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PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:)	
The Application of Kenergy Corp.)	CASE NO. 2008-00009
for Approval of Retail Tariff Riders)	
and Revised Tariffs; Approval of)	
Smelter Agreements; and Approval of)	
Amendment to Wholesale Agreement)	

APPLICATION

DORSEY, KING, GRAY, NORMENT & HOPGOOD 318 Second Street Henderson, Kentucky 42420 (270) 826-3965 Telephone

(270) 826-6672 Telefax

Attorneys for Kenergy Corp.

FRANK N. KING, JR



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PUBLIC SERVICE COMMISSION

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In the Matter of:)	
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for Approval of Retail Tariff Riders)	
and Revised Tariffs; Approval of)	
Smelter Agreements; and Approval of)	
Amendment to Wholesale Agreement)	

<u>APPLICATION</u>

The application of KENERGY CORP. ("Kenergy") respectfully shows:

Introduction

Kenergy is a distribution cooperative and is a member of BIG RIVERS ELECTRIC CORPORATION ("Big Rivers"). Big Rivers is seeking approval of five (5) wholesale tariff riders in pending Cases Nos. 2007-00455 and 2007-00460. Big Rivers also is seeking approval to enter into an amended wholesale power agreement with Kenergy and to enter into wholesale power agreements with Kenergy to provide power for resale to Kenergy's two (2) smelter customers.

The purpose of the instant application is to obtain approvals as follows:

• Approval of five (5) corresponding retail tariff riders that will flow through to retail customers any credit or charge resulting from Big

Rivers' said wholesale tariff riders, and of a sixth retail tariff rider that will be used to confirm that the net effect of the five (5) corresponding riders is zero for a projected period of time expected to be approximately five (5) years;

- Approval to revise three (3) tariffs to accommodate the flow through;
- Approval to revise the tariff for Kenergy's two (2) smelter customers;
- Approval of smelter agreements, being two (2) wholesale agreements with Big Rivers and a retail agreement with each of Kenergy's smelter customers; and
- Approval of amendment to the wholesale agreement with Big Rivers.

The approvals sought herein are authorized pursuant to KRS 278.180, KRS 278.190, 807 KAR 5:011, 807 KAR 5:056 and all other applicable law. Notice of intent to file this application with respect to approvals of the new and revised tariffs was given to the Commission consistent with 807 KAR 5:011, Section 8(2).

* * * * * *

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

- (b) The post office address of Kenergy is Post Office Box 18, Henderson, Kentucky 42419-018. The street address of Kenergy is 6402 Old Corydon Road, Henderson, Kentucky 42420.
- (c) Kenergy is the consolidation successor of Green River Electric Corporation and Henderson Union Electric Cooperative Corp. A copy of the articles of consolidation is filed in Case No. 99-136.
- (d) Kenergy requests the Commission to approve five (5) retail tariff riders that will flow through to retail customers any credit or charge resulting from the Big Rivers' wholesale tariff riders mentioned above. Kenergy further requests the Commission to approve a sixth retail tariff rider that may be used to confirm that the net effect of the aforementioned five (5) retail tariff riders is zero as long as funds referred to as Economic Reserve funds are available, which is expected to be for approximately five (5) years. These six (6) retail tariff riders are attached as exhibits as follows:

Rider	Exhibit
Fuel Adjustment Cause (FAC)	1
Environmental Surcharge (ES)	2
Unwind Surcredit (US)	3
Rebate Adjustment	4
Member Rate Stability Mechanism (MRSM)	5
Unwind Rider – Composite Factor (URCF)	6

(e) Kenergy further requests the Commission to approve the revision of three (3) existing tariff schedules in order to accommodate the desired flow through. These proposed revised tariffs, along with current tariffs and a comparison of said tariffs, are attached as exhibits as follows:

<u>Tariff</u> <u>Exhibit</u>

Schedule 43 – Small Power Production or Cogeneration (Under 100 KW) (Customer

Sells Power to Kenergy) 7A, 7B, 7C

Schedule 44 – Small Power and Cogeneration

(Over 100 KW) (Customer Sells Power to Big Rivers) 8A, 8B, 8C

Schedule 45 – Small Power and Cogeneration

(Over 100 KW) (Customer Buys Power from Kenergy) 9A, 9B, 9C

(f) Kenergy requests that, as long as the net effect of the five (5) Big Rivers tariff riders is zero, the Commission authorize Kenergy to show the retail tariff riders on customers' bills in any one of the three (3) following ways: (i) Each of the corresponding five (5) retail tariff riders without the sixth Composite Factor (URCF) rider; (ii) the Composite Factor (URCF) rider without the corresponding five (5) retail tariff riders, or (iii) each of the corresponding five (5) retail tariff riders and the sixth Composite Factor (URCF) rider setting the five (5) to zero. The Commission's requested authorization will, in effect, allow Kenergy to exercise discretion in choosing the option to insure the intended zero net effect of the five (5) corresponding retail tariff riders until their net effect is no longer zero and to simplify as much as reasonably possible the form and the content of the customers' bills. At that time the Composite Factor (URCF) rider will be obsolete and the five (5) corresponding retail tariff riders will be required to appear on customers' statements.

(g) Kenergy further requests the Commission to approve revision of Schedule 34 to reflect that retail service to Kenergy's two (2) smelter customers, Alcan Primary Products Corporation ("Alcan") and Century Aluminum of Kentucky General

Partnership ("Century"), will be pursuant to special contracts that will require Commission approval. The proposed revised Schedule 34, along with the current Schedule 34 tariff and a comparison of said tariffs, are attached as "Exhibits 10A, 10B, and 10C."

- (h) Kenergy submits that the foregoing tariff approvals sought herein, combined with existing rates, will result in rates that are fair, just and reasonable and Kenergy requests the Commission to make this determination.
- (i) In support of the tariff approvals sought in this application Kenergy offers the prepared testimony of rate analyst Jack D. Gaines which is attached as "Exhibit 11." This testimony supports the six (6) retail tariff riders; the revised rates for Small Power Production and Qualifying Facilities that will be needed to pass through the effects of the five (5) wholesale tariff riders and the changes to the wholesale tariffs for Small Power Production and Qualifying Facilities that Big Rivers is proposing in Case No. 2007-00455 and Case No. 2007-00460; and revised Schedule 34. Mr. Gaines also concludes that these riders and revised tariffs, combined with Kenergy's existing rates, will result in rates that are fair, just and reasonable.
- (j) Kenergy has given notice to its customers of the requested new and revised tariffs by publishing in a prominent manner in newspapers of general circulation in its service area a public notice, a copy of which is attached as "Exhibit 12." This public notice is being published in this manner for three (3) consecutive weeks and proof of publication will be provided to the Commission when available.

- (k) In paragraph 39 of the Application in Case No. 2007-00455 reference is made to proposed wholesale smelter agreements between Kenergy and Big Rivers and retail smelter agreements between Kenergy and its two (2) smelter customers, Alcan and Century. Copies of said smelter agreements in substantially complete form are included in Exhibit 20 of said Application, and same are incorporated herein by reference. Final versions of these smelter agreements will be submitted to the Commission for approval.
- (1) In paragraph 50 of the Application in Case No. 2007-00455 reference is made to an amended wholesale agreement between Kenergy and Big Rivers, a copy of which is included in Exhibit 27 of said Application and incorporated herein by reference. Kenergy requests the Commission to approve said amended wholesale agreement.
- (m) Attached as "Exhibit 13" is the prepared testimony of Sanford Novick, Kenergy's President and CEO, in support of this filing and the approvals sought herein.
- (n) Kenergy will need to make non-substantive changes to some of its existing tariff schedules that are not mentioned herein, depending on the terms of the Commission's final order in this case. Kenergy will submit request for approval of such changes at the convenience of the Commission, and as directed.

WHEREFORE, Kenergy requests as follows:

- (1) That the Commission make the determination that the proposed retail tariff riders and revised tariffs, in combination with the existing rates, will result in rates that are fair, just and reasonable;
- (2) That the Commission approve the above mentioned six (6) retail tariff riders and the revisions of Schedules 34, 43, 44 and 45;

- (3) That the Commission authorize Kenergy to show the retail tariff riders on its customers' bills in any one of the three (3) ways set forth above in paragraph (f); and
- (4) That the Commission approve the wholesale and retail smelter agreements and the amendment to wholesale agreement; and
 - (5) That Kenergy be afforded all proper relief.

DORSEY, KING, GRAY, NORMENT & HOPGOOD

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(270) 826-6672 Telefax

Attorneys for Kenergy Corp.

FDANK N KING

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served on the persons named in the attached service list by mailing true and correct copies of same this the 14 day of February, 2008.

Frank N. King, Jr.,

Counsel for Kenergy Corp.

Case No 2008-00009 SERVICE LIST

Hon. James M. Miller Hon. Tyson Kamuf Sullivan, Mountjoy, Stainback & Miller Post Office Box 727 Owensboro, KY 42402 Attorneys for Big Rivers Electric Corporation

Hon. Doug Beresford Hon. Geof Hobday Hogan & Hartson 555 Thirteenth Street, NW Washington, DC 20004 Attorneys for Big Rivers Electric Corporation

Hon. Kendrick Riggs Stoll, Keenon Ogden PLLC 500 West Jefferson Street Louisville, KY 40202 Attorney for E.ON U.S., LLC, West Kentucky Energy Corp. and LG&E Energy Marketing, Inc.

Hon. Allyson Sturgon 220 West Main Street Louisville, KY 40202 Attorney for E.ON U.S., LLC Hon. Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street – Suite 2110 Cincinnati, OH 45202 Attorney for Kentucky Industrial Utility Customers

Hon. David Brown
Stites & Harbison, PLLC
1800 Aegon Center
400 West Market Street
Louisville, KY 40202
Attorney for Alcan Primary Products
Corporation and Century Aluminum of
Kentucky General Partnership

Hon. John N. Hughes 124 West Todd Street Frankfort, KY 40601 Attorney for Henderson Municipal Power & Light

Hon. Dennis Howard Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive-Suite 200 Frankfort, KY 40601-8204



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CLASSIFICATION OF SERVICE

Fuel Adjustment Clause

(N) AVAILABILITY

To the entire territory served.

APPLICABILITY

This Fuel Adjustment Clause ("FAC") is a rider to all rate schedules of Kenergy Corp. ("Kenergy" or "Corporation").

FUEL ADJUSTMENT RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

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

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

$$F = \underbrace{W FAC - O + U}_{P(m) \times L} - F(b)$$

Where:

F = the fuel adjustment rate per kWh for the current month

W_FAC = the fuel adjustment amount charged by the Corporation's wholesale power supplier on the power bill for the second month preceding the month in which F is applied.

P(m) = the kWh purchased in the second month preceding the month in which F is applied.

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

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

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

F(b) = Base fuel adjustment factor of \$.00000 per kWh.

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Fuel Adjustment Clause			

(N) SECTION 2

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

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

RATE APPLICATION

Section 1 of this rider shall apply rate schedules residential, non-residential, three-phase demand (0-1000 kW), three-phase demand (1,000 kW & Over), lighting rates – individual, street, decorative, and commercial exterior. Section 2 of this rider shall apply to smelter sales pursuant to the Smelter Agreements and to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

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Environmental Surcharge

(N) AVAILABILITY

To the entire territory served.

APPLICABILITY

This Environmental Surcharge ("ES") rider is applicable to all rate schedules of Kenergy Corp. ("Kenergy" or "Corporation").

ENVIRONMENTAL SURCHARGE RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

The environmental surcharge adjustment rate applicable to kWh sold in the current month under each rate to which this section applies shall be based upon the following formula:

$$MESF = \underbrace{(W_MESF) + O - U}_{P(m) x L} - BESF$$

Where;

MESF = the environmental surcharge adjustment rate per kWh for the current month W MESF = the environmental surcharge amount charged by the Corporation's wholesale power supplier on the power bill for the second month preceding the month in which the MESF is applied. P(m) = the kWh purchased in the second month preceding the month in which the MESF is applied. L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).

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

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

BESF = Base Environmental Surcharge Factor of \$.00000 per kWh

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(N) SECTION 2

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

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

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules residential, non-residential, three-phase demand (0-1000 kW), three-phase demand (1,000 kW & Over), lighting rates – individual, street, decorative, and commercial exterior. Section 2 of this rider shall apply to smelter sales pursuant to the Smelter Agreements and to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

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CLASSIFICATION OF SERVICE

Unwind Surcredit Adjustment Clause

(N) AVAILABILITY

To the entire territory served.

APPLICABILITY

This Unwind Surcredit Adjustment Clause ("US") is a rider to all non-smelter rate schedules of Kenergy Corp. ("Kenergy" or "Corporation").

UNWIND SURCREDIT ADJUSTMENT RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

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

The unwind surcredit adjustment rate applicable to kWh sold in the current month under each rate to which this section applies shall be based upon the following formula:

$$US = \underbrace{W \ US - O + U}_{P(m) \ x \ L}$$

Where;

US = the unwind surcredit adjustment rate per kWh for the current month.

W_US = the Unwind Surcredit amount charged by the Corporation's wholesale power supplier on the power bill for the second month preceding the month in which the US is applied.

P(m) = the kWh purchased in the second month preceding the month in which the US is applied.

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

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

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

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Unwind Surcredit Adjustment Clause

SECTION 2

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

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

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules residential, non-residential, three-phase demand (0-1000) kW), three-phase demand (1,000 kW & Over), lighting rates – individual, street, decorative, and commercial exterior. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

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CLASSIFICATION OF SERVICE

Rebate Adjustment

(N) AVAILABILITY

To the entire territory served.

APPLICABILITY

This Rebate Adjustment is applicable to all non-smelter rate schedules of Kenergy Corp. ("Kenergy" or "Corporation") for the purpose of passing through any wholesale Rebate Adjustment amounts received by the Corporation from its wholesale power supplier, Big Rivers Electric Corporation ("BREC").

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

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

The wholesale Rebate Adjustment applicable to this section will be recorded in a payables account and returned in twelve equal installments without interest to the customers in accordance with the formula shown below. The Rebate Adjustment for this section will remain applicable for a twelve month period plus any additional months necessary to complete the over or under refunds or collections The Corporation will synchronize application of the Rebate Adjustment per this Section with the application by BREC of the wholesale Rebate Adjustment for purposes of the BREC Member Rate Stability Mechanism.

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

$$RF = \frac{R - O + U}{P(m) \times L}$$

Where:

RF = the Rebate rate per kWh.

R = one-twelfth of the portion of the most recent Rebate Adjustment Amount received from the Corporation's wholesale power supplier for all non-dedicated delivery points.

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Rebate Adjustment				

P(m) = the kWh purchased in the second month preceding the month in which RF is applied. L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).

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

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

SECTION 2

(N)

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

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

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules residential, non-residential, three-phase demand (0-1000 kW), three-phase demand (1,000 kW & Over), lighting rates – individual, street, decorative, and commercial exterior. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

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Member Rate Stability Mechanism

(N) AVAILABILITY

To the entire territory served.

APPLICABILITY

This Member Rate Stability Mechanism ("MRSM") is a rider applicable to all non-smelter rate schedules of Kenergy Corp. ("Kenergy" or "Corporation").

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

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

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

$$MRSM(m) = \underline{W MRSM - O + U}$$

$$P(m) \times L$$

Where:

MRSM(m) = the monthly member rate stability mechanism rate per kWh for the current month. W_MRSM = the Member Rate Stability Mechanism amount credited by the Corporation's wholesale power supplier for all non-dedicated delivery points on the power bill for the second month preceding the month in which the MRSM(m) is applied.

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

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

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

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

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(N) SECTION 2

<u>BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS</u> (NO LINE LOSSES TO KENERGY)

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

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules residential, non-residential, three-phase demand (0-1000 kW), three-phase demand (1,000 kW & Over), lighting rates – individual, street, decorative, and commercial exterior. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

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CLASSIFICATION

Unwind Rider - Composite Factor

(N) AVAILABILITY

To the entire territory served.

