall be credited against the Network Customer's bill for the applicable month.

34.5 ~~35 Operating Arrangements~~ Stranded Cost Recovery:-:

Big Rivers may seek to recover stranded costs from the Network Customer

pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888.

35 Operating Arrangements

35.1 ~~35.1~~—Operation under The Network Operating Agreement:—:

The Network Customer shall plan, construct, operate, and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement.

35.2 ~~35.2~~—Network Operating Agreement:—Network Operating Agreement:

C The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part III of the Tariff shall be specified in the Network Operating Agreement ~~with each respective Network Customer~~. The Network Operating Agreement shall provide for the Parties to (i) operate and maintain equipment necessary for integrating the Network Customer within Big Rivers' Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), (ii) transfer data between Big Rivers and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside Big Rivers' Transmission System,

interchange schedules, unit outputs for redispatch required under Section 33, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint dispatching, (iv) exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either (i) operate as a Control Area under applicable guidelines of the ~~North American Electric Reliability Council (NERC) and ECAR~~Organization (ERO) as defined in 18 C.F.R. § 39.1, (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with Big Rivers, or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, which satisfies ~~NERC and ECAR requirements~~the applicable reliability guidelines of the ERO. Big Rivers shall not unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services. The Network Operating Agreement is included in Attachment G.

35.3 ~~35.3~~ **Network Operating Committee**:-:

A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall meet from time to time as need requires, but no less than once each calendar year.

————SCHEDULE 1-1

————Scheduling, System Control and Dispatch Service

_____This service is required to schedule the movement of power through, out of, within, or into Big Rivers' Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and ~~Transmission~~ Dispatch Service is to be provided directly by Big Rivers ~~and the~~. The Transmission Customer must purchase this service from Big Rivers. The charges for Scheduling, System Control and ~~Transmission~~ Dispatch Service are ~~included within~~ to be based on the rates for point-to-point and network transmission service, and include recovery of the developmental costs of Big Rivers' OASIS. Additional user-based fees may in the future be imposed to recover variable costs of operating the OASIS. set forth below:

\$0.8275/kW per year

T /
N \$0.0690/kW per month

\$0.0159/kW per week

\$0.0032/kW per day

\$0.1989 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity.

T | For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

_____Dynamic Scheduling Service also will be provided by Big Rivers to the Transmission Customer as part of this service upon request at costs to be determined.

Dynamic Scheduling Service involves the arrangement for moving the electrical effects of load or generation located within one Control Area (or other larger area of coordinated dispatch operation) such that the electrical effect of the load or generation is recognized in the real-time control and dispatch of another Control Area. Under Dynamic Scheduling Service, Big Rivers agrees to assign certain customer load or generation to another Control Area, and to send the associated control signals to the respective control center of that Control Area. Dynamic Scheduling is implemented through the use of specific telemetry and control equipment, which a Transmission Customer requesting Dynamic Scheduling Service is required to provide and install at its own cost. The provisions under which Big Rivers will provide Dynamic Scheduling Service are set forth below:

| _____(1) The Transmission Customer may designate any amount of firm Point-to-Point Transmission Service as Dynamic Scheduling Service.

| _____(2)- Designation of any amount of Firm Transmission Service as Dynamic Scheduling Service shall not relieve the Transmission Customer from paying Big Rivers

the transmission charges for the total amount of reserved transmission capacity.

_____(3) The amount of Firm Transmission Service not designated as Dynamic Scheduling Service shall be scheduled pursuant to the terms and conditions of this Tariff.

_____(4) The amount of Firm Transmission Service designated as Dynamic Scheduling Service need not be scheduled, and no scheduling charge will be levied by Big Rivers.

In addition, assignment to Third-Parties and use of Secondary Point(s) of Receipt and Delivery shall not be allowed for Firm Transmission Service designated as Dynamic Scheduling Service.

SCHEDULE 22

**Reactive Supply and Voltage Control from
Generation or Other Sources Service**

In order to maintain transmission voltages on Big Rivers' transmission facilities within acceptable limits, generating units in Big Rivers' Control Area, the output of which is sold to or owned by LEM, facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power as required by Big Rivers' transmission facilities.

All Transmission Customers taking service from Big Rivers under this Tariff must obtain

Reactive Supply and Voltage Control from Generation or Other Sources Service from Big Rivers for each transaction on Big Rivers' transmission facilities. The amount of

Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to a Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission

voltages within limits that are generally accepted in ECAR the region and consistently adhered to by Big Rivers.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided by Big Rivers, which has made arrangements with LEM to provide this service to Big Rivers as necessary for operation of Big Rivers' Transmission System.

The Transmission Customer must purchase this service from Big Rivers. The

Big Rivers Electric Corporation

Open Access Transmission Tariff
Original Sheet No.123

↑ | charges for such service will be based on the rates ~~which reflect a pass-through of the~~
costs ~~charged to Big Rivers by LEM.~~ set forth below:

————\$ 1.6924/kW per year

\$0.1410/kW per month

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\$0.0325/kW per week

\$0.0065/kW per day

\$0.4068 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity.

For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 33

Regulation and Frequency Response Service

Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load within Big Rivers' Control Area and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation in Big Rivers' Control Area, the output of which is sold to or owned by LEM, which output is raised or lowered (predominantly through the use of automatic generating control equipment) and by other non-generation resources capable of providing this service as necessary to follow the moment-by-moment changes in load for load located within Big Rivers' Control Area. Because Big Rivers obtains this service from LEM for its own load, Big Rivers has arranged for LEM to provide this service to Big Rivers on a tariff basis for all other loads located within Big Rivers' Control Area. The obligation to maintain this balance between resources and load lies with Big Rivers. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers, or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation. The amount of, and charges for, Regulation and Frequency Response Service charged by Big Rivers will reflect a pass-

Big Rivers Electric Corporation

Open Access Transmission Tariff
Original Sheet No.126

Y | ~~through of the costs charged to Big Rivers by LEM:~~ are set forth below:

—————\$1.4938/kW per year

T/N \$0.1245/kW per month

\$0.0287/kW per week

\$0.0057/kW per day

\$0.3591 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity.

For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 44

——Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour. Big Rivers is required to arrange for the provision of must offer this service when a Transmission Customer's requested transmission service is used to serve load within Big Rivers' Control Area. Because Big Rivers no longer controls the output of the generation needed to provide this ancillary service and obtains this service from LEM for its native load, Big Rivers has arranged for LEM to provide this service to Big Rivers on a Tariff basis for all other load within Big Rivers' Control Area. The Transmission Customers must either purchase this service from Big Rivers or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. The amount of, and To the extent the Control Area operator performs this service for Big Rivers, charges for, Energy Imbalance Service charged by Big Rivers will to the Transmission Customer are to reflect only a pass-through of the costs charged to Big Rivers by LEM that Control Area operator. Big Rivers may charge a Transmission Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occurring during the same hour, but not both,

Big Rivers Electric Corporation

Open Access Transmission Tariff
Original Sheet No.129

C | unless the imbalances aggravate rather than offset each other.

Big Rivers shall establish charges for energy imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of incremental or decremental cost; (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of incremental cost or 75 percent of decremental cost.

For purposes of this Schedule, decremental cost shall represent Big Rivers' actual average hourly cost of the last 10 MW dispatched for any purpose, i.e., to supply Big Rivers' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment

and redispatch costs), incremental operation and maintenance costs, and purchase and interchange power costs and taxes, as applicable.

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In the event that Big Rivers assesses penalties for imbalances pursuant to this Schedule 4, Big Rivers shall distribute the penalty revenues in excess of Big Rivers' incremental cost of providing imbalance service to those Transmission Customers (including Big Rivers for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during the month and did not incur imbalance penalties (under either this Schedule 4 or Schedule 9) in that month. In the event that a division or organization within Big Rivers incurs imbalance penalties, Big Rivers shall be disqualified from receiving a distribution of imbalance penalties, but nonetheless shall retain its incremental cost of providing imbalance energy.

Imbalance penalty revenues shall be calculated and distributed on a monthly basis, based upon the ration of the transmission service revenues from each Transmission Customer that did not incur imbalance penalties in that month to the aggregate transmission service revenues from all such Transmission Customers that did not incur imbalance penalties in that month. For purposes of distributing imbalance penalty revenues, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the imbalance penalties are incurred, without regard to any recalculation as the result of a billing dispute or error correction. If

there are no customers that do no incur imbalance penalties in a given month, any revenues shall be distributed and allocated to Transmission Customers that do not incur an imbalance penalty, using the calculation outlined in the preceding two sentences for the month in which at least one Transmission Customer does not incur an imbalance penalty, with interest calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

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SCHEDULE 55

—Operating Reserve - Spinning Reserve Service

C _____ Spinning Reserve Service is a ~~reserve service~~ needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output. ~~Because Big Rivers no longer controls the output of the generation needed to provide this service, Big Rivers has arranged for LEM to provide~~ and by non-generation resources capable of providing this service. Big Rivers must offer this service to Big Rivers' native load and to provide this service to Big Rivers on a tariff basis ~~for~~ when the benefit of all Transmission Customers taking transmission service is used to serve load located within Big Rivers' its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. The amount of, and charges for, Spinning Reserve Service ~~will reflect a pass through of the costs charged to Big Rivers by LEM.~~ are set forth below:

———— \$0.7668 per kW per year

\$0.0639/kW per month

\$0.0147/kW per week

T/N

\$0.0029/kW per day

\$0.1843 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity.

For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

SCHEDULE 66

Operating Reserve - Supplemental Reserve Service

Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation, or by interruptible load. ~~Because Big Rivers no longer controls the output of the or other non-generation needed to provide resources capable of providing this service, Big Rivers has arranged for LEM to provide must offer this service to Big Rivers' native load and to provide this service to Big Rivers on a tariff basis for when the benefit of Transmission Customers taking transmission service is used to serve load located within Big Rivers' its Control Area.~~

The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of, and charges for, Supplemental Reserve Service ~~will reflect a pass-through of the costs charged to Big Rivers by LEM.~~ are set forth below:

C/T

~~SCHEDULE 7~~

~~Rate Schedule FTS~~

~~Long Term Firm and Short Term Firm Point To Point~~

~~Transmission Service \$0.9372/kW per year~~

~~\$0.0781/kW per month~~

~~\$0.0180/kW per week~~

~~\$0.0036/kW per day~~

~~\$0.2253 per MWh.~~

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity.

For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

T/N

SCHEDULE 7

Long-Term Firm and Short-Term Firm Point-To-Point

Transmission Service

_____The Transmission Customer shall compensate Big Rivers each month for Reserved Capacity at the sum of the applicable charges set forth below:

~~1)~~ **Yearly delivery:** one-twelfth of the demand charge of

~~I~~ 1) ~~\$ 11,80985~~/KW of Reserved Capacity per year.

~~I~~ 2) ~~2)~~ **Monthly delivery:** \$ ~~0,98999~~/KW of Reserved Capacity per month.

~~J~~ 3) ~~3)~~ **Weekly delivery:** \$ ~~0,227230~~/KW of Reserved Capacity per week.

~~J~~ 4) ~~4)~~ **Daily delivery:** \$ ~~0,045046~~/KW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

~~C~~ 5) ~~5)~~ **Discounts:** Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including

requests for use by ~~one's~~one's wholesale merchant or an

affiliate'sAffiliate's use) must occur solely by posting on the OASIS, and

(3) once a discount is negotiated, details must be immediately posted on the

OASIS. For any discount agreed upon for service on a path, from point(s)

of receipt to point(s) of delivery, Big Rivers must offer the same discounted

transmission service rate for the same time period to all Eligible Customers

on all unconstrained transmission paths that go to the same point(s) of

delivery on the Transmission System.

- C | 6) ——— Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 8
~~Rate Schedule STNF~~

~~Short-Term~~
Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Big Rivers for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

I 1) ~~1) Monthly delivery: up to \$ \$ 0.98999~~/KW of Reserved Capacity per month.

I 2) ~~2) Weekly delivery: up to \$ \$ 0.227230~~/KW of Reserved Capacity per week.

I 3) ~~3) Daily delivery: up to \$ \$ 0.045046~~/KW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

C 4) ~~Discounts: Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer initiated requests for discounts (including requests for use by one's wholesale merchant or an affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Big Rivers~~

~~must offer the same discounted service rate for the same time period to all Eligible
Customers on all unconstrained transmission paths that go to the same point(s) of
delivery on the Transmission System.~~

C

~~SCHEDULE 9~~

~~Rate Schedule HNF~~

~~Hourly Non-Firm Point-To-Point Transmission Service~~

C The Transmission Customer shall compensate Big Rivers for Hourly Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

C 4) ~~Basic Charge for~~ **Hourly delivery:** The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed \$ 2.836881/MWH. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (3) of Rate Schedule ~~STNF~~ above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (2) of Rate Schedule ~~STNF~~ above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.

C 5) Discounts: Three principal requirements apply to discounts for transmission

service as follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Big Rivers must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

- C
- 6) Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 9

Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator located in Big Rivers' Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within Big Rivers' Control Area over a single hour. Big Rivers must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. Big Rivers may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.

Charges for generator imbalance shall be based on the deviation bands as follows:

(i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and

C

C/N

settled financially, at the end of each month, at 100 percent of incremental or decremental cost, (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled at 125 percent of incremental cost or 75 percent of decremental cost, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by the Transmission Provider, a balancing authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent incremental and decremental cost. Such directives may include instructions to correct frequency decay.

respond to a reserve sharing event, or change output to relieve congestion.

For purposes of this Schedule, decremental cost shall represent Big Rivers' actual average hourly cost of the last 10 MW dispatched for any purpose, i.e., to supply Big Rivers' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes as applicable.