APPLICABILITY

This Unwind Rider - Composite Factor ("URCF") is applicable to all non-smelter rate schedules of Kenergy Corp. ("Kenergy" or "Corporation") for billings to customers served from non-dedicated delivery points. The URCF is not applicable to sales pursuant to the Smelter Agreements and to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

The URCF is a composite of the FAC, the US, the ES, the MRSM, and the Rebate Adjustment. It will apply in lieu of the five specified individual riders so long as the net effect of the corresponding wholesale riders charged and credited by the Corporation's wholesale power supplier for sales subject to this Rider is zero.

UNWIND RIDER RATE

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

URCF = \$.00 per kWh if on the second preceding month's wholesale power bill a) the sum of the FAC, US, ES, and MRSM; less b) one-twelfth of any Rebate used to adjust the wholesale MRSM is zero.

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CLASSIFICATION OF SERVICE

Schedule 43 – Small Power Production or Cogeneration (100 KW or Less) (Customer Sells Power to Kenergy)

AVAILABLE

(T)

Available only to qualifying small power production or cogeneration facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with Cooperative.

RATE SCHEDULE

Base payment of \$.0204 per KWH, plus

(N) FAC, ES, US, and MRSM

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CLASSIFICATION OF SERVICE

Schedule 43 – Small Power Production or Cogeneration (Under 100 KW) (Customer Sells Power to Kenergy)

AVAILABLE

Available only to qualifying small power production or cogeneration facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with Cooperative.

RATE SCHEDULE

Base payment of \$.0204 per KWH.

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

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			PURSUANT TO 807 KAR 5:011.
DATE OF ISSUE	July 16, 2001	DATE EFFECTIVE	June 29, 2009 (1)
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CLASSIFICATION OF SERVICE

Schedule 43 – Small Power Production or Cogeneration (Under 100 KW or Less) (Customer Sells Power to Kenergy)

AVAILABLE

Available only to qualifying small power production or cogeneration facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with Cooperative.

RATE SCHEDULE

Base payment of \$.0204 per KWH, <u>plus</u> FAC, ES, US, and MRSM

DATE OF ISSUE <u>July 16, 2001</u> February 11, 2008 DATE EFFECTIVE <u>June 29, 2001</u> Per Order of Commiss			
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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

<u>AVAILABLE</u>

The Corporation shall not be required to purchase the energy output of a qualifying small power production or cogeneration facilities having a total design capacity over 100 KW. A qualifying cogeneration or small power production facility having a total design capacity over 100 KW may sell its output directly to Big Rivers Electric Corporation pursuant to rates, terms and conditions, offered by Big Rivers.

<u>BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF – OVER</u> 100 KW:

a. Availability:

Available to any customer of a Member Cooperative who qualifies as a cogenerator or small power producer pursuant to Regulation 807 KAR 5:054 of the Kentucky Public Service Commission.

(N) b. Applicability of Service:

ISSUED BY AUTHORITY OF PSC ORDER NO.

Applicable to any small power production or cogeneration "qualifying facility" with capacity over 100 kW as defined by the Kentucky Public Service Commission Regulations 807 KAR 5:054, and which contracts to sell energy or capacity or both to Big Rivers.

- c. Terms and Conditions:
 - (1) The cogeneration or small power production facility must have a total design capacity over 100 kW.
 - (2) All power from a QF purchased under this tariff will be sold to Big Rivers.
 - (3) The QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.

DATE OF ISSUE _	February 11, 2008	DATE EFFECTIVE _	Per Order of Commission
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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

- (4) QF shall provide reasonable protection for Big Rivers and the Member Cooperative's system.
- (5) QF shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
- (6) QF shall reimburse Big Rivers and the Member Cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
- QF shall enter into a written contract with Big Rivers. All conditions applying to QF service shall be specified in the contract executed by the parties and are subject to the jurisdiction of the Kentucky Public Service Commission and to Big Rivers' terms and conditions regarding a QF then in effect. For contracts which cover the purchase of energy only, the term shall be one year and shall be self-renewing from year-to-year thereafter unless cancelled by either party with not less than one year's written notice. For contracts which cover the purchase of capacity and energy, the term shall be not less than 5 years and self-renewing from year-to-year thereafter unless cancelled by either party with not less than one year's written notice.
 - d. <u>Definitions:</u>
 - (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
 - (2) Member Cooperatives As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.

DATE OF ISSUE	February 11, 2008	DATE EFFECTIVE _	Per Order of Commission	
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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

- (3) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054.
- (N) (4) Inter-Utility Market "Inter-Utility Market" means any supplier of wholesale electric service to Big Rivers other than SEPA and the City of Henderson's Station Two.
 - e. Rates for Purchases from QFs:
 - (1) Capacity Purchase Rates:

As long as Big Rivers has surplus generation from its owned coal fired generation and power available from SEPA and the City of Henderson's Station Two, the Capacity Purchase Rate (CPR) will be zero. At such time Big Rivers has no surplus generation from its owned coal fired generation and power available from SEPA and the City of Henderson's Station Two, the hourly avoided capacity cost (ACC) in \$ per megawatt hour, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to Big Rivers from the Inter-Utility Market (which includes both energy and capacity charges) less Big Rivers' actual variable fuel expense (EPR). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to [ACC x CAP], where CAP, the capacity delivered by the QF, is determined on the basis of the system demand and Big Rivers' need for capacity in that hour to adequately serve the load.

Determination of CAP:

For the determination of CAP Big Rivers will determine at the time a QF signs a contract to deliver capacity the capacity proposed to be provided by the QF and will cause the QF to enter into a contract stating the CAP limits. Big Rivers will pay for CAP at the above stated rate only when Big Rivers'

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

(N) owned and previously arranged for capacity is not sufficient to meet its system demand.

(2) <u>Firm Energy Purchase Rates</u>:

The Energy Purchase Rates (EPR) in \$ per megawatt hour, which is payable to a QF for delivery of energy, shall be equal to Big Rivers' actual variable fuel expenses for Big Rivers' owned coal fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to [EPR x EQF] where EQF is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.

(N) f. Payment:

Big Rivers shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within 30 days of the date the bill is rendered.

g. System Emergencies:

During system emergencies, Big Rivers may discontinue purchases or the QF may be required to provide energy or capacity in accordance with 807 KAR 5:054 – Section 6.

h. Interconnections:

Big Rivers requires a three party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers shall make interconnections with the Member Cooperative, the QF Member, or both as required and the QF Member will pay for the interconnection costs in accordance with 807 KAR 5:054 -

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

Section 6 and the interconnection agreement.

i. <u>Loss Compensation</u>:

Power and energy purchased by Big Rivers pursuant to this rate schedule which must be transmitted to Big Rivers' transmission system across or through utilities owned by a Member Cooperative shall be subject to an adjustment to reflect losses between the QF and the point of delivery to the Big Rivers transmission system.

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

AVAILABLE

The Corporation shall not be required to purchase the energy output of a qualifying small power production or cogeneration facilities having a total design capacity over 100 KW. A qualifying cogeneration or small power production facility having a total design capacity over 100 KW may sell its output directly to Big Rivers Electric Corporation pursuant to rates, terms and conditions, offered by Big Rivers.

BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF - OVER 100 KW

Availability: a.

Available to any customer of a Member Cooperative who qualifies as a cogenerator or small power producer pursuant to Regulation 807 KAR 5:054 of the Kentucky Public Service Commission.

Terms and Conditions: b.

- The cogeneration or small power production facility must have a total design capacity over (1) 100 KW.
- All power from a QF purchased under this tariff will be sold to Big Rivers. (2)
- The QF must provide good quality electric power within a reasonable range of voltage, (3) frequency, flicker, harmonic currents, and power factor.
- OF shall provide reasonable protection for Big Rivers and the Member Cooperative's (4) system.
- QF shall design, construct, install, own, operate, and maintain the Qualifying Facility in (5)accordance with all applicable codes, laws, regulations, and generally accepted utility practices.

PUBLIC SERVICE COMMISSION OF KENTUCKY **EFFFCTIVE**

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	TY OF PSC ORDER NO. <u>2000-</u>	<u>395</u> .	BY Stephan By SECRETARY OF THE COMMISS	8B Current



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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

- (6) QF shall reimburse Big Rivers and the Member Cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
- (7) QF shall enter into a written contract with Big Rivers. Such contract shall set forth any specific arrangements between the parties based on the individual circumstances so involved.

c. Definitions:

- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) LEM "LEM" means LG&E Energy Marketing, Inc.
- (3) Member Cooperatives As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.
- (4) Power Purchase Agreement "Power Purchase Agreement" means the Power Purchase Agreement between Big Rivers and LEM dated July 1998.
- (5) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054.
- (6) Third Party Supplier "Third Party Supplier" means any supplier of wholesale electric service to Big Rivers other than SEPA or LEM pursuant to the Power Purchase Agreement.

d. Rates for Purchases from QFs:

(1) Capacity Purchase Rates:

Big Rivers presently has no avoided capacity costs and the Capacity Purchase Rate is, therefore, zero. At such time when it becomes necessary for Big Rivers to Epytochoom additional system capacity or energy beyond that available under the Power Phythological system.

DATE OF ISSUE	July 16, 2001	DATE EFFECTIVE	July 29 02 00 1 11
ISSUED BY Dean	Stanley	TITLE	President and CEO
	ATURE OF OFFICER	***************************************	PURSUANT TO 807 KAR 5011, SECTION 9 (1)
ISSUED BY AUTHORIT	Y OF PSC ORDER NO. 2000-39	<u>95</u> .	BY Skohan BLLI



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Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

Agreement and from SEPA, then Big Rivers will determine its avoided costs for capacity, energy, or both for power requirements in excess of those amounts available under the Power Purchase Agreement and from SEPA.

(2) Firm Energy Purchase Rates:

The Energy Purchase Rates in each month shall be based upon Big Rivers' actual avoided cost for energy in each hour of the month, plus applicable losses, and shall be the lesser of:

- (i) The applicable Base Power rate as specified in Section 6.3(a) of the Power Purchase Agreement; plus Base Power Rate Adjustment; if any, as specified in Section 6.3(b) of the Power Purchase Agreement; minus, applicable penalty to the Base Power rate in any hour in which an Hourly Deficit occurs pursuant to Section 6.4(b) of the Power Purchase Agreement; or,
- (ii) The actual price in S per MWH paid by Big Rivers for energy purchased from a Third Party Supplier in each hour of the month.

(e) Failure to Generate:

The QF shall indemnify Big Rivers for any and all additional costs incurred as a result of the QF's failure to generate, including without limitation, costs of ancillary services necessary to maintain reliability on the Big Rivers' system.

(f) System Emergencies:

During system emergencies, Big Rivers may discontinue purchases or the QF may be required to provide energy or capacity in accordance with 807 KAR 5:054 – Section 6.

(g) Interconnections:

Big Rivers requires a three-party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers Shall State COMMISSION interconnections with the Member Cooperative, the QF Member, or both as required and the QF

DATE OF ISSUE	July 16, 2001	DATE EFFECTIVE	JUNe 29 2001
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CLASSIFICATION OF SERVICE

Schedule 44 - Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

Member will pay for the interconnection costs in accordance with 807 KAR 5:054 - Section 6 and the interconnection agreement.

Loss Compensation: (h)

Power and energy purchased by Big Rivers pursuant to this rate schedule which must be transmitted to Big Rivers' transmission system across or through utilities owned by a Member Cooperative shall be subject to an adjustment to reflect losses between the QF and the point of delivery to the Big Rivers transmission system.

> PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

> > JUN 29 2001

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: Skehan Buy SECRETARY OF THE COMMISSION

DATE OF ISSUE	July 16, 2001	DATE EFFECTIVE	June 29, 2001	
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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

AVAILABLE

The Corporation shall not be required to purchase the energy output of a qualifying small power production or cogeneration facilities having a total design capacity over 100 KW. A qualifying cogeneration or small power production facility having a total design capacity over 100 KW may sell its output directly to Big Rivers Electric Corporation pursuant to rates, terms and conditions, offered by Big Rivers.

BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF - OVER 100 KW

a. <u>Availability</u>:

Available to any customer of a Member Cooperative who qualifies as a cogenerator or small power producer pursuant to Regulation 807 KAR 5:054 of the Kentucky Public Service Commission.

b. Applicability of Service:

Applicable to any small power production or cogeneration "qualifying facility" with capacity over 100 KW as defined by the Kentucky Public Service Commission Regulations 807 KAR 5:054, and which contracts to sell energy or capacity or both to Big Rivers.

bc. Terms and Conditions:

- (1) The cogeneration or small power production facility must have a total design capacity over 100 KW.
- (2) All power from a QF purchased under this tariff will be sold to Big Rivers.
- (3) The QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
- (4) QF shall provide reasonable protection for Big Rivers and the Member Cooperative's system.

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

- OF shall design, construct, install, own, operate, and maintain the Qualifying Facility in (5)accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
- (6)OF shall reimburse Big Rivers and the Member Cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
- OF shall enter into a written contract with Big Rivers. Such contract shall set forth any (7)specific arrangements between the parties based on the individual circumstances so involved. All conditions applying to QF service shall be specified in the contract executed by the parties and are subject to the jurisdiction of the Kentucky Public Service Commission and to Big Rivers' terms and conditions regarding a QF then in effect. For contracts which cover the purchase of energy only, the term shall be one year and shall be self-renewing from year-to-year thereafter unless cancelled by either party with not less than one year's written notice. For contracts which cover the purchase of capacity and energy, the term shall be not less than 5 years and self-renewing from year-to-year thereafter unless cancelled by either party with not less than one year's written notice.

Definitions: e d.

- Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation. (1)
- LEM "LEM" means LG&E Energy Marketing, Inc.
- (3)(2) Member Cooperatives As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.
- (4) Power Purchase Agreement "Power Purchase Agreement" means the Power Purchase Agreement between Big Rivers and LEM dated July 1998.
- (5)(3) QF "QF" means a cogeneration or small power production facility meeting the criteria for Oualifying Facility of Section 4 of 807 KAR 5:054.

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

- (6) Third Party Supplier "Third Party Supplier" means any supplier of wholesale electric service to Big Rivers other than SEPA or LEM pursuant to the Power Purchase Agreement.
- (4) Inter-Utility Market "Inter-Utility Market" means any supplier of wholesale electric service to Big Rivers other than SEPA and the City of Henderson's Station Two.

d.e. Rates for Purchases from QFs:

(1) <u>Capacity Purchase Rates</u>:

Big Rivers presently has no avoided capacity costs and the Capacity Purchase Rate is, therefore, zero. At such time when it becomes necessary for Big Rivers to procure additional system capacity or energy beyond that available under the Power Purchase Agreement and from SEPA, then Big Rivers will determine its avoided costs for capacity, energy, or both for power requirements in excess of those amounts available under the Power Purchase Agreement and from SEPA.

As long as Big Rivers has surplus generation from its owned coal fired generation and power available from SEPA and the City of Henderson's Station Two, the Capacity Purchase Rate (CPR) will be zero. At such time Big Rivers has no surplus generation from its owned coal fired generation and power available from SEPA and the City of Henderson's Station Two, the hourly avoided capacity cost (ACC) in \$ per megawatt hour, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to Big Rivers from the Inter-Utility Market (which includes both energy and capacity charges) less Big Rivers' actual variable fuel expense (EPR). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to [ACC x CAP], where CAP, the capacity delivered by the QF, is determined on the basis of the system demand and Big Rivers' need for capacity in that hour to adequately serve the load.

Determination of CAP:

For the determination of CAP Big Rivers will determine at the time a QF signs a contract to deliver capacity the capacity proposed to be provided by the QF and will cause the QF to enter into a contract stating the CAP limits. Big Rivers will pay for CAP at the above stated rate only when Big Rivers' owned and previously arranged for capacity is not sufficient to meet its system demand.

(2) Firm Energy Purchase Rates:

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

The Energy Purchase Rates (EPR) in \$ per megawatt hour, which is payable to a QF for delivery of energy, shall be equal to Big Rivers' actual variable fuel expenses for Big Rivers' owned coal fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to [EPR x EQF] where EQF is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering, in each month shall be based upon Big Rivers' actual avoided cost for energy in each hour of the month, plus applicable losses, and shall be the lesser of:

- (i) The applicable Base Power rate as specified in Section 6.3(a) of the Power Purchase Agreement; plus Base Power Rate Adjustment; if any, as specified in Section 6.3(b) of the Power Purchase Agreement; minus, applicable penalty to the Base Power rate in any hour in which an Hourly Deficit occurs pursuant to Section 6.4(b) of the Power Purchase Agreement; or,
- (ii) The actual price in S per MWH paid by Big Rivers for energy purchased from a Third Party Supplier in each hour of the month.

(e) Failure to Generate:

The QF shall indemnify Big Rivers for any and all additional costs incurred as a result of the QF's failure to generate, including without limitation, costs of ancillary services necessary to maintain reliability on the Big Rivers' system.

	reliability on the Big Rivers' system.
<u>f.</u>	Payment:
	Big Rivers shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within 30 days of the date the bill is rendered.
(f) g.	System Emergencies:
	During system emergencies, Big Rivers may discontinue purchases or the QF may be required to provide energy or capacity in accordance with 807 KAR 5:054 – Section 6.
(g) <u>h</u> .	Interconnections:

DATE OF ISSUE <u>July 16, 2001</u> February 11, 2008 DATE EFFECTIVE <u>June 29, 2001</u> Per Order of Commission

ISSUED BY _______ TITLE ______ President and CEO

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CLASSIFICATION OF SERVICE

Schedule 44 – Small Power and Cogeneration (Over 100 KW) (Customer Sells Power to Big Rivers)

Big Rivers requires a three-party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers shall make interconnections with the Member Cooperative, the QF Member, or both as required and the QF Member will pay for the interconnection costs in accordance with 807 KAR 5:054 – Section 6 and the interconnection agreement.

(h) i. Loss Compensation:

Power and energy purchased by Big Rivers pursuant to this rate schedule which must be transmitted to Big Rivers' transmission system across or through utilities owned by a Member Cooperative shall be subject to an adjustment to reflect losses between the QF and the point of delivery to the Big Rivers transmission system.

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CLASSIFICATION OF SERVICE

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

AVAILABLE

This tariff is applicable to QF Members with a total capacity requirement of 100 KW or more with on-site generation of 100 KW or more operating in excess of 200 hours per year.

APPLICABLE

Applicable to any QF Members for which the Corporation is subject to the Big Rivers Cogeneration and Small Power Producer Sales Tariff for that energy sold to the QF Member.

DEFINITIONS

- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054 and are certified or self-certified pursuant to FERC regulations.
- (3) QF Member "QF Member" means a member of a Member Cooperative with a QF.

CONDITIONS OF SERVICE

To receive services hereunder, the QF Member must 1) execute a written contract for electric service on terms acceptable to Big Rivers and the Cooperative and that allows the Cooperative to satisfy all of the requirements to obtain services from Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW.

MONTHLY RATE

A. Wholesale Power Cost:

An amount equal to all the monthly charges levied by Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW for wholesale electric service (including transmission service) hereunder.

DATE OF ISSUE _	February 11, 2008	DATE EFFECTIVE	Per Order of Commission
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CLASSIFICATION OF SERVICE

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

B. Retail Adders:

Retail Adders shall be determined on a case-by-case basis for that portion of each consumer's load served under this tariff.

School Taxes added to bill if applicable.

Kentucky Sales Taxes added to bill if applicable.

(T) BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION SALES TARIFF – OVER 100 $\,$ KW

(a) <u>Availability:</u>

Available to any Member Cooperative for service to any member of the Member Cooperative with cogeneration and/or small power production facility (i) that has net output of less than 5,000 kW and (ii), which meets the criteria for Qualifying Facility of 807 KAR 5:054 — Section 4. Charges for the services under this tariff to any Member Cooperative for service to any member of the Member Cooperative with a cogeneration and/or small power production facility shall be established by contract.

(b) Applicability:

Applicable to purchases made by a Member Cooperative for service to any QF Member of a Member Cooperative with a total capacity requirement of 100 kW or more with on-site generation of 100 kW or more operating in excess of 200 hours per year, electrically engineered so that it can meet part or all of its load with its own generation, for service not covered by one of Big Rivers' other rates. The QF Member shall have the option to provide all or part of its load with its own generation in which case that portion of the QF Member's load requirements not met

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CLASSIFICATION OF SERVICE

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

by the QF, shall be provided to the Member Cooperative under this tariff and all requirements for back-up or maintenance service for the QF Member shall be provided under this tariff. Otherwise, the QF Member may sell all of the output of its QF in which case the QF Member's load requirements shall be provided to the Member Cooperative under the terms and conditions of one or more of Big Rivers' standard rates applicable to the load requirements and type of service of the QF Member.

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- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) Member Cooperative As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.
- (T) Off-System Sales Transaction "Off-System Transaction" means sales of electric energy by Big Rivers other than to the Member Cooperatives and Henderson Municipal Power and Light.
 - (4) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054.
 - (5) QF Member "QF Member" means a member of a Member Cooperative with a QF.
- (T) Third Party Supplier "Third Party Supplier" means any supplier of wholesale electric service to Big Rivers other than SEPA and Henderson Municipal Power and Light.

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CLASSIFICATION OF SERVICE

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

d. Conditions of Service:

To receive service hereunder, the Member Cooperative must:

- Obtain from the QF Member an executed, written contract for electric service hereunder on terms acceptable to Big Rivers. Such contract shall set forth any specific arrangements between the parties based on individual circumstances and shall:
 - (i) Specify the maximum capacity to be made available to the QF Member on an unscheduled basis in any hour (Maximum Unscheduled Capacity), and
 - (ii) If desired by the QF Member, specify the terms and conditions for the delivery of Maintenance Service, and
 - (iii) If desired by the QF Member, specify the capacity of on-site generation for which interruptible unscheduled back-up and interruptible scheduled maintenance power may be provided, and
 - (iv) Specify any other term or condition which the Member Cooperative or Big Rivers may require for service used by a QF Member, taking into account the nature of use, the quality used, the quantity used, the time when used, the purpose for which used, and any other reasonable consideration, and
- (2) Enter into a contact with Big Rivers, or amend an existing contract with Big Rivers, to specify the terms and conditions of service between Big Rivers and the Member Cooperative regarding the power supply for the QF Member.
- e. For each QF Member, the Member Cooperative will be billed monthly for:
 - (1) Supplementary Service (capacity and energy).
 - (2) Unscheduled Back-Up Service, if any (capacity charge only).

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CLASSIFICATION OF SERVICE

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

- (3) Maintenance Service (capacity and energy), if any.
- (4) Excess Demand, if any.
- (5) Additional charges, if any.
- f. Monthly Charges for Sales to a Member Cooperative for Service to a QF Member:
 - (1) Supplementary Service:
- Supplementary demand shall be the QF Member's highest actual demand (adjusted for distribution losses if applicable) measured during the month, excluding Scheduled Maintenance Demand up to but not exceeding the actual measured demands in each demand interval during a Maintenance Schedule, and supplementary energy shall be the actual measured energy (adjusted for distribution losses if applicable), excluding Maintenance Energy sold to the QF by the Member Cooperative in each month. The monthly charges for supplementary demand and energy shall be according to the rates set forth in Big Rivers' rate schedule C.4.d.
 - (2) Unscheduled Back-Up Service:

Unscheduled Back-up Demand is the QF Member's Maximum Unscheduled Capacity minus the Supplementary Billing Demand for the month. In months in which Maintenance Service has been Scheduled, appropriate credit for Scheduled Maintenance Demand shall be applied to the Unscheduled Back-up Demand such that the Member Cooperative will not be charged for Unscheduled Back-up Demand in addition to Scheduled Maintenance Demand when Scheduled Maintenance Service is being provided. The monthly charges to a Member Cooperative for Unscheduled Back-up Demand shall be:

(N) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Unscheduled Back-up Service for the OF Members:

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CLASSIFICATION OF SERVICE

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

Maximum Unscheduled Capacity shall initially be the amount as specified by the QF Member per contract with the Member Cooperative, but in no case less than the actual demand delivered in any month, including the current month. Big Rivers will accept a reduction in the Maximum Unscheduled Capacity upon twelve (12) months advance notice from the Member Cooperative. Said notice must specify the reduction in KWs and the basis for the lower requirement. All energy shall be billed as either supplementary energy or maintenance energy.

(3) Maintenance Service:

Maintenance Service shall be available to a Member Cooperative to back-up a QF Member's QF only if the Member Cooperative has scheduled delivery of the maintenance services in advance with Big Rivers. The Member Cooperative may schedule up to four weeks of seven consecutive days each per year of such service for a QF Member, subject to scheduling of such usage by Big Rivers. The Member Cooperative may reschedule at any time by giving forty-eight (48) hours notice to Big Rivers. Scheduled Maintenance Demand may not exceed the design capacity of the QF Member's QF. Maintenance Service will be available on an on-peak or off-peak basis. The selection of on-peak Maintenance Service entitles the Member Cooperative to schedule the service for the QF Member at any time. The selection of off-peak Maintenance Service entitles the Member Cooperative to schedule the service for the QF Member only during those hours not designated as on-peak. The designated on-peak hours are as follows:

- (i) Summer on-peak usage is defined as power requirements occurring between the hours beginning 6:00 AM and ending 10:00 PM on any weekday from May 1 through September 30.
- (ii) Winter on-peak usage is defined as power requirements occurring between the hours beginning 6:00 AM and ending 10:00 PM on any weekday from December 1 through March 31.
- (iii) Off-peak usage is defined as all power requirements not included in paragraph (i) or (ii).

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CLASSIFICATION OF SERVICE

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

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

- \$1.835 per KW of Scheduled Maintenance Demand per week, plus\$0.0204 per KWH of Maintenance Energy; or
- (2) 110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:

\$1.835 per KW of Scheduled Maintenance Demand per week, plus

- According to schedule C.4.d. (2) per KWH of maintenance energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.
 - (4) Excess Demand:

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

- (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or
- (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier, charges for Excess Demand shall be the greater of: a) \$7.37 per KW times the highest Excess Demand recorded during the month; or b) 110% of the highest price received by Big Rivers during an Off-System Sales

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CLASSIFICATION OF SERVICE

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

Transaction during the month times the sum of the Excess Demands measured during the month. Big Rivers shall be the sole determinant of when and under what circumstances it is required to import energy from a Third Party Supplier to provide Excess Demand.

(5) Additional Charges:

Any and all costs incurred by Big Rivers as a result of the QF's failure to generate, including, without limitation, ancillary services necessary to maintain reliability on the Big Rivers' system, shall be charged to the Member Cooperative in addition to all other charges.

(6) Interruptible Service:

Interruptible Supplementary Service or Interruptible Back-up Service will be made available, upon request. Terms and conditions of interruptible service will be as negotiated under special contract according to the terms of 807 KAR 5:054.

g. Interconnections:

Big Rivers requires a three-party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers shall make interconnections with the Member Cooperative, or the QF Member, or both as required and the QF Member will pay for the interconnection costs in accordance with 807 KAR 5:054 – Section 6 and the interconnection agreement.

h. System Emergencies:

During System Emergencies, Big Rivers may discontinue sales in accordance with 807 KAR 5:054 – Section 6.

i. Loss Compensation:

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chedule 45 – Small Power and Cogeneration (Over 100 KW)					

Power and energy delivered by Big Rivers pursuant to this rate schedule shall be metered at or compensated to Big Rivers' point of delivery to the Member Cooperative. Where metering of the QF Member's load is at a point of delivery on a Member Cooperative's distribution system, metered demand and energy shall be adjusted to compensate for distribution losses prior to billing hereunder.

(Customer Buys Power from Kenergy)

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CLASSIFICATION OF SERVICE

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

BILLING FORM

INVOICE BIG RIVERS ELECTRIC CORP., P.O. BOX 24, HENDERSON, KY 42419-0024

F	BIG RIVERS ELEC	CTRIC CORP., P.O. BOX	K 24, HENDERSON, K	Y 42419-0024	
TO: COGENERATOR ADDELIVERY POINTS	ND SMALL POWI		ACCOU DMTHRU		
USAGE: DEMAND / POWER FACTOR SUPPLEMENTAL DEMAND UNSCHEDULED BACK-UP I MAINTENANCE DEMAND EXCESS DEMAND CUMULATIVE EXCESS DEN ENERGY P SUPPLEMENTAL ENERGY MAINTENANCE ENERGY	DEMAND	DAY BASE PRESENT		AVERAGE MULT.	KW DEMAND BILLED KW DEMAND KW DEMAND KW DEMAND KW DEMAND KW DEMAND KW DEMAND KWH USED KWH USED KWH USED
SUPPLEMENTARY SERVICE	Е				
DEMAND			KW TIMES \$	EQUALS	\$
P/F PENALTY			KW TIMES \$	EQUALS	\$
ENERGY			KWH TIMES \$	EQUALS	\$
SUBTOTAL					\$
INSCHEDULED BACK-UP S	ERVICE				
DEMAND			KW TIMES \$	EQUALS	\$
MAINTENANCE SERVICE C	N-PEAK				
DEMAND PER-WE	EK (IF APPLICAB	LE)	KW TIMES \$	EQUALS	\$
ENERGY (IF APPLI	CABLE)		KWH TIMES \$	EQUALS	\$
SCHEDULED ENER	RGY BLOCK (IF A	PPLICABLE)			
TOTAL A	MOUNT DUE				\$
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Schedule 45 – Small Power and	Cogeneration (Over 1	00 KW)	
(Customer Buys Pow	er from Kenergy)		
OFF-PEAK			
DEMAND PER-WEEK	KW TIMES \$	EQUALS \$	
ENERGY	KWH TIMES \$	EQUALS \$	_
SUBTOTAL		\$	_
EXCESS SERVICE			
EXCESS DEMAND (IF APPLICABLE)	KW TIMES \$	EQUALS \$	
CUMMULATIVE EXCESS DEMAND (IF APPLICABLE)	KW TIMES \$	EQUALS \$	
IMPORTED EXCESS ENERGY (IF APPLICABLE)	KWH TIMES \$	EQUALS \$	
TOTAL AMOUNT DUE		\$	numerous and the second
ADDITIONAL CHARGES			
TOTAL AMOUNT DUE		\$	
RESTITUTION ADJUSTMENT			
HISTORIC	KWH TIMES \$	EQUALS \$	

LOAD FACTOR ACTUAL

TOTAL AMOUNT DUE

MILLS PER KWH

DUE IN IMMEDIATELY AVAILABLE FUNDS ON OR BEFORE THE FIRST WORKING DAY AFTER THE 24TH OF THE MONTH.

February 11, 2008	DATE EFFECTIVE	Per Order of Commission
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		February 11, 2008 DATE EFFECTIVE



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CLASSIFICATION OF SERVICE

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

AVAILABLE

This tariff is applicable to QF Members with a total capacity requirement of 100 KW or more with on-site generation of 100 KW or more operating in excess of 200 hours per year.

APPLICABLE

Applicable to any QF Members for which the Corporation is subject to the Big Rivers Cogeneration and Small Power Producer Sales Tariff for that energy sold to the QF Member.

DEFINITIONS

- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054 and are certified or self-certified pursuant to FERC regulations.
- (3) QF Member "QF Member" means a member of a Member Cooperative with a QF.

CONDITIONS OF SERVICE

To receive services hereunder, the QF Member must 1) execute a written contract for electric service on terms acceptable to Big Rivers and the Cooperative and that allows the Cooperative to satisfy all of the requirements to obtain services from Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW.

MONTHLY RATE

A. Wholesale Power Cost:

An amount equal to all the monthly charges levied by Big Rivers pursuant to the Big Rivers Commission and Small Power Producer Sales Tariff – Over 100 KW for wholesale electric service (including transmission service) hereunder.

DATE OF ISSUE July 16, 2001 DATE EFFI	ECTIVE June 14/229 2001
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ISSUED BY Signature of Officer TITLE	SECTION 9



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CLASSIFICATION OF SERVICE

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

B. Retail Adders:

Retail Adders shall be determined on a case-by-case basis for that portion of each consumer's load served under this tariff.