C/N
In the event that Big Rivers assesses penalties for imbalances pursuant to this Schedule 9, Big Rivers shall distribute the penalty revenues in excess of Big Rivers' incremental cost of providing imbalance service to those Transmission Customers (including Big Rivers for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during the month and did not incur imbalance penalties (under either this Schedule 4 or Schedule 9) in that month. In the event that a division or organization within Big Rivers incurs imbalance penalties, Big Rivers shall be disqualified from receiving a distribution of imbalance penalties, but nonetheless shall retain its incremental cost of providing imbalance energy.

Imbalance penalty revenues shall be calculated and distributed on a monthly basis, based upon the ration of the transmission service revenues from each Transmission Customer that did not incur imbalance penalties in that month to the aggregate

transmission service revenues from all such Transmission Customers that did not incur imbalance penalties in that month. For purposes of distributing imbalance penalty revenues, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the imbalance penalties are incurred, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do not incur imbalance penalties in a given month, any revenues shall be distributed and allocated to Transmission Customers that do not incur an imbalance penalty, using the calculation outlined in the preceding two sentences for the month in which at least one Transmission Customer does not incur an imbalance penalty, with interest calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

C/N

SCHEDULE 10

Real Power Loss Factor Calculation

Real Power Losses are associated with all Transmission Service and must be provided by all Transmission Customers taking service under this Tariff. In January of every year, the average loss rate for the previous calendar year shall be calculated in the following manner:

$$\text{average loss rate} = \frac{\text{annual Annual power losses}}{\text{Average loss rate} = \frac{\text{Big Rivers' deliveries of energy}}{\text{Big Rivers' deliveries of energy}}}$$

with

$$\text{annual Annual power losses} = [\text{Big Rivers' receipts receipt of energy} - \text{Big Rivers' deliveries of energy}]$$

Big Rivers' receipts of energy shall be determined as the sum of: (i) energy from generation in Big Rivers' control area (excluding all generating station use but including scheduled energy reimbursements for losses rendered to Kentucky Utilities in accordance with the Interconnection Agreement between Big Rivers

T | ~~and Kentucky Utilities~~; (ii) imports of energy for delivery within Big Rivers' control area (determined at Big Rivers' receipt points, including dynamically scheduled loads); (iii) receipts of energy for wheeling through transmission by C | others; and (iv) net inadvertent power exchanges with other control areas (i.e., inadvertent receipts minus inadvertent deliveries).

C | Big Rivers' deliveries of energy shall be determined as the sum of: (i) all deliveries of energy to destinations located within Big Rivers' control area

(including deliveries to Henderson Municipal Power & Light); (ii) exports of C | energy from Big Rivers' control area are (measured at Big Rivers' delivery points, including dynamically scheduled exports); and (iii) deliveries of energy for wheeling through transmission by others.

T | ~~Energy exports associated with the loss makeup responsibility to Kentucky Utilities (in accordance with the Interconnection Agreement between Big Rivers and Kentucky Utilities) shall not be counted as part of Big Rivers' deliveries of energy.~~

T | _____ The three-year average of the most currently recalculated annual loss rate and the annual loss rates rate calculated for each of the previous two years (~~with 2.0% as the established annual loss rate for 1994, 1995 and 1996~~) shall become the effective annual loss rate as of February 1 in each year.

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.136
Replacing Original Sheet No.136

|

Page 1 of 4

—ATTACHMENT ~~A~~A

**Form Of Service Agreement For
Firm Point-To-Point Transmission Service**

~~1.0~~ —

1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation (“Big Rivers”), and _____ (“Transmission Customer”).

2.0 ~~2.0~~—The Transmission Customer has been determined by Big Rivers to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.

3.0 ~~3.0~~—The Transmission Customer has provided to Big Rivers an Application deposit in the amount of \$_____, in accordance with the provisions of Section 17.3 of the Tariff.

4.0 ~~4.0~~—Service under this agreement shall commence on the later of (1) the requested service commencement date_____, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Kentucky Public Service Commission, to the extent applicable. Service under this agreement shall terminate on such date as mutually agreed upon by the parties _____.

5.0—Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

5.0 6.0 —

C 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Big Rivers Electric Corporation

Open Access Transmission Tariff

Revised Sheet No.137

Replacing Original Sheet No.137

Page 2 of 4

C
Big Rivers Electric Corporation _____
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Telephone No. (270) 827-2561
Vice President System Operations

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

C
By: _____

Big Rivers:

By: _____

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.137
Replacing Original Sheet No.137

____ Name _____ Title _____ Date

Transmission Customer:

C

By: _____

By: _____

____ Name _____ Title _____

____ Date

Big Rivers Electric Corporation

Open Access Transmission Tariff
Original Sheet No.138

|

— Specifications For Long-Term Firm Point-To-Point
— Transmission Service

1.0 ~~1.0~~ Term of Transaction: _____

_____ Start Date: _____

_____ Termination Date: _____

2.0 ~~2.0~~ Description of capacity and energy to be transmitted by Big Rivers including the electric Control Area in which the transaction originates.

3.0 ~~3.0~~ Point(s) of Receipt: _____

_____ Delivering Party: _____

4.0 ~~4.0~~ Point(s) of Delivery: _____

_____ Receiving Party: _____

5.0 ~~5.0~~ Maximum amount of capacity and energy to be transmitted (Reserved Capacity): _____

6.0 ~~6.0~~ Designation of party(ies) subject to reciprocal service obligation: _____

C

7.0 —

7.0 Name(s) of any Intervening Systems providing transmission
service: _____

8.0 —

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 ~~8.1~~ Transmission Charge: _____

8.2 _____

8.2 System Impact and/or Facilities Study Charge(s):

8.3 _____

8.3 Direct Assignment Facilities Charge: _____

8.4 _____

8.4 Ancillary Services Charges: _____

C

Big Rivers Electric Corporation

Open Access Transmission Tariff
Original Sheet No.143

C

ATTACHMENT BA-1

~~Form Of Service Agreement For Non-~~
The Resale, Reassignment Or Transfer Of
Long-Term Firm Point-To-Point
~~Transmission Service~~

~~1.0~~ 1.0 — This Service Agreement, dated as of _____, is entered into, by and between _____ (Big Rivers Electric Corporation (“Big Rivers”), and _____ (Transmission Customer _____ (the Assignee)).

~~2.0~~ 2.0 — The Transmission Customer Assignee has been determined by Big Rivers to be a Transmission Eligible Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point To Point Transmission Service in accordance with Section 17.2 of pursuant to which the Tariff transmission service rights to be transferred were originally obtained.

~~3.0~~ 3.0 — The terms and conditions for the transaction entered into under this Service Agreement shall be provided by Big Rivers upon request by an authorized representative of the Transmission Customer.