School Taxes added to bill if applicable.

Kentucky Sales Taxes added to bill if applicable.

BIG RIVERS COGENERATOR AND SMALL POWER PRODUCER SALES TARIFF - OVER 100 KW

(a) Availability

Available to any Member Cooperative for service to any member of the Member Cooperative with a cogeneration and/or small power production facility (i) that has a net output of less than 5,000 KW and (ii) which meets the criteria for Qualifying Facility of 807 KAR 5:054 – Section 4 and are certified or self-certified pursuant to FERC regulations. Charges for the services under this tariff to any Member Cooperative for service to any member of the Member Cooperative with a cogeneration and/or small power production facility which equals or exceeds 5,000 KW in net output shall be established by special contract. Big Rivers encourages, as an alternative to this tariff and the charges provided herein, that a Member Cooperative negotiate a special contract with Big Rivers to meet the requirements of any retail member for the services provided for in this tariff.

(b) Applicability:

Applicable to purchases made by a Member Cooperative for service to any QF Member of a Member Cooperative with a total capacity requirement of 100 KW or more with on-site generation of 100 KW or more operating in excess of 200 hours per year, electrically engineered so that it can meet part or all of its load with its own generation, for service not covered by one of Big Rivers' other rates. The QF Member shall have the option to provide all or part of its load with its own generation in which case that portion of the QF Member's load requirements not met by the QF, shall be provided to the Member Cooperative under this tariff and all requirements for back-up or maintenance service for the QF Member shall be provided under this tariff. Otherwise, KENTOCKY EFFECTIVE

DATE OF ISSUE	July 16, 2001	DATE EFFECTIVE	June 29, 2001
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CLASSIFICATION OF SERVICE

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

Member may sell all of the output of its QF in which case the QF Member's load requirements shall be provided to the Member Cooperative under the terms and conditions of one or more of Big Rivers' standard rates applicable to the load requirements and type of service of the QF Member.

c. <u>Definitions</u>:

- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) LEM "LEM" means LG&E Energy Marketing, Inc.
- (3) Member Cooperative As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.
- (4) Off-System Sales Transaction "Off-System Transaction" means sales of electric energy by Big Rivers other than to the Member Cooperatives, Oglethorpe Power, HMP&L, and Hoosier Energy pursuant to the Power Purchase Agreement.
- (5) Power Purchase Agreement "Power Purchase Agreement" means the Power Purchase Agreement between Big Rivers and LEM dated July 1998.
- (6) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054 and are certified or self-certified pursuant to FERC regulations.
- (7) QF Member "QF Member" means a member of a Member Cooperative with a QF.
- (8) Third Party Supplier "Third Party Supplier" means any supplier of wholesale electric service to Big Rivers other than SEPA or LEM pursuant to the Power Purchase Agreement.

d. Conditions of Service:

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

To receive service hereunder, the Member Cooperative must:

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			PURSUANT TO 807 KAR 5:011.
DATE OF ISSUE	July 16, 2001	DATE EFFECTIVE	June 29,5000N 9 (1)
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CLASSIFICATION OF SERVICE

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

- (1) Obtain from the QF Member an executed, written contract for electric service hereunder on terms acceptable to Big Rivers. Such contract shall set forth any specific arrangements between the parties based on individual circumstances and shall:
 - (i) Specify the maximum capacity to be made available to the QF Member on an unscheduled basis in any hour (Maximum Unscheduled Capacity), and
 - (ii) If desired by the QF Member, specify the terms and conditions for the delivery of Maintenance Service, and
 - (iii) If desired by the QF Member, specify the capacity of on-site generation for which interruptible unscheduled back-up and interruptible scheduled maintenance power may be provided, and
 - (iv) Specify any other term or condition which the Member Cooperative or Big Rivers may require for service used by a QF Member, taking into account the nature of use, the quality used, the quantity used, the time when used, the purpose for which used, and any other reasonable consideration, and
- (2) Enter into a contact with Big Rivers, or amend an existing contract with Big Rivers, to specify the terms and conditions of service between Big Rivers and the Member Cooperative regarding the power supply for the QF Member.

For each QF Member, the Member Cooperative will be billed monthly for:(1) Supplementary Service (capacity and energy).			PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE	
 (2) Unscheduled Back-Up Service, if any (capacity charge only). (3) Maintenance Service (capacity and energy), if any. (4) Excess Demand, if any. 		Maintenance Service (capacity and energy), if any.	JUN 29 2001 PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: Stephand Beet	
DATE	(5) OF ISS	Additional charges, if any. SUE	SECRETARY OF THE COMMISSION. June 29, 2001	
ISSUE	D BY .	SIGNATURE OF OFFICER TITLE	President and CEO	

ISSUED BY AUTHORITY OF PSC ORDER NO. 2000-395.



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CLASSIFICATION OF SERVICE

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

- f. Monthly Charges for Sales to a Member Cooperative for Service to a QF Member:
 - (1) Supplementary Service:

Supplementary demand shall be the QF Member's highest actual demand (adjusted for distribution losses if applicable) measured during the month, excluding Scheduled Maintenance Demand up to but not exceeding the actual measured demands in each demand interval during a Maintenance Schedule, and supplementary energy shall be the actual measured energy (adjusted for distribution losses if applicable), excluding Maintenance Energy sold to the QF by the Member Cooperative in each month. The monthly charges for supplementary demand and energy shall be:

\$7.37 per KW of Supplementary Demand

\$0.0204 per KWH of Supplementary Energy

(2) Unscheduled Back-Up Service:

Unscheduled Back-Up Demand is the QF Member's Maximum Unscheduled Capacity minus the Supplementary Billing Demand for the month. In months in which Maintenance Service has been Scheduled, appropriate credit for Scheduled Maintenance Demand shall be applied to the Unscheduled Back-Up Demand such that the Member Cooperative will not be charged for Unscheduled Back-Up Demand in addition to Scheduled Maintenance Demand when Scheduled Maintenance Service is being provided. The monthly charges to a Member Cooperative for Unscheduled Back-Up Demand shall be:

\$7.37 per KW of Unscheduled Back-Up Demand

Maximum Unscheduled Capacity shall initially be the amount as specified by the QF Member per contract with the Member Cooperative, but in no case less than the actual demand delivered in any month, including the current month. Big Rivers will accept a reduction in the Maximum Unscheduled Capacity upon twelve (Demosths advented to the basis from the Member Cooperative. Said notice must specify the reduction of KEWS land the basis EFFECTIVE

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ISSUED BY	Dean	Danley	TITLE	PURSUANT TO 807 KAR5011,
	SIGNAT	TURE OF OFFICER		BY: Stephan Beer
IGGIED DV ALIT	TIODITY C		000 205	SECRETARY OF THE COMMISSION



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CLASSIFICATION OF SERVICE

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

for the lower requirement. All energy shall be billed as either supplementary energy or maintenance energy.

Maintenance Service: (3)

> Maintenance Service shall be available to a Member Cooperative to back-up a QF Member's QF only if the Member Cooperative has scheduled delivery of the maintenance services in advance with Big Rivers. The Member Cooperative may schedule up to four weeks of seven consecutive days each per year of such service for a QF Member, subject to scheduling of such usage by Big Rivers. The Member Cooperative may reschedule at any time by giving forty-eight (48) hours notice to Big Rivers. Scheduled Maintenance Demand may not exceed the design capacity of the QF Member's QF. Maintenance Service will be available on an on-peak or off-peak basis. The selection of on-peak Maintenance Service entitles the Member Cooperative to schedule the service for the QF Member at any time. The selection of off-peak Maintenance Service entitles the Member Cooperative to schedule the service for the OF Member only during those hours not designated as on-peak. The designated on-peak hours are as follows:

- (i) Summer on-peak usage is defined as power requirements occurring between the hours beginning 6:00 AM and ending 10:00 PM on any weekday from May 1 through September 30.
- Winter on-peak usage is defined as power requirements occurring between (ii) the hours beginning 6:00 AM and ending 10:00 PM on any weekday from December 1 through March 31.
- Off-peak usage is defined as all power requirements not included in (iii) paragraph (i) or (ii).

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

(1)	\$1.835 per KW of Scheduled Maintenance Demand per	WEELELLINGERVICE COMMISSION
,	•	OF KENTUCKY
	\$0.0204 per KWH of Maintenance Energy; or	EFFECTIVE
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SIGN	ATURE OF OFFICER	ATTENDED TO THE PARTY OF THE PA	SY Stechan O Res
ISSUED BY AUTHORIT	Y OF PSC ORDER NO. 2000-3	95	SECHETARY OF THE COMMISSION



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

(2) 110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:

\$1.835 per KW of Scheduled Maintenance Demand per week, plus

\$0.0204 per KWH of Maintenance Energy.

Maintenance Energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.

(4) Excess Demand:

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

- (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or
- (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier, charges for Excess Demand shall be the greater of: a) \$7.37 per KW times the highest Excess Demand recorded during the month; or b) 110% of the highest price received by Big Rivers during an Off-System Sales Transactions during the month times the sum of the Excess Demands measured during the month.

Big Rivers shall be the sole determinant of when and under what gircumstances it is required to import energy from a Third Party Supplier to provide Excess Demands KENTUCKY

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ISSUED BY	Stanley	TITLE	President and CEO
SIGN	IATURE OF OFFICER		PURSUANT TO 807 KAR 5:011, SECTION 9 (1)
ISSUED BY AUTHORIT	Y OF PSC ORDER NO. <u>2000-39</u>	<u>5</u> .	BY Stephano Buy



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CLASSIFICATION OF SERVICE

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(5) Additional Charges:

Any and all costs incurred by Big Rivers as a result of the QF's failure to generate, including, without limitation, ancillary services necessary to maintain reliability on the Big Rivers' system, shall be charged to the Member Cooperative in addition to all other charges.

(6) Interruptible Service:

Interruptible Supplementary Service or Interruptible Back-up Service will be made available, upon request. Terms and conditions of interruptible service will be as negotiated under special contract according to the terms of 807 KAR 5:054.

g. Interconnections:

Big Rivers requires a three-party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers shall make interconnections with the Member Cooperative, or the QF Member, or both as required and the QF Member will pay for the interconnection costs in accordance with 807 KAR 5:054 – Section 6 and the interconnection agreement.

h. System Emergencies:

During System Emergencies, Big Rivers may discontinue sales in accordance with 807 KAR 5:054 – Section 6.

i. Loss Compensation:

Power and energy delivered by Big Rivers pursuant to this rate schedule shall be metered at or compensated by Big Rivers' point of delivery to the Member Cooperative. Where metering of the QF Member's load is at a point of delivery on a Member Cooperative's distribution system, metered demand and energy shall be adjusted to compensate for distribution losses prior to billing hereunder.

PUBLIC SERVICE COMMISSION

demand and energy shall be adjusted to compensate for distribution losses prior to billin hereunder. PUBLIC SERVICE COMMOF KENTUCKY EFFECTIVE			
DATE EFFECTIVE	JUN 29 2001 June 29, 2001		
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CLASSIFICATION OF SERVICE

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

BILLING FORM

		<u> </u>	JENITO I GIGIT			
	BIG RIVERS EL		INVOICE P.O. BOX 24, HEN	IDERSON, KY	42419-0024	
DELIVERY POINTS	TOR AND SMALL POV	VER PRODUCER SERV	SALES ICE FROM	ACCOUN THRU		
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DATE OF ISSUE	July 1	5, 2001	DATE E	FFECTIVE	JUN	1 899 97 8 A
ISSUED BY	Dean Stanl	4	TITL	.E	Preside	ent and CEO D 807 KAR 5:011,
	SIGNATURE OF	OFFICER			PUNSUANT TO) 807 KAR 5:011.

ISSUED BY AUTHORITY OF PSC ORDER NO. 2000-395.



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CLASSIFICATION OF SERVICE Schedule 45 - Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Kenergy) KW TIMES \$ **EQUALS \$** DEMAND PER-WEEK KWH TIMES \$ EQUALS \$ **EQUALS**\$ EXCESS DEMAND (IF APPLICABLE) KW TIMES \$ CUMMULATIVE EXCESS DEMAND (IF APPLICABLE) **EQUALS**\$ KW TIMES \$ IMPORTED EXCESS ENERGY (IF APPLICABLE) **KWH TIMES \$ EQUALS \$** TOTAL AMOUNT DUE ADDITIONAL CHARGES TOTAL AMOUNT DUE

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LOAD FACTOR **ACTUAL**

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EXCESS SERVICE .

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MILLS PER KWH

DUE IN IMMEDIATELY AVAILABLE FUNDS ON OR BEFORE THE FIRST WORKING DAY AFTER THE 24TH OF THE MONTH.

PUBLIC SERVICE COMMISSION OF KENTUCKY **EFFECTIVE**

JUN 29 2001

PURSUANT TO 807 KAR 5.011, SECTION 9 (1) BY SROPAND BULL SECHETARY OF THE COMMISSION

DATE OF ISSUE	January 4, 2001	DATE EFFECTIVE	July 1, 2001
\overline{X}	Banley	TITLE	President and CEO
SIGN	ATURE OF OFFICER		



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CLASSIFICATION OF SERVICE

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

AVAILABLE

This tariff is applicable to QF Members with a total capacity requirement of 100 KW or more with on-site generation of 100 KW or more operating in excess of 200 hours per year.

APPLICABLE

Applicable to any QF Members for which the Corporation is subject to the Big Rivers Cogeneration and Small Power Producer Sales Tariff for that energy sold to the QF Member.

DEFINITIONS

- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054 and are certified or self-certified pursuant to FERC regulations.
- (3) QF Member "QF Member" means a member of a Member Cooperative with a QF.

CONDITIONS OF SERVICE

To receive services hereunder, the QF Member must 1) execute a written contract for electric service on terms acceptable to Big Rivers and the Cooperative and that allows the Cooperative to satisfy all of the requirements to obtain services from Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW.

MONTHLY RATE

A. Wholesale Power Cost:

An amount equal to all the monthly charges levied by Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW for wholesale electric service (including transmission service) hereunder.

DATE OF ISSUE	July 16, 2001 February 11,	2008 DATE EFFECTIVE	June 29, 2001 Per Order of Commission
ISSUED BY		TITLE	President and CEO
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FOR _____ALL TERRITORY SERVED Community, Town or City PSC NO. _____1 ___First Revised Original SHEET NO. ____45A CANCELLING PSC NO. _____ Original SHEET NO. ___45A

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CLASSIFICATION OF SERVICE

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

B. Retail Adders:

Retail Adders shall be determined on a case-by-case basis for that portion of each consumer's load served under this tariff.

School Taxes added to bill if applicable.

Kentucky Sales Taxes added to bill if applicable.

BIG RIVERS COGENERATORION AND SMALL POWER PRODUCER SALES TARIFF – OVER 100 KW

(a) <u>Availability</u>

Available to any Member Cooperative for service to any member of the Member Cooperative with a cogeneration and/or small power production facility (i) that has a net output of less than 5,000 KW and (ii), which meets the criteria for Qualifying Facility of 807 KAR 5:054 – Section 4. and are certified or self-certified pursuant to FERC regulations. Charges for the services under this tariff to any Member Cooperative for service to any member of the Member Cooperative with a cogeneration and/or small power production facility which equals or exceeds 5,000 KW in net output shall be established by special contract. Big Rivers encourages, as an alternative to this tariff and the charges provided herein, that a Member Cooperative negotiate a special contract with Big Rivers to meet the requirements of any retail member for the services provided for in this tariff.

(b) Applicability:

Applicable to purchases made by a Member Cooperative for service to any QF Member of a Member Cooperative with a total capacity requirement of 100 KW or more with on-site generation of 100 KW or more operating in excess of 200 hours per year, electrically engineered so that it can meet part or all of its load with its own generation, for service not covered by one of Big Rivers' other rates. The QF Member shall have the option to provide all or part of its load with its own generation in which case that portion of the QF Member's load requirements not met by the QF, shall be provided to the Member Cooperative under this tariff and all requirements for back-up or maintenance service for the QF Member shall be provided under this tariff. Otherwise, the QF

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Member may sell all of the output of its QF in which case the QF Member's load requirements shall be provided to the Member Cooperative under the terms and conditions of one or more of Big Rivers' standard rates applicable to the load requirements and type of service of the QF Member.

c. Definitions:

- (1) Big Rivers "Big Rivers" shall mean Big Rivers Electric Corporation.
- (2) LEM "LEM" means LG&E Energy Marketing, Inc.
- (3)(2) Member Cooperative As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.
- (4)(3) Off-System Sales Transaction "Off-System Transaction" means sales of electric energy by Big Rivers other than to the Member Cooperatives and Henderson Municipal Power and Light. 7 Oglethorpe Power, HMP&L, and Hoosier Energy pursuant to the Power Purchase Agreement.
- (5) Power Purchase Agreement "Power Purchase Agreement" means the Power Purchase Agreement between Big Rivers and LEM dated July 1998.
- (6)(4) QF "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054 and are certified or self-certified pursuant to FERC regulations.
- (7)(5) QF Member "QF Member" means a member of a Member Cooperative with a QF.
- (8)(6) Third Party Supplier "Third Party Supplier" means any supplier of wholesale electric service to Big Rivers other than SEPA or LEM pursuant to the Power Purchase Agreement and Henderson Municipal Power and Light.
- d. Conditions of Service:

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Schedule 45 -- Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Kenergy)

To receive service hereunder, the Member Cooperative must:

- (1) Obtain from the QF Member an executed, written contract for electric service hereunder on terms acceptable to Big Rivers. Such contract shall set forth any specific arrangements between the parties based on individual circumstances and shall:
 - (i) Specify the maximum capacity to be made available to the QF Member on an unscheduled basis in any hour (Maximum Unscheduled Capacity), and
 - (ii) If desired by the QF Member, specify the terms and conditions for the delivery of Maintenance Service, and
 - (iii) If desired by the QF Member, specify the capacity of on-site generation for which interruptible unscheduled back-up and interruptible scheduled maintenance power may be provided, and
 - (iv) Specify any other term or condition which the Member Cooperative or Big Rivers may require for service used by a QF Member, taking into account the nature of use, the quality used, the quantity used, the time when used, the purpose for which used, and any other reasonable consideration, and
- (2) Enter into a contact with Big Rivers, or amend an existing contract with Big Rivers, to specify the terms and conditions of service between Big Rivers and the Member Cooperative regarding the power supply for the QF Member.
- 3e. For each QF Member, the Member Cooperative will be billed monthly for:
 - (1) Supplementary Service (capacity and energy).
 - (2) Unscheduled Back-Up Service, if any (capacity charge only).
 - (3) Maintenance Service (capacity and energy), if any.
 - (4) Excess Demand, if any.

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- (5) Additional charges, if any.
- f. Monthly Charges for Sales to a Member Cooperative for Service to a QF Member:
 - (1) Supplementary Service:

Supplementary demand shall be the QF Member's highest actual demand (adjusted for distribution losses if applicable) measured during the month, excluding Scheduled Maintenance Demand up to but not exceeding the actual measured demands in each demand interval during a Maintenance Schedule, and supplementary energy shall be the actual measured energy (adjusted for distribution losses if applicable), excluding Maintenance Energy sold to the QF by the Member Cooperative in each month. The monthly charges for supplementary demand and energy shall be:

\$7.37 per KW of Supplementary Demand

\$0.0204 per KWH of Supplementary Energy according to the rates set forth in Big Rivers' rate schedule C.4.d.

(2) Unscheduled Back-Up Service:

Unscheduled Back-Up Demand is the QF Member's Maximum Unscheduled Capacity minus the Supplementary Billing Demand for the month. In months in which Maintenance Service has been Scheduled, appropriate credit for Scheduled Maintenance Demand shall be applied to the Unscheduled Back-Up Demand such that the Member Cooperative will not be charged for Unscheduled Back-Up Demand in addition to Scheduled Maintenance Demand when Scheduled Maintenance Service is being provided. The monthly charges to a Member Cooperative for Unscheduled Back-Up Demand shall be:

\$7.37 per KW of Unscheduled Back-Up Demand One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Unscheduled Back-up Service for the QF Members:

Maximum Unscheduled Capacity shall initially be the amount as specified by the QF Member per contract with the Member Cooperative, but in no case less than the actual

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demand delivered in any month, including the current month. Big Rivers will accept a reduction in the Maximum Unscheduled Capacity upon twelve (12) months advance notice from the Member Cooperative. Said notice must specify the reduction in KWs and the basis for the lower requirement. All energy shall be billed as either supplementary energy or maintenance energy.

(3) Maintenance Service:

Maintenance Service shall be available to a Member Cooperative to back-up a QF Member's QF only if the Member Cooperative has scheduled delivery of the maintenance services in advance with Big Rivers. The Member Cooperative may schedule up to four weeks of seven consecutive days each per year of such service for a QF Member, subject to scheduling of such usage by Big Rivers. The Member Cooperative may reschedule at any time by giving forty-eight (48) hours notice to Big Rivers. Scheduled Maintenance Demand may not exceed the design capacity of the QF Member's QF. Maintenance Service will be available on an on-peak or off-peak basis. The selection of on-peak Maintenance Service entitles the Member Cooperative to schedule the service for the QF Member at any time. The selection of off-peak Maintenance Service entitles the Member Cooperative to schedule the service for the QF Member only during those hours not designated as on-peak. The designated on-peak hours are as follows:

- (i) Summer on-peak usage is defined as power requirements occurring between the hours beginning 6:00 AM and ending 10:00 PM on any weekday from May 1 through September 30.
- (ii) Winter on-peak usage is defined as power requirements occurring between the hours beginning 6:00 AM and ending 10:00 PM on any weekday from December 1 through March 31.
- (iii) Off-peak usage is defined as all power requirements not included in paragraph (i) or (ii).

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

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- \$1.835 per KW of Scheduled Maintenance Demand per week, plus\$0.0204 per KWH of Maintenance Energy; or
- (2) 110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:

\$1.835 per KW of Scheduled Maintenance Demand per week, plus

\$0.0204 per KWH of Maintenance Energy.

According to schedule C.4.d. (2) per KWH of mMaintenance Energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.

(4) Excess Demand:

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

- (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or
- (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier, charges for Excess Demand shall be the greater of: a) \$7.37 per KW times the highest Excess Demand recorded during the month; or b) 110% of the highest price received by Big Rivers during an Off-System Sales

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> Transactions during the month times the sum of the Excess Demands measured during the month. Big Rivers shall be the sole determinant of when and under what circumstances it is required to import energy from a Third Party Supplier to provide Excess Demand.

(5) Additional Charges:

Any and all costs incurred by Big Rivers as a result of the QF's failure to generate, including, without limitation, ancillary services necessary to maintain reliability on the Big Rivers' system, shall be charged to the Member Cooperative in addition to all other charges.

(6) Interruptible Service:

Interruptible Supplementary Service or Interruptible Back-up Service will be made available, upon request. Terms and conditions of interruptible service will be as negotiated under special contract according to the terms of 807 KAR 5:054.

Interconnections: g.

Big Rivers requires a three-party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers shall make interconnections with the Member Cooperative, or the QF Member, or both as required and the QF Member will pay for the interconnection costs in accordance with 807 KAR 5:054 - Section 6 and the interconnection agreement.

System Emergencies: h.

During System Emergencies, Big Rivers may discontinue sales in accordance with 807 KAR 5:054 - Section 6.

i. Loss Compensation:

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

Power and energy delivered by Big Rivers pursuant to this rate schedule shall be metered at or compensated by Big Rivers' point of delivery to the Member Cooperative. Where metering of the QF Member's load is at a point of delivery on a Member Cooperative's distribution system, metered demand and energy shall be adjusted to compensate for distribution losses prior to billing hereunder.

DATE OF ISSUE	July 16, 2001 February 11, 2008	DATE EFFECTIVE	June 29, 2001 Per Order of Commission
ISSUED BY		- TITLE	President and CEO
1000ED D1	SIGNATURE OF OFFICER		



FOR	<u>ALL TE</u>	<u>RRITORY SERVE</u>	D
	Comm	unity, Town or City	,
PSC NO.		1	
	riginal	SHEET NO	45I
CANCEL	LING PSC	NO	
		SHEET NO	

CLASSIFICATION OF SERVICE

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

BILLING FORM

INVOICE BIG RIVERS ELECTRIC CORP., P.O. BOX 24, HENDERSON, KY 42419-0024

TO: COGENERATOR AND SMALL POW DELIVERY POINTS USAGE:	VER PRODUCI SER	ER SALES VICE FROM	ACC	OUNT IRU		
	/ BASE PRE	DAY	PEAK		GE	KW DEMAND BILLED KW DEMAND KW DEMAND KW DEMAND KW DEMAND KW DEMAND KW DEMAND KWH USED KWH USED
SUPPLEMENTARY SERVICE						
DEMAND			KW TIMES \$_		EQUALS	\$ \$
P/F PENALTY			KW TIMES \$_	- Marie - Mari	EQUALS	\$ \$
ENERGY			KWH TIMES \$_		EQUALS	\$\$
SUBTOTAL						\$
INSCHEDULED BACK-UP SERVICE						
DEMAND			KW TIMES \$_		EQUALS	S \$
MAINTENANCE SERVICE ON-PEAK						
DEMAND PER-WEEK (IF APPLICA	BLE)		KW TIMES \$_		EQUALS	\$ \$
ENERGY (IF APPLICABLE)			KWH TIMES \$_		EQUALS	s \$
SCHEDULED ENERGY BLOCK (IF	APPLICABLE	.)				
TOTAL AMOUNT DUE						\$
DATE OF ISSUE July 16, 2001 Febru	ary 11, 2008	_ DATE EF	FECTIVE _	une 29, 200	H Per O	rder of Commission
ISSUED BY			TITLE		Presiden	t and CEO
SIGNATURE OF						



FOR	ALL TE	<u>RRITORY SERVE</u>	<u>D</u>
	Comm	unity, Town or City	
PSC NO.		1	
O	riginal	SHEET NO.	45J
CANCELI	LING PSC	NO.	
		CLIEET NO	

CLASSIFICATION OF SERVICE Schedule 45 – Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Kenergy) OFF-PEAK DEMAND PER-WEEK KW TIMES \$ **EQUALS \$ ENERGY KWH TIMES \$ EQUALS \$ SUBTOTAL EXCESS SERVICE** EXCESS DEMAND (IF APPLICABLE) KW TIMES \$ **EQUALS \$** CUMMULATIVE EXCESS DEMAND (IF APPLICABLE) KW TIMES \$_ **EQUALS \$** IMPORTED EXCESS ENERGY (IF APPLICABLE) KWH TIMES \$ **EQUALS \$** TOTAL AMOUNT DUE ADDITIONAL CHARGES TOTAL AMOUNT DUE RESTITUTION ADJUSTMENT KWH TIMES \$ HISTORIC TOTAL AMOUNT DUE LOAD FACTOR

ACTUAL MILLS PER KWH

DUE IN IMMEDIATELY AVAILABLE FUNDS ON OR BEFORE THE FIRST WORKING DAY AFTER THE 24^{TH} OF THE MONTH.

DATE OF ISSUE July 16, 2001 February 11, 2008	B DATE EFFECTIVE	June 29, 2001 Per Order of Commission
ISSUED BY	TITLE	President and CEO
SIGNATURE OF OFFICER		



agreements, including the applicable retail fee.

Henderson, Kentucky

FOR	ALL TER	<u>RITORY SERVE</u>	ED	
	Community, Town or City			
PSC NO.		1		
Fourth	Revised	SHEET NO	34	
CANCELLING PSC NO.				
Third	l Revised	SHEET NO	34	

CLASSIFICATION OF SERVICE

Schedule 34 – Smelter Customers Served Under Special Contracts – Class A

(T)	The Kenergy Corp. Smelter Tariffs for service to (i) Alcan Primary Products Corporation, assignee of
(I)	Alcan Aluminum Corporation, shall consist of the Retail Electric Service Agreement, dated as of
	, 2008, between Kenergy Corp. and Alcan Primary Products Corporation and (ii) Century
	Aluminum of Kentucky General Partnership shall consist of the Retail Electric Service Agreement, dated as
	of , 2008, between Kenergy Corp. and Century Aluminum of Kentucky General Partnership.
	Such agreements are hereby incorporated by reference as though fully set out herein. Alcan Primary
	Products Corporation and Century Aluminum of Kentucky General Partnership shall each respectively be
	obligated to pay in accordance with the rates, charges and other terms and conditions set forth in said

DATE OF ISSUE February 11, 2008 DATE EFFECTIVE Per Order of Commission

ISSUED BY TITLE President and CEO

SIGNATURE OF OFFICER

EXHIBIT

Proposed



(T)

FOR	ALL TER	<u>RITORY SERV</u>	ED
	Commu	nity, Town or Ci	ty
PSC NO.		11	
Third	Revised	_SHEET NO	34
CANCELLING PSC NO.			
Sagan	d Davigad	CHEET NO	2.4

10B Current

CLASSIFICATION OF SERVICE

Schedule 34 - Smelter Customers Served Under Special Contracts - Class A

The Kenergy Corp. Smelter Tariffs for service to Alcan Primary Products Corporation, assignee of Alcan Aluminum Corporation, and Century Aluminum shall consist of Schedule A to the Agreement for Electric Service between Kenergy Corp. and Alcan Aluminum Corporation and Century Aluminum dated July 15, 1998, which Schedule A is hereby incorporated by reference as though fully set out herein. Alcan Primary Products Corporation and Century Aluminum shall be obligated to pay in accordance with the rates, charges and other terms and conditions set forth in said Schedule A including the applicable retail fee.

Notwithstanding any provision to the contrary contained in the attached Schedule A to the Agreement for Electric Service, Alcan Primary Products Corporation and Century Aluminum may be obligated to pay to Kenergy Corp. a transmission surcharge if necessary to recover a portion of any unforeseen increases in Big Rivers' transmission costs due to the Smelters' load, as set forth in the Commission's Order dated July 14, 1998, in Case No. 98-267.

PUBLIC SERVICE COMMISSION OF KENTUCKY **EFFECTIVE** 6/14/2005 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) June 14, 2005 June 27, 2005 DATE EFFECTIVE DATE OF ISSUE ISSUED BY TIT and CEO SIGNATURE OF OFFICER **Executive Director** EXHIBI" ISSUED BY AUTHORITY OF PSC ORDER NO. 2004-00446.



FOR	ALL TERRITORY SERVE	<u> </u>
	Community, Town or City	/
PSC NO.	1	
Third Fo	urth Revised_SHEET NO	34
CANCELI	LING PSC NO.	
Second T	hird Revised SHFFT NO	34

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CLASSIFICATION OF SERVICE Schedule 34 – Smelter Customers Served Under Special Contracts – Class A

The Kenergy Corp. Smelter Tariffs for service to (i) Alcan Primary Products Corporation, assignee of Alcan
Aluminum Corporation, and Century Aluminum shall consist of the Retail Electric Service Agreement, dated as of
, 2008 Schedule A to the Agreement for Electric Service between Kenergy Corp. and Alcan
Aluminum Primary Products Corporation and (ii) Century Aluminum of Kentucky General Partnership shall consist of
the Retail Electric Service Agreement, dated as of , 2008 between Kenergy Corp. and Century Aluminum of Kentucky
General Partnership. Such agreements are hereby incorporated by reference as though fully set out herein. July 15, 1998,
which Schedule A is hereby incorporated by reference as though fully set out herein. Alcan Primary
Products Corporation and Century Aluminum of Kentucky General Partnership shall each respectively be obligated
to pay in accordance with the rates, charges and other terms and conditions set forth in said Schedule A
agreements, including the applicable retail fee.

Notwithstanding any provision to the contrary contained in the attached Schedule A to the Agreement for Electric Service, Alcan Primary Products Corporation and Century Aluminum may be obligated to pay to Kenergy Corp. a transmission surcharge if necessary to recover a portion of any unforeseen increases in Big Rivers' transmission costs due to the Smelters' load, as set forth in the Commission's Order dated July 14, 1998, in Case No. 98-267.