~~4.0~~ 4.0 — The Transmission Customer agrees subject to supply information Big Rivers deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

~~3.0~~ 5.0 — Big Rivers agrees to provide and the Transmission Customer agrees to take terms and pay for Non-Firm Point To Point Transmission Service in accordance with the provisions of conditions of Part II of the Big Rivers Tariff, except for those terms and conditions negotiated by the Reseller of the reassigned transmission capacity (pursuant to Section 23.1 of this Service Agreement. Tariff) and the Assignee to include: contract effective and

termination dates, the amount of reassigned capacity or energy, point(s) of receipt and delivery. Changes by the Assignee to the Reseller's Points of Receipt and Points of Delivery will be subject to the provisions of Section 23.2 of this Tariff.

C 4.0 ~~6.0~~—Big Rivers shall credit the Reseller for the price reflected in the Assignee's Service Agreement or the associated OASIS schedule.

Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.141
Replacing Original Sheet No.141

c | 5.0

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.141
Replacing Original Sheet No.141

Transmission Provider:

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Telephone No. (270) 827-2561
Vice President System Operations

Assignee:

6.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Big Rivers Electric Corporation:

By: _____

Name Title Date

Assignee:

By: _____

Name Title Date

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.141
Replacing Original Sheet No.141

|

Specifications For The Resale, Reassignment Or Transfer of
Long-Term Firm Point-To-Point Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and energy to be transmitted by Big Rivers including
the electric Control Area in which the transaction originates.

C 3.0 Point(s) of Receipt: _____

Delivering Party: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

5.0 Maximum amount of reassigned capacity: _____

6.0 Designation of party(ies) subject to reciprocal service
obligation: _____

7.0 Name(s) of any Intervening Systems providing transmission
service: _____

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.141
Replacing Original Sheet No.141

| —

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission Charge: _____

8.2 System Impact and/or Facilities Study Charge(s):

8.3 Direct Assignment Facilities Charge:

8.4 Ancillary Services Charges: _____

9.0 Name of Reseller of the reassigned transmission capacity:

C

ATTACHMENT B

**Form Of Service Agreement For Non-Firm Point-To-Point
Transmission Service**

- C
- 1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation (“Big Rivers”), and _____ (Transmission Customer).
 - 2.0 The Transmission Customer has been determined by Big Rivers to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
 - 3.0 Service under this Agreement shall be provided by Big Rivers upon request by an authorized representative of the Transmission Customer.
 - 4.0 The Transmission Customer agrees to supply information Big Rivers deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
 - 5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
 - 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.141
Replacing Original Sheet No.141

Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42420
Telephone No. (270) 827-2561
Vice President System Operations

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____

—By: _____

Name

Title _____ Date

Transmission Customer:

By: _____

—By: _____

Big Rivers Electric Corporation

Open Access Transmission Tariff
Revised Sheet No.141
Replacing Original Sheet No.141

C | _____ Name _____
_____ Date _____

Title _____

| _____

ATTACHMENT C

Methodology to To Assess Available Transmission Transfer Capability

Big Rivers will assess the capability of the Transmission System to provide the service requested using the criteria and process for this assessment as detailed in ~~Big Rivers' FERC Form 715 submittal~~ the document titled AFC/ATC Calculation Procedures. The document is available on the Big Rivers OASIS. In determining the level of capacity available for new Transmission Service requests, Big Rivers may exclude, from capacity to be made available for new Transmission Service requests, that capacity needed to meet current and reasonably forecasted load of Native Load Customers and Network Customers, existing firm Point-to-Point Transmission Services-Service customers, previously received pending Applications for firm Point-to-Point Transmission Service and to meet existing contractual obligations under other tariffs and rate schedules.

In subsequent updates, Big Rivers will compute the transmission transfer capability available from the Delivering Party to the Receiving Party using Good Utility Practice and the engineering and operating principles, standards, guidelines and criteria of Big Rivers, ~~ECAR~~SERC, and any entity of which Big Rivers is a member and which has been approved by the Federal Energy Regulatory Commission to promulgate or apply regional or national reliability planning standards (such as an ~~RTG~~RTO), or any similar organization that may exist in the future of which Big Rivers is then a member. Principal items used to determine maximum transmission transfer capability available include reliability, transmission element loading, system contingency performance, voltage levels, and stability, and other criteria specified in ~~Form 715~~ the Big Rivers OASIS posting.

C
ATTACHMENT DD

Methodology for Completing a System Impact Study

Big Rivers will assess the capability of the Transmission System to provide service requested pursuant to this Agreement. Big Rivers will determine whether a proposed use of the Transmission System results in transmission interface loading such that First Contingency Total Transfer Capability (FCTTC) is not exceeded. The FCTTC shall be as defined by NERC.

T
“Acceptable” and “unacceptable” steady-state voltages and facility loadings are defined by criteria established by ~~ECAR~~ Big Rivers and other utility systems with which Big Rivers is interconnected according to all applicable NERC and SERC standards.

In addition to the steady-state performance criteria described above, ~~Big Rivers~~ Rivers’ Transmission System is also designed taking into account dynamic stability performance to ensure any credible disturbance (short circuit or equipment disconnection) does not result in cascading tripping of transmission facilities. The criteria applied are those established by ~~ECAR~~ Big Rivers according to all applicable NERC and SERC standards.

Transmission System performance for the requested service shall include a consideration of (i) the loads and projected loads of Big Rivers’ native load customers, (ii) the loads of firm Point-to-Point Transmission Customers under this ~~Agreement~~ Tariff and pursuant to other agreements, rate schedules, and contracts; (iii) transmission service to be provided in response to previously pending Valid Requests for transmission service under this ~~Agreement~~ Tariff and other contracts. Transmission Service to native load customers involves consideration of local transmission facility performance, in addition to consideration of any transmission interface transfer capability. This planning is performed the same as transmission planning for Big Rivers’ native load. The primary design criterion for the Transmission System is that failure of any one circuit or piece of equipment should not cause a sustained outage or unacceptably high or low voltage to customer load, nor should it cause excessive loading on Transmission System equipment. This must be satisfied at any load level, during peak load periods as well as off-peak periods.

The exceptions to this “single contingency” criterion are (i) small distribution substations which may be supplied by a single transmission line, and (ii) large groupings of substations for which double contingency system design may be employed.