			714177
DATE OF ISSUE _	June 27, 2005 February 11, 2008	_ DATE EFFECTIVE	June 14, 2005 Per Order of Commission
ISSUED BY		TITLE	President and CEO
	CICNIATURE OF OFFICER		

1 2 3 4			Before the Kentucky Public Service Commission <u>Case No. 2008-00009</u> <u>Kenergy Corp.</u>
5 6	I.	Intro	duction
7	1.	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
8		A.	My name is Jack D. Gaines. My business address is P.O. Box 88039,
9			Dunwoody, Georgia 30356.
10	2.	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
11		A.	I am employed by and am President of JDG Consulting, LLC ("JDG").
12	3.	Q.	PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
13			BACKGROUND.
14		A.	I graduated from the Georgia Institute of Technology receiving a Bachelor
15			of Science Degree in Industrial Management. I was previously employed
16			by Southern Engineering for approximately 25 years as a utility rate and
17			cost of service specialist. From August 1, 2000 until February 1, 2004, I
18			was employed by Clough Harbour & Associates, LLP in the same
19			capacity. I have prepared or assisted in the preparation of electric rate and
20			cost of service studies for either cooperative or municipal utility systems in
21			seventeen different states, including Kentucky.
22	4.	Q.	HAVE YOU PREVIOUSLY TESTIFIED AS AN EXPERT WITNESS
23			BEFORE REGULATORY AUTHORITIES?
24		A.	I have submitted testimony and exhibits before the Indiana Utility
25			Regulatory Commission, the Kentucky Public Service Commission, the
26			Vermont Public Service Board, the Virginia State Corporation

- Commission, the Georgia Public Service Commission, the Illinois

 Commerce Commission, the New York Public Service Commission, the

 West Virginia Public Service Commission, the Public Service

 Commission of Maryland, the Delaware Public Service Commission and

 the Federal Energy Regulatory Commission.
- 6 5. Q. ARE YOU REPRESENTING THE OTHER BREC MEMBERS IN THEIR TARIFF FILINGS?
- A. Yes, in addition to representing Kenergy Corp. ("Kenergy") in this
 proceeding, I am representing Jackson Purchase Energy Corporation
 ("JPEC") and Meade County RECC ("Meade County") in their filings. All
 three are hereinafter collectively "the BREC Members".
- 12 6. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?
- A. The purpose of my testimony is to introduce and support six retail tariff
 riders, a revised Schedule 34-Smelter Customers Served Under Special
 Contract Class A, and rates for Small Power Production and Qualifying
 Facilities that will be needed by Kenergy to pass through the effects of the
 five tariff riders and changes to the wholesale tariffs for Small Power
 Production and Qualifying Facilities that Big Rivers EC ("BREC") is
 proposing in PSC Case No. 2007-00455 and PSC Case No. 2007-00460.
- 7. OTHER THAN THE REVISIONS TO SCHEDULE 34 AND TARIFFS Q. 20 **FOR SMALL POWER PRODUCTION AND OUALIFYING** 21 FACILITIES, IS KENERGY PROPOSING ANY CHANGES TO 22 MODIFY EXISTING BASE RATES OR THE WHOLESALE 23

1			DISCOUNT ADJUSTMENT?
2		A.	No. Kenergy's current base rates and the Wholesale Discount Adjustment
3			("WDAR") will continue in effect unchanged.
4	8.	Q.	PLEASE IDENTIFY THE SIX PROPOSED RETAIL TARIFF RIDERS
5			AND THEIR PURPOSE.
6		A.	The six proposed retail tariff riders are included with the Application and
7			are:
8			1. Fuel Adjustment Clause (FAC) which will be used to pass
9			through wholesale charges or credits incurred under the
10			BREC Fuel Adjustment Clause.
11			2. Environmental Surcharge (ES) which will be used to pass
12			through wholesale charges or credits incurred under the
13			BREC Environmental Surcharge.
14			3. Unwind Surcredit (US) which will be used to pass through
15			wholesale charges or credits incurred under the BREC
16			Unwind Surcredit.
17			4. Rebate Adjustment – a rebate mechanism which will be used
18			to pass through the rebates paid by BREC pursuant to the
19			BREC Rebate Adjustment.
20			5. Member Rate Stability Mechanism (MRSM) which will be
21			used to pass through wholesale credits from the BREC
22			Member Rate Stability Mechanism.
23			6. Unwind Rider - Composite Factor (URCF) which at

1			Kenergy's option may be used in lieu of the first five so long
2			as the net effect on wholesale power cost of the five
3			wholesale riders, for which the retail riders are a pass
4			through, is zero.
5	III.	Exhi	bits
6	9.	Q.	PLEASE IDENTIFY THE EXHIBITS YOU ARE SPONSORING.
7		A.	I am sponsoring the following Exhibits:
8			Exhibit JDG-1 – Rolling 12 Month Line Losses
9			Exhibit JDG-2 – FAC Computation Form
10			Exhibit JDG-3 – ES Computation Form
11			Exhibit JDG-4 – US Computation Form
12			Exhibit JDG-5 – MRSM Computation Form
13			Exhibit JDG-6 – Rebate Adjustment Computation Form
14			Exhibit JDG-7 – Unwind Rider – Composite Computation Form
15			Exhibit JDG-8 – 24 Month Example Calculation
16	10.	Q.	PLEASE DESCRIBE THE EXHIBITS YOU ARE SPONSORING.
17		A.	Exhibit JDG-1 shows how the rolling 12 month average line losses will be
18			calculated and actual calculations based on the 24 month period ending
19			November 2007. Exhibits JDG-2 through JDG-7 are computation forms
20			for the FAC, ES, US, Rebate Adjustment and MRSM, respectively. If
21			required by the Commission, the forms will be filed monthly with the
22			Commission in support of the monthly billing factors. Exhibit JDG-8
23			provides example calculations of Section 1 for each rider using actual

kWh data for a 24 month period ending November 2007 and hypothetical wholesale factors or amounts for the wholesale riders.

3 III. Tariff Riders

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- 4 11. Q. PLEASE DESCRIBE AND EXPLAIN THE FIVE TARIFF RIDERS
 5 THAT ARE SPECIFICALLY LINKED TO THE FIVE
 6 CORRESPONDING RIDERS PROPOSED BY BREC.
 - A. All are designed to flow through the corresponding amounts charged or credited by BREC. Each rider has two sections. Section 1 of each is applicable to kWh sales made under Kenergy's tariff for nondirect served customers, schedules residential, non-residential, threephase demand (0-1000 kW), three-phase demand (1,000 kW & Over), and lighting rates - individual, street, decorative, and commercial exterior. For each rider except the Rebate Adjustment the current month retail charge or credit is based on the amounts charged or credited by BREC on the power bill for the second month preceding the current month, plus or minus over and under correction amounts. The over and under correction for all five riders including the rebate is based on the preceding month's charges or refunds versus the amount calculated to be recoverable. Section 2 of the FAC, the ES, the US, the Rebate Adjustment, and the MRSM is applicable to customers when the wholesale rate paid by Kenergy for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

Section 2 of the FAC and the ES also is applicable to smelter sales pursuant to the Smelter Agreements. Under Section 2, actual BREC charges and credits by customer are known and can be directly assigned with no lag and no losses applicable. Retail over and under mechanisms are not needed for Section 2 customers.

6 12. Q. PLEASE EXPLAIN THE REBATE ADJUSTMENT AND WHAT MAKES IT DIFFERENT.

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A.

As explained in the direct testimony of BREC witnesses filed in PSC Case No. 2007-00460, BREC may pay rebates to the BREC Members in conjunction with rebates made pursuant to the Smelter Agreements. If there is a rebate from BREC, it will be paid to the BREC Members in the form of a lump sum credit to one month's power bills. The Kenergy Rebate Adjustment is different from the other Kenergy riders because the rebate paid by BREC is a lump sum and because of its accounting treatment. Rebates paid by BREC will be accrued by BREC to its revenue in the prior year. Kenergy will correspondingly credit power cost and debit revenue for the prior year by the amount of the wholesale Rebate Adjustment if it is known before closing the books for the prior year or by an estimated amount if not known. If an estimated amount is accrued for the prior year any correction amount will be accrued in the current year. In either case the accruals of revenue and power cost will cancel each other and not create a margin. Upon receipt of the Rebate Adjustment from BREC, Kenergy will also debit cash and credit accounts payable. Kenergy

will then credit the rebate to the Section 1 customers over twelve months
without interest based on monthly per kWh credit factors. Rebates will be
directly passed through to Section 2 customers. Kenergy will debit
accounts payable as the rebates are returned.

- 5 13. Q. PLEASE EXPLAIN THE REASONS FOR REFUNDING THE REBATE
 6 ADJUSTMENT WITHOUT INTEREST.
- BREC and the BREC Members have carefully structured the five 7 A. wholesale riders and corresponding retail riders to have zero effect on 8 customers' bills so long as sufficient funds are available from the BREC 9 Economic Reserve currently estimated to be five years. The zero effect 10 11 would not occur if an interest component was added to the Rebate 12 Adjustment although the net rate adjustment would be a credit. Nevertheless, to maintain simplicity and as will be explained in testimony 13 that follows, to allow for the use of the Unwind Rider – Composite Factor 14 the Rebate Adjustment will be refunded without an interest adder. Any 15 associated interest that is earned and accrued during period of Rebate 16 Adjustment will benefit the Kenergy customers when allocated in the form 17 of patronage capital. 18
- 14. Q. PLEASE EXPLAIN 19 HOW THE REBATE CREDIT **FACTOR SECTION** APPLICABLE TO 1 **CUSTOMERS** IS TO 20 BE CALCULATED. 21
- A. Section 1 customers will be credited rebates in a manner similar to that used for the Member Discount Adjustment presently in effect. One twelfth

of any rebate not directly applicable to Section 2 along with any over or under recovery amount from the prior month will be converted to a kWh credit factor and applied to the kWh of Section 1 customers. Following a rebate from BREC, the 12 months of the Rebate Adjustment will commence with the second month following the month in which BREC applies the corresponding one-twelfth of the wholesale rebate to the wholesale Member Rate Stability Mechanism. In this way, the retail credit will correspond with the effect of BREC's application through the wholesale MRSM and it will achieve the desired result of a zero net billing factor so long as the combined effect of the BREC riders produces a net zero charge on the wholesale bills.

15. Q. PLEASE EXPLAIN THE INTERRELATIONSHIP BETWEEN THE REBATE ADJUSTMENT, MRSM, AND THE OTHER THREE FLOW-THROUGH RIDERS, FAC, ES, and US.

A.

As explained by BREC witnesses in PSC Case No. 2007-00455 and PSC Case No. 2007-00460, BREC will draw funds from the Economic Reserve to offset net charges made under BREC's FAC, ES and Unwind Surcredit so long as the Economic Reserve funds are available. However, to preserve the Economic Reserve, BREC will not draw funds from the Economic Reserve to otherwise offset the FAC, ES and US to the extent of one-twelfth of the most recent rebate. Therefore, in the 12 months following a rebate, the BREC MRSM will not fully offset the FAC, ES, and US resulting in a net charge or charges from BREC. Correspondingly,

there would be a net charge on the retail bills of the customers of Kenergy.

That charge amount on the retail bills will be neutralized by the application of the retail Rebate Rider since the pass through of one-twelfth of the rebate will correspond to the way BREC applies one-twelfth of the wholesale rebate to the BREC MRSM.

6 16. Q. PLEASE EXPLAIN THE PURPOSE OF THE SIXTH PROPOSED
7 RIDER, THE UNWIND RIDER-COMPOSITE FACTOR.

As illustrated on Exhibit JDG-8, application of Section 1 of the FAC, the ES, the US, the Rebate Adjustment, and MRSM is expected to result in a zero net retail charge until the expiration of the MRSM so long as the net of the riders reflected on the wholesale bills is zero. For billing purposes while the net of the riders reflected on the wholesale bills is zero, an alternative to applying each of the five riders is proposed as a sixth rider, the Unwind Rider-Composite Factor (URCF). The URCF could be used to consolidate the FAC, the US, the ES, the MRSM, and the Rebate Adjustment to simplify the bill while ensuring that a zero net retail charge is applied when the corresponding wholesale net is zero. If used, it would apply in lieu of the five specified individual riders as a single factor of zero on the customers' bills. For Section 2 customers, the net effect of the wholesale riders will be automatic as a result of the direct pass through of all riders. Therefore Schedule URCF is only applicable for Section 1

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URCF = \$.00 per kWh if on the preceding month's wholesale power bill a) the sum of the FAC, US, ES, and MRSM; less b) one-twelfth of any Rebate used to adjust the wholesale MRSM is zero.

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7 17. Q. HOW WILL KENERGY APPLY THE REBATE ADJUSTMENT WHEN 8 THE URCF RIDER IS ACTIVATED?

- 9 A. As previously explained, BREC rebates, if any, will be credited in lump 10 sum by BREC. BREC will in turn displace the amounts drawn from the 11 Economic Reserve for calculating the MRSM credit by one-twelfth of the rebate that was paid. As a result of using the rebate to displace funds that 12 would otherwise be drawn from the Economic Reserve, there will be a net 13 positive charge to the BREC Members for the FAC, ES and US equal to 14 one-twelfth of the rebate. If Schedule URCF is used and in effect, Kenergy 15 16 will debit accounts payable and credit Other Electric Revenue by an amount equal to one-twelfth of the rebate as an exact offset to the net 17 charge applied by BREC. In this way, the net charges under the riders will 18 remain zero for as long as the net charges from BREC are zero. 19
 - VI. Schedule 34-Smelter Customers Served Under Special Contract Class A
- 21 18. Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO SCHEDULE 34.
- A. Schedule 34-Smelter Smelter Customers Served Under Special Contract –

 Class A has been revised as necessary to make the proper references to the

 new Retail Electric Service Agreements between Kenergy and the smelters

 that are pending approval of the Commission. As with the currently

effective Schedule 34, the proposed Schedule 34 provides that the smelters

pay Kenergy's actual costs incurred to purchase power on behalf of the

smelters including additional transmission costs, if any, plus a retail adder.

4 V. Small Power Production and Qualifying Facilities

- 5 19. Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE SMALL
 6 POWER PRODUCTION AND QUALIFYING FACILITIES TARIFFS.
- Schedule 43 Small Power Production or Cogeneration (100 kW or less) 7 A. is modified to reflect a revised Kenergy purchase rate equal to the BREC 8 base energy rate of \$.0204 per kWh plus the FAC, the ES, the US, and the 9 MRSM. Schedule 44 - Small Power Production or Cogeneration (Over 10 100 kW) provides that BREC will purchase the output of the customer's 11 generation at the rates set forth in the corresponding BREC tariffs. In 12 13 addition, Schedule 45 - Small Power Production or Cogeneration (Over 100 kW) for sales to customers provides that the wholesale charges will be 14 passed through and a retail adder will be determined on a case by case 15 basis. Schedules 44 and 45 are modified to incorporate the changes made 16 by BREC to its corresponding wholesale tariffs. 17
- Q. ARE THERE ANY EXISTING CUSTOMERS TO WHICH SCHEDULE
 43, SCHEDULE 44 OR SCHEDULE 45 APPLY?
- 20 A. No.
- 21. Q. IN YOUR OPINION, ARE THE TARIFFS PROPOSED BY KENERGY 22 FAIR, JUST, AND REASONABLE AND IN THE PUBLIC INTEREST?
- A. Yes, they are.

- 1 22. Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?
- 2 A. Yes, it does.

KENERGY CORP. 12 Month Average System Line Losses-Excluding Section 2 Customers

12 Month Average <u>%Losses</u>	£													4.51%	4.57%	4.14%	5.02%	4.89%	4.32%	4.77%	4.68%	4.40%	4.21%	4.94%	5.16%	4.63%	4.75%
Cummulative kWh <u>Losses</u>	рū													52,518,163	53,443,355	47,886,932	58,653,074	57,855,853	51,023,431	56,673,927	56,005,970	52,832,324	50,351,189	59,827,526	63,536,380	56,984,183	58,549,269
Cummulative kWh <u>Purchased</u>	4													1,163,552,036	1,168,517,368	1,155,985,764	1,168,271,052	1,184,272,568	1,179,812,683	1,188,886,024	1,197,904,079	1,201,922,673	1,197,017,206	1,211,143,787	1,230,341,264	1,231,720,814	1,231,938,384
<u>Losses</u>	e p-c-q		2,344,530	17,237,248	1,528,756	440,899	6,867,627	(4,753,220)	8,914,702	9,431,549	12,214,743	5,239,341	(11,891,601)	4,943,589	3,269,722	11,680,825	12,294,898	(356,322)	35,205	897,276	8,246,745	6,257,903	9,733,608	14,715,678	(8,182,747)	(1,608,608)	4,834,808
kWh <u>Own-Use</u>	7		164,606	281,834	315,874	223,983	207,090	170,807	164,512	181,961	234,138	168,033	168,891	223,668	254,303	273,279	388,570	234,813	234,216	144,541	188,917	184,145	192,982	176,819	175,426	200,074	264,838
Non-Direct Served kWh <u>Sold</u>	υ		83,846,132	101,966,362	99,161,692	98,561,021	84,344,193	78,886,866	73,112,056	91,154,416	106,771,497	116,519,055	93,411,713	80,793,473	87,796,575	94,999,736	100,608,142	115,348,928	86,689,604	82,335,977	82,773,663	98,344,472	104,388,321	121,160,513	108,893,801	88,748,814	86,438,524
Non-Direct Served kWh <u>Purchased</u>	۵		86,355,268	119,485,444	101,006,322	99,225,903	91,418,910	74,304,453	82,191,270	100,767,926	119,220,378	121,926,429	81,689,003	85,960,730	91,320,600	106,953,840	113,291,610	115,227,419	86,959,025	83,377,794	91,209,325	104,786,520	114,314,911	136,053,010	100,886,480	87,340,280	91,538,170
Month	т		Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	90-Inf	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07
		~	7	m	4	S	9	7	œ	0	10	11	12	13	14	15	16	17	138	19	20	21	22	23	24	25	56

FUEL ADJUSTMENT CLAUSE SCHEDULE

Dispo	sition of Energy (kWh) - Month of:		
1	Total Purchased kWh		
2	kWh Sales (Ultimate Consumer)		
3	Company Use - kWh		
4	kWh Sales (L2 + L3)		
_			
5	Line Loss & Unaccounted for - kWh		
(Over	or Under Recovery - Month of:		
6	Last FAC Rate Billed	\$/kWh	
7	Gross kWh Billed at Rate on L6		
8	Adjustments to Billed kWh		
9	Net kWh Billed at Rate on L6 (L7 + L8)		
10	Fuel Charge (Credit) used to Compute L6		
10	(L13D from prior month)	\$	
11	FAC Revenue (Refund) Resulting from	Ψ	
• • •	line L6 (net of billing adjustment)	\$	
12	Total (Over) or Under Recovery (L10 less L 11)	\$	
	(200, 0. 200, 0	*	
Purch	ased Power - Month of:	· -	
13	Fuel Adjustment Charge (Credit):		
	A. Billed by supplier	\$	
	B. (over) or Under Recovery (L12)	\$	
	C. Unrecoverable - Schedule 2	\$	
	D. Recoverable Fuel Cost (L13 A+B-C)	\$	**************************************
14	Number of kWh Purchased	•	
15		\$/kWh	
		Ψ	
Line L	<u>.oss</u>		
	1		
16	Last 12 Months Actual	%	······································
	Last Month Used to Compute L16	07	****
18	Line Loss for Month on L17 (L5 ÷ L 1)	%	
<u>Calcu</u>	lation of FAC to Bill Consumers		
19	Sales as a Percent of Purchases (100% minus L 16)	%	
	Recovery Rate (L13D ÷ L14)	\$/kWH	
	L20 ÷ L 19: FAC Applicable to	Ţ	
	to Billing Month:	\$/kWh	

ENVIRONMENTAL SURCHARGE

Dispos	sition of Energy (kWh) - Month of:		
1	Total Purchased kWh		
2	kWh Sales (Ultimate Consumer)		
3	Company Use - kWh		
4	kWh Sales (L2 + L3)		
5	Line Loss & Unaccounted for - kWh		
(Over)	or Under Recovery - Month of:		
		•	
6	Last MESF Rate Billed	\$/kWh	
7	Gross kWh Billed at Rate on L6		
8	Adjustments to Billed kWh		
9	Net kWh Billed at Rate on L6 (L7 + L8)		
10	ES Charge (Credit) used to Compute L6		
	(L13D from prior month)	\$	
11	ES Revenue (Refund) Resulting from	,	
	line L6 (net of billing adjustment)	\$	
12	Total (Over) or Under Recovery (L10 less L 11)	\$	
Purch	ased Power - Month of: Environmental Surcharge Charge (Credit):	-	
	A. Billed by supplier	\$	
	B. (over) or Under Recovery (L12)	\$	
	C. Unrecoverable - Schedule 2	\$	
	D. Recoverable ES Cost (L13 A+B-C)	\$	
14	Number of kWh Purchased		
15	Supplier's MESF: (L13A ÷ L14)	\$/kWh	
<u>Line L</u>	.os <u>s</u>		
16	Last 12 Months Actual	%	
17	Last Month Used to Compute L16		
18	Line Loss for Month on L17 (L5 ÷ L 1)	%	
Calcu	lation of MESF to Bill Consumers		
19	Sales as a Percent of Purchases (100% minus L 16)	%	
20	Recovery Rate (L13D ÷ L14)	\$/kWH	
21	L20 ÷ L 19: MESF Applicable to		
	to Billing Month:	\$/kWh	

UNWIND SURCREDIT

Dispo	sition of Energy (kWh) - Month of:		
1	Total Purchased kWh		
2	kWh Sales (Ultimate Consumer)		
3	Company Use - kWh		
4	kWh Sales (L2 + L3)		
	,		
5	Line Loss & Unaccounted for - kWh		
(Over)	or Under Recovery - Month of:		
6	Last US Rate Billed	\$/kWh	
7	Gross kWh Billed at Rate on L6		
8	Adjustments to Billed kWh		
9	Net kWh Billed at Rate on L6 (L7 + L8)		
10	Unwind Surcredit Charge (Credit) used to Compute L	6	
10	(L13D from prior month)	\$	
11	US Revenue (Refund) Resulting from	•	
• • •	line L6 (net of billing adjustment)	\$	
12	Total (Over) or Under Recovery (L10 less L 11)	\$	
	Total (0 tol) of olidor hoods of (2 to 1000 2 11)	*	
Purch	ased Power - Month of:		
13	Unwind Surcredit Charge (Credit):		
	A. Billed by supplier	\$	
	B. (over) or Under Recovery (L12)	\$	
	C. Unrecoverable - Schedule 2	\$	
	D. Recoverable Unwind Surcredit (L13 A+B-C)	\$	
14	Number of kWh Purchased	•	
15	Supplier's US: (L13A ÷ L14)	\$/kWh	
.0	Cappilot C CC (21071 × 214)	Ψ	
Line L	<u>oss</u>		
46	Last 12 Months Actual	%	
	Last Month Used to Compute L16	/0	
	Line Loss for Month on L17 (L5 ÷ L 1)	%	
10	Ellio 2003 for World on Err (20 · E 1)	70	
Calcul	lation of US to Bill Consumers		
19	Sales as a Percent of Purchases (100% minus L 16)	%	
	Recovery Rate (L13D ÷ L14)	\$/kWH	
	L20 ÷ L 19: US Applicable to		
	to Billing Month:	\$/kWh	

MEMBER RATE STABILITY MECHANISM - SECTION 1

Dispos	sition of Energy (kWh) - Month of:		
1	Total Purchased kWh		
2	kWh Sales (Ultimate Consumer)		
3	•		
4	kWh Sales (L2 + L3)		
	,		
5	Line Loss & Unaccounted for - kWh		
(Over)	or Under Recovery - Month of:		
6	Last MRSM(m) Rate Billed	\$/kWh	
7	Gross kWh Billed at Rate on L6		
8	Adjustments to Billed kWh		
9	Net kWh Billed at Rate on L6 (L7 + L8)		
10	MRSM Charge (Credit) used to Compute L6		
10	(L13D from prior month)	\$	
11	MRSM Revenue (Refund) Resulting from	•	
	line L6 (net of billing adjustment)	\$	
12	Total (Over) or Under Recovery (L10 less L 11)	\$	
Purch	ased Power - Month of:		
13	Member Rate Stability Mechanism Charge (Credit):		
	A. Billed by supplier	\$	
	B. (over) or Under Recovery (L12)		
	C. Unrecoverable - Schedule 2	\$ \$	
	D. Recoverable MRSM Amount (L13 A+B-C)	\$	
14	Number of kWh Purchased		
15	Supplier's MRSM rate per kWh: (L13A ÷ L14)	\$/kWh	
Line L	<u>.oss</u>		
	Last 12 Months Actual	%	
	Last Month Used to Compute L16	0/	
18	Line Loss for Month on L17 (L5 ÷ L 1)	%	
Calcu	lation of MRSM to Bill Consumers		
19	Sales as a Percent of Purchases (100% minus L 16)	%	
	Recovery Rate (L13D ÷ L14)	\$/kWH	
	L20 ÷ L 19: MRSM(m) Applicable to	• •	
	to Billing Month:	\$/kWh	

REBATE ADJUSTMENT - SECTION 1

1 Total Purchased kWh 2 kWh Sales (Ultimate Consumer) 3 Company Use - kWh 4 kWh Sales (L2 + L3) 5 Line Loss & Unaccounted for - kWh (Over) or Under Recovery - Month of: 6 Last RF Rate Billed \$/kWh 7 Gross kWh Billed at Rate on L6 8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) \$ 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) \$ 12 Total (Over) or Under Recovery (L10 less L 11) \$ Line Loss 13 Last 12 Months Actual % 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 + L 1) % Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier \$ 17 Less: Rebate Applicable to Section 2 Sales \$ 18 Net Rebate to be refunded to Section 1 Sales 99 Monthly Section 1 Rebate L18 + 12 19 Plus: (Over) or Under Recovery from L12 Courrent Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 + L1) \$/kWh 21 Sales as a Percent of Purchases (100% minus L 16) \$/kWh 22 Recovery Rate (L20 + L1) \$/kWh 31 Sales as a Percent of Purchases (100% minus L 16) \$/kWh 32 Sales as Billing Month: \$/kWh	Dispos	sition of Energy (kWh) - Month of:		
3 Company Use - kWh 4 kWh Sales (L2 + L3) 5 Line Loss & Unaccounted for - kWh (Over) or Under Recovery - Month of: 6 Last RF Rate Billed \$/kWh 7 Gross kWh Billed at Rate on L6 8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 + L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate Applicable to Section 1 Sales 19 Monthly Section 1 Rebate L18 + 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 + L1) 3 kWH	1	Total Purchased kWh		
3 Company Use - kWh 4 kWh Sales (L2 + L3) 5 Line Loss & Unaccounted for - kWh (Over) or Under Recovery - Month of: 6 Last RF Rate Billed \$/kWh 7 Gross kWh Billed at Rate on L6 8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 + L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate Applicable to Section 1 Sales 19 Monthly Section 1 Rebate L18 + 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 + L1) 3 kWH	2	kWh Sales (Ultimate Consumer)		
4 kWh Sales (L2 + L3) 5 Line Loss & Unaccounted for - kWh (Over) or Under Recovery - Month of: 6 Last RF Rate Billed	3			
(Over) or Under Recovery - Month of: 6 Last RF Rate Billed \$/kWh 7 Gross kWh Billed at Rate on L6 8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) \$ 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) \$ 12 Total (Over) or Under Recovery (L10 less L 11) \$ Line Loss 13 Last 12 Months Actual % 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) % Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier \$ 17 Less: Rebate Applicable to Section 2 Sales \$ 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 + L1) \$/kWH				
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6 Last RF Rate Billed \$/kWh 7 Gross kWh Billed at Rate on L6 8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) \$ 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) \$ 12 Total (Over) or Under Recovery (L10 less L 11) \$ Line Loss 13 Last 12 Months Actual % 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) % Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier \$ 17 Less: Rebate Applicable to Section 2 Sales \$ 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to	(Over)	or Under Recovery - Month of:		
7 Gross kWh Billed at Rate on L6 8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) \$ 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) \$ 12 Total (Over) or Under Recovery (L10 less L 11) \$ Line Loss 13 Last 12 Months Actual % 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) % Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier \$ 17 Less: Rebate Applicable to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to	1010.7	of onder recovery monare or	•	
8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	6	Last RF Rate Billed	\$/kWh	
8 Adjustments to Billed kWh 9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	7	Gross kWh Rilled at Rate on I 6		
9 Net kWh Billed at Rate on L6 (L7 + L8) 10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	•			
10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month) \$ 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) \$ 12 Total (Over) or Under Recovery (L10 less L 11) \$ Line Loss 13 Last 12 Months Actual % 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) % Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier \$ 17 Less: Rebate Applicable to Section 2 Sales \$ 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to		•		
(L13D from prior month) 11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	-	• • •		
11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment) \$ 12 Total (Over) or Under Recovery (L10 less L 11) \$ Line Loss 13 Last 12 Months Actual % 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) % Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier \$ 17 Less: Rebate Applicable to Section 2 Sales \$ 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to	10	— · · · · · · · · · · · · · · · · · · ·	\$	
line L6 (net of billing adjustment) 12 Total (Over) or Under Recovery (L10 less L 11) Line Loss 13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	44		Ψ	
Line Loss 13 Last 12 Months Actual 4 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	• • •		\$	
Line Loss 13 Last 12 Months Actual 44 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to	12	, , , , , , , , , , , , , , , , , , , ,		
13 Last 12 Months Actual 14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to	1 2-	Total (Gver) of Glider Recovery (E. 18 1888 E. 11)	*	
14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to	Line L	<u>oss</u>		
14 Last Month Used to Compute L16 15 Line Loss for Month on L14 (L5 ÷ L 1) Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to	43	Lact 12 Months Actual	%	
Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to			70	
Calculation of Rebate Adjustment to Bill Consumers 16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 23 L20 ÷ L 19: RF Applicable to		<u>"</u>	%	
16 Last Rebate From Supplier 17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to	10		,,	
17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to	Calcul	ation of Rebate Adjustment to Bill Consumers		
17 Less: Rebate Applicable to Section 2 Sales 18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to	16	Last Pahata From Sunnlier	\$	
18 Net Rebate to be refunded to Section 1 Sales 19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to			•	
19 Monthly Section 1 Rebate L18 ÷ 12 19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) 22 Recovery Rate (L20 ÷ L1) 3 L20 ÷ L 19: RF Applicable to		T T	*	
19 Plus: (Over) or Under Recovery from L12 20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to				
20 Current Month Rebate Amount 21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to				
21 Sales as a Percent of Purchases (100% minus L 16) % 22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to				
22 Recovery Rate (L20 ÷ L1) \$/kWH 23 L20 ÷ L 19: RF Applicable to			ديو	
23 L20 ÷ L 19: RF Applicable to		· · · · · · · · · · · · · · · · · · ·		
		•	\$/kWH	
to Billing Month:\$/kwn	23		641.180	
		to Billing Month:	∌\K VV n	