ATTACHMENT E

Index Of Point-To-Point Transmission Service Customers

C

<u>Customer</u>	<u>Customer</u>	<u>Date of Service Agreement</u>
<u>AEP Service Agreement Corp.</u>		<u>3/27/2002</u>

<u>Allegheny Energy Supply</u>	<u>9/11/2000</u>
<u>Big Rivers Power Supply</u>	<u>10/1/1998</u>
<u>Cargill-Alliant LLC</u>	<u>2/12/2002</u>
<u>Cash Creek Generation, LLC</u>	<u>7/16/2007</u>
<u>Cinergy Power Mkt. & Trading</u>	<u>10/31/2005</u>
<u>Cobb Electric Membership Corp.</u>	<u>6/9/2003</u>
<u>Conectiv Energy Supply</u>	<u>10/21/1999</u>
<u>Constellation Energy Commodities Group</u>	<u>10/13/1998</u>
<u>Coral Power L.L.C.</u>	<u>5/25/1999</u>
<u>DTE Energy Trading</u>	<u>7/24/2000</u>
<u>Duke Energy Indiana</u>	<u>10/31/2005</u>
<u>Duke Energy Kentucky, Inc.</u>	<u>10/31/2005</u>
<u>Duke Energy Trading and Marketing</u>	<u>8/13/1998</u>
<u>E.ON U.S. Services, Inc.</u>	<u>6/1/2000</u>
<u>Exelon Generation, LLC</u>	<u>5/14/2001</u>
<u>Hoosier Energy Power Marketing</u>	<u>10/8/1998</u>
<u>Lehman Bothers Commodity Services Inc.</u>	<u>1/16/2006</u>
<u>LG&E Energy Marketing Inc.</u>	<u>9/15/1998</u>

<u>NRG Power Marketing</u>	<u>1/15/2002</u>
<u>Peabody Energy</u>	<u>7/11/2002</u>
<u>PG&E Energy Trading Power, L.P.</u>	<u>12/15/1998</u>
<u>Powerex Corp.</u>	<u>1/24/2000</u>
<u>PPM Energy, Inc.</u>	<u>7/20/1998</u>
<u>Rainbow Energy Marketing Corp.</u>	<u>7/15/1998</u>
<u>Sempra Energy Trading Corp.</u>	<u>5/11/2000</u>
<u>Southern Illinois Power Coop. Marketing</u>	<u>8/3/1998</u>
<u>Southern Indiana Gas & Electric</u>	<u>7/15/1998</u>
<u>The Cincinnati Gas & Electric Company</u>	<u>10/31/2005</u>
<u>The Energy Authority</u>	<u>7/20/2000</u>
<u>The Legacy Energy Group</u>	<u>6/12/2000</u>
<u>Tennessee Valley Authority</u>	<u>12/9/2000</u>

ATTACHMENT F

**_____Service Agreement For
_____Network Integration Transmission Service**

C | _____
I. GENERAL TERMS AND CONDITIONS

1.0 This Service Agreement, dated as of _____, is entered into, by and between Big Rivers Electric Corporation (hereinafter Big Rivers), and _____ (hereinafter Transmission Customer).

C | 2.0 ~~The~~ This Transmission Customer has been determined by Big Rivers to have completed satisfactorily an Application for Network Integration Transmission Service;

3.0- Service under this Agreement shall commence on the later of: (1) _____, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as agreed to by the parties hereto. Service under this Agreement shall terminate on _____;

C | 4.0— Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Network Integration Service in accordance with the provisions of the Tariff and this Service Agreement.

C | 5.0 Any notice ~~of~~ of request made to or by either party to this Agreement regarding this Service Agreement shall be made to the representative of the other party as indicated below.

Big Rivers Electric Corporation
201 Third Street
P.O. Box _____24
Henderson, Kentucky _____42420
Vice President System Operations

C

Transmission Customer

6.0 The Big Rivers Open Access Transmission Tariff, the attached Specifications for Network Integration Transmission Service, and Network Operating Agreement are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Service Agreement to be executed by their respective authorized officials.

Big Rivers Electric Corporation

By: _____

Date: _____:

C Title: _____

Title: _____

Transmission Customer

By: _____

Date: _____:

✓ Title: _____

Title: _____

SPECIFICATIONS FOR NETWORK INTEGRATION TRANSMISSION SERVICE

1.0 Term of Network Service: _____;

_____ Start Date: _____

C _____ Termination Date: _____

_____ Start Date: _____

_____ Termination Date: _____

2.0 Description of capacity and/or energy to be transmitted by Big Rivers across Big Rivers' Transmission System (including electric control ~~area~~ area in which the transaction originates).

3.0 Network Resources

(1) Transmission Customer Generation Owned:

Resource Capacity Capacity Designated as Network Resource

C _____

(2) Transmission Customer Generation Purchased:

Source Contract Description Capacity

Total Network Resources Capacity: (1) + (2) = _____

4.0 Network Load

(1)- Transmission Customer Network Load:

Network Load Transmission Voltage Level

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| _____

ATTACHMENT G

Network Operating Agreement

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To be developed between Big Rivers and future network customers].

—ATTACHMENT H

Annual Transmission Revenue Requirement
—For Network Integration Transmission Service

1. —
The Annual Transmission Revenue Requirement for purposes of the Network Integration Transmission Service shall

I

1. ~~be \$16,887,915.~~ 19,961,900.

T

2. ~~2.~~ — The amount in (1) shall be effective until amended by Big Rivers or modified by the applicable regulatory commission Kentucky Public Service Commission.

—ATTACHMENT I

Index Of Network Integration Transmission Service Customers

	Customer	Date of Service Agreement
--	----------	---------------------------

C None

ATTACHMENT J

Procedures for Addressing Parallel Flows

The Joint Reliability Coordination Agreement (“JRCA”) entered into by the Midwest ISO, PJM Interconnection LLP, and the Tennessee Valley Authority (“TVA”) provides for cooperation in the management and operation of the electric transmission grid over a large portion of the eastern United States. As a utility within the TVA Reliability Coordinator footprint, Big Rivers is party to this agreement. The JRCA provides for the sharing of critical information, comprehensive reliability management, and congestion relief. The improved coordination provided by the JRCA allows each grid operator to recognize and manage the effects of parallel flows and preemptively address concerns.

The Big Rivers AFC/ATC calculation process takes advantage of the coordination provided by the JRCA. The impact of both internal and external transfers is considered with limits on both internal and coordinated external flowgates observed. The Big Rivers document titled *AFC/ATC Calculation Procedures* describes the coordinated AFC and ATC calculation procedures in detail. This document is available on the Big Rivers OASIS.

Real-time pre and post contingency congestion resulting from parallel flows is addressed through the TLR procedures described for the Eastern Interconnection in NERC Standard IRO-006-3 as implemented according to the JRCA.

ATTACHMENT K

Transmission Planning Process

T

ATTACHMENT K

PL-GEN-2

TABLE OF CONTENTS

Introduction

Central Public Power Participants (CPPP)..... 1
Inter-regional Interaction 1

Commitment to the Nine Planning Principles of Rule 890

Principle 1: Coordination 1
Principle 2: Openness 3
Principle 3: Transparency..... 3
Principle 4: Information Exchange 4
Principle 5: Comparability..... 4
Principle 6: Dispute Resolution 4
Principle 7: Regional Participation 5
Principle 8: Economic Planning Studies..... 6
Principle 9: Cost Allocation..... 7

Introduction

Order 890 requires that Transmission Providers submit a proposal for a regional planning process that complies with the nine planning principles (described in detail below) and other requirements of the Final Rule. In the alternative, a Transmission Provider may make a compliance filing describing its existing coordinated and regional planning process, including the appropriate language in its tariff, and show that this existing process is consistent with or superior to the requirements in the Final Rule.

This document describes the nine planning principles and how Big Rivers Electric Corporation's (Big Rivers') existing planning process complies with the principles.

Central Public Power Participants:

Big Rivers and its neighboring public power companies AECI, EKPC, and TVA, have formed the Central Public Power Participants group (CPPP) for the purposes of coordinating planning within the region. The CPPP also provides the framework for stakeholder participation.

Inter-regional Participation:

Big Rivers participates in interregional planning through four relationships: as a member of the SERC Reliability Corporation; through participation in activities of the Eastern Interconnection Reliability Assessment Group (ERAG) as a SERC member; as a member of the Southeastern Interregional Planning Group (via CPPP), and through a Joint Reliability Coordination Agreement (TVA, PJM and MISO).

Commitment to the Nine Planning Principles of Rule 890

Principle 1 - Coordination:

- The transmission provider must meet with all of its transmission customers and interconnected neighbors to develop a transmission plan on a nondiscriminatory basis
- The transmission provider must provide early and meaningful interaction opportunities for customers and other stakeholders to provide input regarding the transmission planning process and transmission expansion plans. The transmission provider must consider these inputs in its planning process.
- The FERC does not prescribe specific requirements for coordination, such as number of meetings, the scope of the meetings, the notice requirements, the format, etc.

Coordination with retail customers is achieved through periodic meetings with each distribution cooperative and the involvement of each cooperative in the expansion planning process.

As an expansion of this effort, Big Rivers together with its CPPP partners sponsored the formation of the CPPP regional stakeholder group which is open to all transmission customers including full service distribution and direct served industrial customers, neighboring utilities and RTOs, regulatory agencies, and generation owner/development companies. The stakeholder group held its first meeting on November 14, 2007.

The stakeholder group is administered by the CPPP partners. An annual cycle of stakeholder meetings is scheduled to provide stakeholders with opportunities for participation and contributions including alternative

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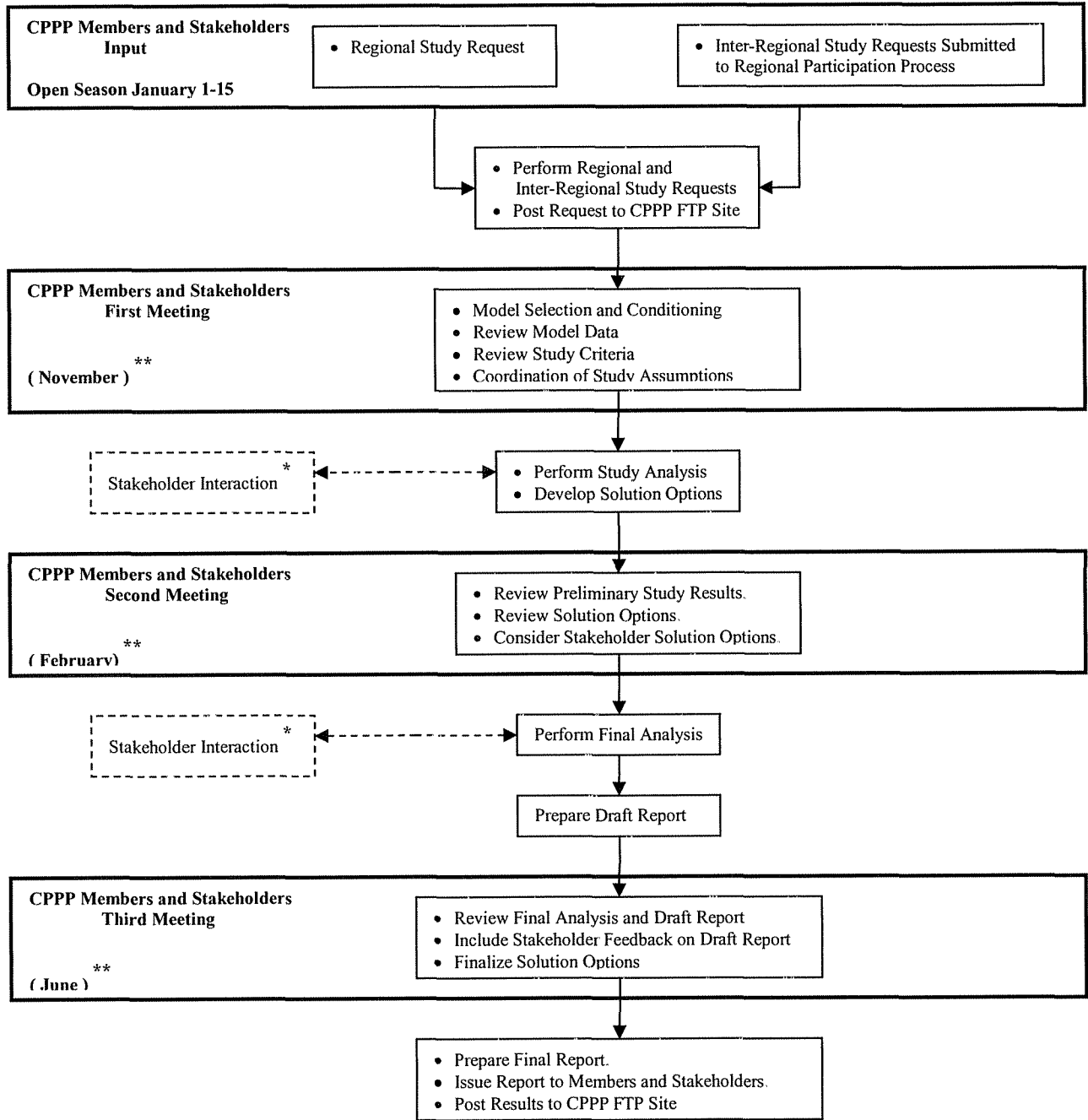
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solutions.

As illustrated in Figure 1, the first meeting in the annual cycle is used to provide base data cases and review criteria and assumptions. At the second meeting assessments of potential reliability problems and preliminary solutions will be presented. At the third meeting, advanced solutions including stakeholder suggestions are reviewed. Opportunities for stakeholder input are open up to the point of final project selection.

Access to data, assumptions, notifications and proposals regarding studies, meeting and study schedules, study results, stakeholder group processes, and minutes and similar records is provided through OASIS. Other web-based locations will be established as required. Access to some information requires execution of a mutually acceptable confidentiality agreement.



* As required by Stakeholder planner

**** Date to be established in coordination with Stakeholders and other meetings**

Figure 1: CPPP Regional Transmission Development Plan Participation Process Diagram

Principle 2 - Openness:

- The transmission provider's planning process must be open to all affected parties, including but not limited to transmission customers, interconnection customers, state commissions, and other stakeholders.
- The transmission provider must develop mechanisms such as confidentiality agreements and password-protected access to information to manage the release of Critical Energy Infrastructure Information (CEI) into the public domain.

All members of the CPPP stakeholder group described above have the opportunity to access the Big Rivers transmission planning process through posted documents and stakeholder meetings.

As noted under Principle 1, information is shared through easily accessible systems subject to standard security and confidentiality measures.

Some business-related information may be considered confidential and will not be shared.

Similarly, critical infrastructure or CEI information that

1. Relates to the production, generation, transmission, or distribution of energy;
2. Could be useful to a person planning an attack on critical infrastructure;
3. Is exempt from mandatory disclosure under the Freedom of Information Act; and
4. Gives strategic information beyond the location of the critical infrastructure

Examples of CEI are details of critical contingencies and limiting facilities that would jeopardize the integrity of the bulk transmission system, specific information on protective relaying schemes, and breaker data.

It is noted that CEI data filed with the FERC as Form No. 715 can be obtained by filing a CEI request using the Commission's established procedures. For other CEI information or other commercially-sensitive information requests, Big Rivers will consider provision under a nondisclosure agreement where there is legitimate need.

Confidentiality provisions will be periodically reviewed to ensure that stakeholders have access to sufficient data to enable them to perform their own reliability and economic planning studies or replicate existing studies.

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Effective Date: Per order of KPSC

Principle 3 - Transparency:

- The transmission provider is required to disclose data, study methodology, basic criteria, and assumptions that underlie its transmission system plans in written form.
- The transmission provider must make simultaneous disclosures regarding the status of transmission projects to all parties of concern.

Data, study methodology, basic criteria, assumptions that underlie transmission system plans, and study reports will be made available each year to stakeholders through postings supported by discussions and presentations at scheduled stakeholder meetings.

The base data cases will be those used by CPPP members for their reliability studies. Data cases are developed for the Siemens PTI Power System Simulator for Engineering (PSS/E). Conversion of data for use in other programs is the responsibility of the user.

The study methodology, basic criteria, and assumptions that underlie transmission system plans are those used by Big Rivers to ensure compliance with NERC Standards.

Principle 4 - Information Exchange:

- Network transmission customers must submit projected load and resource information on a comparable basis as that used by transmission providers in planning for native load.
- Point-to-point customers are required to submit projected need for transmission service over the planning horizon
- The transmission provider, in consultation with customers and other stakeholders, must develop information exchange guidelines and schedules for the submittal of transmission planning information.
- Information must be made available at regular intervals and be identified in advance.

Big Rivers requires network customers to provide information regarding projected loads and resources on a comparable basis to that provided on behalf of native load customers for planning purposes.

A point-to-point customer must provide information about its utilization of the transmission system including transmission capacity, duration, and receipt and delivery points. These requirements are specified in Big Rivers Open Access Transmission Tariff. Information regarding planned generator additions or upgrades including status and expected in-service date, planned retirements, and environmental restrictions are also required in accordance with generator interconnection procedures.

This information is included in Big Rivers base case models so the needs of transmission customers are addressed in the transmission expansion plan. Additional information or changes to previously submitted information can be submitted throughout the planning process and will be incorporated into the planning process wherever possible.

Principle 5 - Comparability:

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- The transmission provider must develop a transmission plan that (1) meets the specific service requirements of transmission customers and (2) treats similarly situated customers (network and retail/wholesale native load) comparably in the transmission planning process.
- Customer demand resources should be considered on a comparable basis to the service provided by comparable generation resources.

Big Rivers develops transmission plans that meet the specific service requests of its transmission customers and otherwise treats similarly-situated customers comparably in transmission system planning.

Customer demand resources are considered on a comparable basis with generation resources.

Principle 6 - Dispute Resolution:

- Transmission providers must propose a dispute resolution process. An existing dispute resolution process may be used, but the transmission provider must address how it would work in the transmission planning process.
- The timing of the dispute resolution process should be consistent with the transmission planning process

For disputes arising under Attachment K the parties will attempt to settle the dispute through informal negotiation. The dispute resolution process will progress to discussions and meeting with Big Rivers senior management.

Principle 7 - Regional Participation:

- The transmission provider must coordinate with interconnected systems to (1) share system plans to ensure simultaneous feasibility, (2) maximize use of consistent assumptions and data, and (3) identify system enhancements that relieve congestion or integrate new resources.
- The Transmission Planning proposal must specify the broader region in which it proposes to conduct integrated and coordinated regional planning.
- The transmission provider should consider and accommodate existing institutions, physical characteristics, and historical practices in their planning process.

Big Rivers participates in regional and interregional planning through the CPPP group as described under Principles 1 and 8.

Participation in planning between regions is achieved through four relationships: the Southeastern Interregional Planning Group (via the CPPP), a joint TVA, PJM, and MISO planning agreement, membership in SERC Reliability Corporation, and participation in the Eastern Interconnection Reliability Assessment Group (ERAG). These relationships and joint studies ensure that Big Rivers coordinates with interconnected systems.

Southeastern Interregional Planning Group:

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The Southeastern Interregional Planning Group plan defines an inter-regional process among transmission owners Alabama Electric Cooperative, Dalton Utilities, Duke Energy Carolinas, Entergy Operating Companies, Georgia Transmission Corporation, Municipal Electric Authority of Georgia, Progress Energy Carolinas, Santee Cooper, South Carolina Electric and Gas, South Mississippi Electric Power Association, Southern Company, and Tennessee Valley Authority.

The process will be used to collect data, coordinate planning assumptions and address stakeholder study requests. Data and assumptions developed at the regional level will be consolidated and used in the development of models for use in the process. In addition to performing stakeholder requested studies, the interregional planning process provides a means for the participating transmission providers and stakeholders to review the data, assumptions, and assessments being performed on an interregional basis.

Joint Planning Agreements (JRCA) with TVA, PJM and MISO:

A TVA, PJM, and MISO agreement exists for the exchange of information (including Big Rivers data) and the implementation of reliability and efficiency protocols. These agreements address the equitable and economical management of congestion on flowgates affected by flows of Big Rivers as well as TVA, PJM, and the Midwest ISO and use of the congestion management procedures by third parties on flowgates affected by the flows of any party that binds itself to the congestion management procedures of the agreements. The agreements also address arrangements for coordination of the parties systems.

The joint planning activities between TVA, PJM, and MISO are used as a basis for studies with SPP. These expanded activities are not yet fully covered by formal agreements. Initial studies include development of long term plans for the combined area for years 2018 and 2024.

Each of the entities has its own stakeholder group. The joint planning activities are being used as the basis for development of combined stakeholder participation, and for coordination of responses to stakeholder interregional study requests.

SERC Reliability Corporation:

SERC Reliability Corporation is a member of NERC and is responsible for reliability in the southeast. Big Rivers is a member of SERC and is included in the Central Subregion of SERC. Big Rivers planning personnel participate in a number of committees, groups and task forces within SERC to ensure regional coordination in transmission planning.

The SERC planning processes and their relationship to the local planning processes of the SERC member systems are described in the SERC Reference Document "Regional Transmission Assessment Study Processes Within SERC." In general, all members including Big Rivers conduct regional reliability studies within the SERC framework of intra-regional near-term & long-term studies. Member system models are combined into a SERC reliability study model annually. SERC members couple local transmission assessment activities with regional coordinated transmission study processes. Joint study efforts involving two or more parties are used to maintain coordination among systems and along system interfaces. The processes may also involve Regional Transmission Organizations (RTOs).

Eastern Interconnection Reliability Assessment Group (ERAG).

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Issued on: February 1, 2008

Effective Date: Per order of KPSC

ERAG comprises the six NERC regions composing the eastern interconnection, for the purpose of augmenting reliability of the bulk power system in the joint areas. ERAG has responsibility for the Multiregional Modeling Working Group (MMWG). A single master study base case covering the entire eastern interconnection is developed each season. Big Rivers participates in ERAG activities through its SERC membership.

ERAG study work is shared between regions under a number of study forums. SERC assigns members to conduct inter-regional studies with other RROs through the ERAG agreement. Also, SERC's designated liaison to the ERAG Multiregional Modeling Working Group (MMWG) updates the Eastern Interconnection study model.

Principle 8 - Economic Planning Studies:

- The Transmission Provider must prepare studies identifying "significant and recurring" congestion and post such studies on their OASIS.
- Studies should analyze and report on (1) location and magnitude of congestion, (2) possible remedies for the elimination of congestion, (3) associated costs of congestion, (4) costs associated with relieving congestion.
- Such studies must include the integration of new generation resources or loads on an aggregated or regional basis.
- The planning process must consider both reliability and economic considerations (e.g. whether transmission upgrades or other investments can reduce the overall costs).
- Transmission providers should develop a means to allow the Transmission Provider and stakeholders to cluster requests for economic planning studies so that such studies can be performed in an efficient manner.
- Requests for economic planning studies, and responses to those requests, must be posted on OASIS. The transmission provider must coordinate with interconnected systems to (1) share system plans to ensure simultaneous feasibility, (2) maximize use of consistent assumptions and data, and (3) identify system enhancements that relieve congestion or integrate new resources.

Big Rivers will continue to perform planning studies to identify transmission congestion within Big Rivers and between Big Rivers and other balancing areas, with integration of new resources including options suggested by stakeholders or loads on an aggregated basis. Big Rivers will use reliability and economic studies whenever feasible to improve efficiency and lower costs. Economic benefits such as those related to transmission congestion and integration of new transmission users will be considered when addressing reliability issues.

Study reports will identify congestion in its transmission system. These study reports will be posted on OASIS.

Big Rivers presently does not use LMP as the basis for its economic analysis of congestion. Reliability studies are directed towards elimination of congestion to allow optimal economic dispatch.

Stakeholder Requested Studies.

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Issued on: February 1, 2008

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Through the CPPP planning process, a reasonable number of economic studies will be completed. All stakeholder requests will be posted on OASIS. All economic project requests will be considered as alternatives for reliability problem solutions.

Requests for economic studies must be supported by provision of the necessary data, such as generator models and transaction patterns. Depending on confidentiality considerations, use of more generic industry data may be deemed acceptable.

Big Rivers' participation in the CPPP stakeholder process does not substitute for the official interconnection and transmission service request processes. The official interconnection process must be used for any requests to interconnect to the Big Rivers transmission system.

Principle 9 - Cost Allocation:

- For projects that do not fit under the cost allocation structure in the existing pro forma OATT, such as regional projects involving several transmission owners or economic projects, transmission providers are required to address the allocation of costs for new facilities in its planning process.
- The proposal should identify the types of new projects not covered under existing cost allocation rules.
- FERC is not prescribing specific cost allocation methods, but will consider (1) whether a cost allocation proposal fairly allocates costs among participants, (2) whether the cost allocation proposal provides incentives to construct new transmission, and (3) whether the proposal is supported by state authorities and participants across the region.

Costs of transmission system upgrades are recovered through Big Rivers' rates for transmission service.

Where existing rate structures do not apply, such as to regional projects involving several transmission owners or projects identified through economic planning studies, costs will be allocated to the customers requesting the project. Where a project crosses regional boundaries, each regional transmission owner will be responsible for allocating its share of the cost.

When a project is requested that is an acceleration or modification of a project already planned for implementation, the requesting party will pay the incremental costs.

If Big Rivers elects to enhance a stakeholder requested project, the requesting party will be responsible only for the costs of the project at the level requested for that party's needs.

In applying these cost allocation principles, Big Rivers will identify benefits that a requested project may provide to Big Rivers such as deferral of other transmission projects or a reduction in energy losses. The costs assigned to the requesting party will be a net value, recognizing the value of any such benefits.

ATTACHMENT L

Creditworthiness Procedures

1. Purpose – For the purpose of determining the ability of a Transmission Customer (“Customer”) to meet its financial obligations related to service under Big Rivers Electric Corporation’s (“BREC”) Open Access Transmission Tariff, BREC will use the following credit review procedures.
2. Credit Review – BREC will perform a credit review of each Customer. BREC’s CFO shall continuously assess each Transmission Customer’s credit risk and determine their credit limit, based upon both qualitative and quantitative factors. Among other things, such factors may include the Customer’s competitive position, capital structure, liquidity, financial strength, profitability and credit ratings. A credit file will be maintained for each Customer in support of such credit limit determination. BREC will treat Customer credit information confidential. The Customer shall provide the following minimum information:
- The most recent two fiscal years audited financial statements (including the footnotes).
 - The most recent unaudited fiscal year, if any, and year-to-date financial statements.
 - DUNS number.
 - Moody’s and/or S&P’s long term senior unsecured debt ratings.
 - Primary credit officer contact information, including name, title, mailing address, telephone number and facsimile number.

Other commercially reasonable information may be requested by BREC during the credit review process. In determining credit level and collateral requirements, BREC may also use any third-party information it finds available and appropriate.

3. Credit Exposure – BREC’s CFO will monitor BREC’s credit exposure to each Customer. BREC will review the Customer’s payment history and ensure that no payment due it is in arrears. Overdue payments will include interest at the appropriate rate.
4. Security – In the event a Customer does not meet BREC’s creditworthiness standard, the Customer may substitute one or more of the following:

- a. An unconditional and irrevocable letter of credit from an institution acceptable to BREC in an amount and term sufficient to support Customer's responsibilities and obligations under the Tariff.
- b. A corporate guarantee acceptable to BREC.
- c. Prepayment of the charge for service on terms acceptable to BREC.

Any alternative form of security proposed by the Customer and acceptable to BREC may be used.

5. Notices – BREC will notify Customer of initial credit level and collateral requirements, and any change thereto. Customer may contest any adverse credit determination by BREC by providing supporting information, and may request an explanation of BREC's credit determination. When necessary, BREC will give Customer a reasonable opportunity to post additional collateral. All communication and notices to BREC regarding the Customer's credit shall be to the following address:

Big Rivers Electric Corporation

Attention: CFO

201 Third Street

Henderson, KY 42420

Phone: 270-827-2561

Facsimile: 270-827-2558

6. Waiver – No failure on the part of BREC to exercise any of its rights or remedies hereunder shall waive them, unless expressly stated by BREC in writing.