UNWIND SURCAHRGE - COMPOSITE FACTOR SCHEDULE

Sectio	n 1 Rider Amounts billed by Big Rivers - Month of:	the control of the co	
2 3 4 5 6	FAC ES US MRSM On-twelfth of Rebate Adjustment Applied FAC Total	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	
(Over)	or Under Recovery - Month of:	. Which had more than some top spromethy space.	
6	Last FAC Rate Billed	\$/kWh	
	Gross kWh Billed at Rate on L6 Adjustments to Billed kWh Net kWh Billed at Rate on L6 (L7 + L8) Fuel Charge (Credit) used to Compute L6 (L13D from prior month) FAC Revenue (Refund) Resulting from line L6 (net of billing adjustment) Total (Over) or Under Recovery (L10 less L 11)	\$ \$ \$	
Purch	ased Power - Month of:		
14	Fuel Adjustment Charge (Credit): A. Billed by supplier B. (over) or Under Recovery (L12) C. Unrecoverable - Schedule 2 D. Recoverable Fuel Cost (L13 A+B-C) Number of kWh Purchased Supplier's FAC: (L13A ÷ L14)	\$ \$ \$ \$ \$/kWh	
Line L	oss		
17	Last 12 Months Actual Last Month Used to Compute L16 Line Loss for Month on L17 (L5 ÷ L 1)	%	
Calcu	lation of FAC to Bill Consumers		
20	Sales as a Percent of Purchases (100% minus L 16) Recovery Rate (L13D ÷ L14) L20 ÷ L 19: FAC Applicable to	% \$/kWH	
41	to Billing Month:	\$/kWh	

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

Wholesale Sum k	100,000 100,000 100,000	100,000 100,000 100,000 100,000 100,000	100,000
>	~~~~~~~~~~		**********
Wholesale Amount MRSM J	(278,401) (341,401) (439,571) (600,976) (386,208) (623,010) (668,091)	(476,712) (208,784) (143,269) (71,683) (213,375) (350,901) (479,694)	(428,711) (594,484) (563,674) (568,033) (489,268) (453,057) (441,883) (474,268)
Rebate	\$ \$ \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$	(100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$ (100,000) \$	(100,000) (100,000)
찗			_
Wholesale Amount <u>US</u> h	(358,456) (303,019) (297,678) (274,257) (222,913) \$ (246,574) \$ (302,304) \$	(365,779) \$ (245,067) \$ (257,882) \$ (273,962) \$ (320,862) \$ (339,875) \$	(260,877) \$ (260,877) \$ (250,133) \$ (273,628) \$ (314,360) \$ (342,945) \$ (408,159) \$ (262,021) \$ (274,615) \$
>	•••••••	~ ~ ~ ~ ~ ~ ~	***
Vholesale Amount <u>ES</u> 9	39,430 38,382 42,667 43,881 39,381 47,671 63,484 81,070	89,006 63,717 71,347 80,362 99,467 111,026	93,916 94,217 107,627 128,887 146,323 180,961 139,223 124,897
>	~~~~~~~~~	~ ~ ~ ~ ~ ~ ~	*******
Wholesale Amount <u>FAC</u> f	597,427 606,038 694,581 731,351 668,740 821,913 906,911	853,485 490,134 429,804 365,282 534,769 679,750 806,592	695,672 750,400 729,675 733,506 685,889 680,265 605,319 611,382
-	***	<i>•••••••</i>	• • • • • • • • • • • •
Non-Direct Served kWh Purchased e	119,485,444 101,006,322 99,225,903 91,418,910 74,304,453 82,191,270 100,767,926	121,926,429 81,689,003 85,960,730 91,320,600 106,953,840 113,291,610	86,959,025 83,377,794 91,209,325 104,786,520 114,314,911 136,083,010 100,886,480 87,340,280 91,538,170
Rate d	(0.0030) (0.0030) (0.0030) (0.0030) (0.0030) (0.0030) (0.0030)	(0.0030) (0.0030) (0.0030) (0.0030) (0.0030)	(0.0030) (0.0030) (0.0030) (0.0030) (0.0030) (0.0030) (0.0030)
	~~~~~~~~~	~~~~~~~	• • • • • • • • • • • •
Rate MESF c	0.00033 0.00043 0.00043 0.00048 0.00063 0.00063	0.00078 0.00083 0.00083 0.00083 0.00093 0.00098	0.00108 0.00113 0.00123 0.00128 0.00138 0.00143
	69 69 69 69 69 69	~~~~~~	• • • • • • • • • • •
Rate FAC b	0.0050 0.0060 0.0070 0.0080 0.0090 0.0090 0.0080	0.0070 0.0050 0.0050 0.0040 0.0050 0.0060	0.0090 0.0090 0.0080 0.0070 0.0060 0.0060 0.0060
	***	***	•••••••
Month a	Dec-05 Jan-06 Feb-06 Mar-06 Apr-06 Jun-06 Jul-06	Aug-06 Sep-06 Oct-06 Nov-06 Dec-06 Jan-07	Mar-07 May-07 Jun-07 Jul-07 Aug-07 Sep-07 Oct-07 Nov-07

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

EAC PAC	
TAIL	
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(Over) or Under I	75,912	(18,282)	75,114	72,182	(27,280)	(128,331)	(89,580)	(23,122)	163,743	(23,098)	(31,537)	(43,148)	4,863	(48,703)	161,455	1,170	(34,668)	(89,709)	(30,902)	(74,334)	97,842	55,980		
	€9	₩	49	49	(A)	49	69	₩	w	69	43	s	↔	₩	€₽	49	49	49	60	₩	43	G		
FAC Revenue k	521,515	700,232	601,185	734,284	768,202	922,964	868,161	887,304	666,620	676,975	438,243	376,894	486,758	733,316	596,434	855,957	786,238	784,716	674,699	729,322	508,088	647,181		
LL.)	4	ø.	44	47	69	w	4	49	49	6 3	69	49	€9	(4)	₩	43	49	43	43	49	43	49		
kWh Sales j	99,477,566	98,785,004	84,551,283	79,057,673	73,276,568	91,336,377	107,005,635	116,687,088	93,580,604	81,017,141	88,050,878	97,801,417	100,996,712	115,583,741	86,923,820	82,480,518	82,962,580	98,528,617	104,581,303	121,337,332	109,069,227	88,948,888		
Retail FAC i	0.005243	0.007088	0.007110	0.009288	0.010484	0.010105	0.008113	0.007604	0.007123	0.008356	0.004977	0.003854	0.004820	0.006344	0.006862	0.010378	0.009477	0.007964	0.006451	0.006011	0.004658	0.007276		
	49	49	44	49	49	₩	**	49	49	47	43	₩.	**	49	₩	69	₩.	₩	€	49	69	4		
Retail Factor <u>Month</u> h	Feb-06	Mar-06	Apr-06	May-06	90-unc	30-inf	Aug-06	Sep-06	Oct-08	Nov-06	Dec-08	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	70-InC	Aug-07	Sep-07	Oct-07	Nov-07		
Loss Factor 9	95.37%	95.25%	95.86%	94.98%	95.11%	%89.96	95.23%	95.32%	%09'56	95.79%	92.08%	94.84%	95.37%	95.25%	82.86%	94.98%	95.11%	92.68%	95.23%	95.32%	%09'96	95.79%	•	
Rate/kWh f	0.0050	0.0068	0.0068	0.0088	0.0100	0.0097	0.0077	0.0072	0.0068	0.0080	0.0047	0.0037	0.0046	0.0060	0.0066	0.0099	0.0000	0.0076	0.0061	0.0057	0.0045	0.0070		
	49	49	₩	₩	49	43	₩	₩	₩	₩	47	₩	₩	₩	Ø	W	69	49	4	4	₩	47		
Recoverable FAC Amount 9	597,427	681,950	676,299	806,466	740,922	794,633	778,580	864,183	830,363	653,877	406,705	333,745	491,621	684,613	767,889	857,127	751,570	695,007	643,797	654,988	605,931	703,161		
	49	69	\$	₩	₩.	*	#	*	\$	G	8	*	*	₩	*	s	₩	*	₩ ~	\$	*	43		
(Over) or Under d	•	75,912	(18,282	75,114	72,182	(27,280)	(128,331	(89,580)	(23,122	163,743	(23,098)		(43,148)	4,863	(48,703)	161,455	1,170	(34,668	(89,709)	(30,902)	(74,334)	97,842		
	•	₩	49	₩.	4	€	€9-	67	₩	⇔	⇔	*	₩	₩	₩.	₩	₩	•	₩	↔	₩.	↔		
Supplier FAC Amt c	597,427	606,038	694,581	731,351	668,740	821,913	906,911	953,763	853,485	490,134	429,804	365,282	534,769	679,750	806,592	695,672	750,400	729,675	733,506	685,889	680,265	605,319	611,382	732,305
	₩.	₽,	۳.	*	~ *	8	*	₩	*	<i>۳</i>	*	%	~	~	*	6 >	⇔	**	4	↔	~	\$	*	⇔
kWh Purchased b	119,485,444	101,006,322	99,226,903	91,418,910	74,304,453	82,191,270	100,767,926	119,220,378	121,926,429	81,689,003	85,960,730	91,320,600	106,953,840	113,291,610	115,227,419	86,959,025	83,377,794	91,209,325	104,786,520	114,314,911	136,053,010	100,886,480	87,340,280	91,538,170
Power Bill Month a	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

RETAIL ES

Over) or Under	5,010	(1,163)	4,610	4,340	(1,610)	(7,439)	(6,448)	(1,997)	17,158	(2,857)	(5,311)	(9,703)	888	(7,961)	23,588	160	(4,353)	(13,330)	(5,547)	(15,977)	26,639	13,205		
	49	Ø	G	₩	sp.	43	Ø	(A)	69	49	₩	w	↔	())	G	W	G	₩	₩	H	₩	49		
ES Revenue k	34,420	44,556	36,894	44,151	45,331	53,500	62,493	76,618	69,852	83,732	73,801	84,754	88,876	119,875	87,135	117,343	98,731	116,604	121,104	156,753	138,335	152,658		
	G	49	69	₩	69	49	₩	()	₩	49	₩	₩	₩	₩	₩	w	()	₩	43	49	49	↔		
kWh Sales J	99,477,566	98,785,004	84,551,283	79,057,673	73,276,568	91,336,377	107,005,635	116,687,088	93,580,604	81,017,141	88,050,878	97,801,417	100,996,712	115,583,741	86,923,820	82,480,518	82,962,580	98,528,617	104,581,303	121,337,332	109,069,227	88,948,888		
Retail MESF I	0.000346	0.000451	0.000436	0.000558	0.000619	0.000586	0.000584	0.000657	0.000746	0.001034	0.000838	0.000867	0.000880	0.001037	0.001002	0.001423	0.001190	0.001183	0.001158	0.001292	0.001268	0.001716		
	49	49	49	**	€	69	€	69	(5)	()	⇔	⇔	69	₩	↔	₩	67 ►	⇔	69	⇔ ►	69 	₩.		
Retail Factor Month h	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-0	Aug-06	30-deS	Oct-0	Nov-06	Dec-06	Jan-0	Feb-07	Mar-0	Apr-0	May-07	Jun-0	Jul-07	Aug-0	Sep-07	Oct-01	Nov-07		
Loss Factor 9	95.37%	95.25%	32.86 %	94.98%	95.11%	95.68%	95.23%	95.32%	92.60%	95.79%	82.06%	94,84%	95.37%	95.25%	95.86%	94.98%	95.11%	95.68%	95.23%	95.32%	%09 :96	95.79%		
Rate/kWh f	0.0003	0.0004	0.0004	0.0005	0.0006	0.0006	90000	9000.0	0.0007	0.0010	0.0008	0.0008	0.0008	0.0010	0.0010	0.0014	0.0011	0.0011	0.0011	0.0012	0.0012	0.0016		
14-1	49	49	49	ø	4	49	49	49	w	s	s	s	69	G	€\$	43	₩	₩.	49	s	₩	49		
Recoverable ES Amount e	39,430	43,393	41,504	48,491	43,721	46,061	56,045	74,622	87,010	80,875	68,490	75,051	89,764	111,914	110,723	117,503	94,377	103,274	115,557	140,776	164,974	165,862		
_	W	s	69	₩	₩	49	49	ss —	#	₩	*	49	49	s)	49	4	₩	\$	8	\$	*	49		
(Over) or <u>Under</u> d	٠	5,010	(1,163)	4,610	4,340	(1,610	(7,439	(6,448	(1,997	17,158	(2,857	(6,311	(9,703	888	(7,961	23,588	160	(4,353	(13,330	(5,547	(15,977	26,639		
	49	49	₩.	49	49	49	₩	•	₩	**	₩.	₩.	49	₩	⇔	**	₩.	₩	₩.	49	43	**		
Supplier ES Amt c	39,430	38,382	42,667	43,881	39,381	47,671	63,484	81,070		63,717	71,347	80,362	99,467	111,026	118,684		94,217	107,627		146,323	180,951	139,223	124,897	135,476
	4	€ 9	(2)	69	e>	*	es.	89	es es	es es	8	8	8	8	9	es es	8		*	*	8	8	8	<i>₽</i>
kWh Purchased b	119,485,444	101,006,322	99,225,903	91,418,910	74,304,453	82,191,270	100,767,926	119,220,378	121,926,429	81,689,003	85,960,730	91,320,600	106,953,840	113,291,610	115,227,419	86,959,025	83,377,794	91,209,325	104,786,520	114,314,911	136,053,010	100,886,480	87,340,280	91,538,170
Power Bill Month a	9	Jan-06	Feb-06	ar-06	pr-06	ay-06	90-un	Jul-06	90-bn	90-de)ct-06	90-vol	Dec-06	Jan-07	eb-07	Nar-07	Apr-07	fay-07	10-un	Jul-07	70-pu	ep-07)ct-07	Nov-07
9 ≅	Dec	- P	E.	Ž	ď	Ξ	7	·	⋖	Ø	_	~	_	•	ш.	_	_	2	,		٩	(C)	Ü	~

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

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(Over) or <u>Under</u> I	(45,547)	9,344	(32,024)	(27,413)	9,217	38,333	30,372	8,757	(70,403)	11,144	19,133	32,946	(2,848)	24,381	(68,448)	(449)	11,559	33,827	13,465	37,393	(59,869)	(28,862)		
US <u>Revenue</u> k	312,909) \$	357,911) \$	(256,309) \$	278,868) \$	259,543) \$	275,690) \$	294,343) \$	(336,046) \$	\$6,620) \$	126,614) \$	(265,871) \$	\$ (51,778)	\$ (890'58)	(367,104) \$:52,854) \$	128,875) \$	(262,142) \$	295,896) \$	293,998) \$	366,872) \$	310,897) \$	333,667) \$		
Rev C	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	۳.	<u></u>	<u>ت</u>	<u></u>	<u>ت</u>	·	··	<u></u>	<u>ت</u>	**	<u></u>	۳	<u></u>	·	<u>ت</u>	<u>ت</u>	<u>ت</u>		
	99	2	83	52	89	1	35	88	40	4	78	17	걸	74	20	348	8	4	8	32	27	88		
kWh Sales j	99,477,566	98,785,004	84,551,283	79,057,673	73,276,568	91,336,377	107,005,635	116,687,088	93,580,604	81,017,141	88,050,878	97,801,417	100,996,712	115,583,741	86,923,820	82,480,518	82,962,580	98,528,617	104,581,303	121,337,332	109,069,227	88,948,888		
Retail <u>US</u> i	(0.003146)	(0.003623)	(0.003031)	(0.003527)	(0.003542)	(0.003018)	(0.002751)	(0.002880)	(0.003063)	(0.004031)	(0.003020)	(0.002942)	(0.002823)	(0.003176)	(0.002909)	(0.003987)	(0.003160)	(0.003003)	(0.002811)	(0.003024)	(0.002850)	(0.003751)		
	\$	es es	\$ 9	es ep	\$	& &	& 9	\$ 9	\$ 9	υp	\$ 9	\$ _	\$ _	s F	\$	\$ 2	\$ _	\$	4	\$ 2	\$	\$		
Retail Factor Month h	Feb-0	Mar-0	Apr-06	May-0	O-unc	O-Inf	Aug-0	O-deS	Oct-0	0-voN	Dec-0	Jan-0	Feb-0	Mar-0	Apr-0	May-0	O-unc	O-Inf	Aug-0	0-deS	Oct-0	Nov-0		
Loss Factor 9	95.37%	95.25%	95.86%	94.98%	95.11%	89.56	95.23%	95.32%	%09'96	82.79%	%90.36	94.84%	95.37%	95.25%	95.86%	94.98%	95.11%	89.68%	95.23%	95.32%	%09'96	35.79 %		
Rate/kWh f	(0.0030)	(0.0035)	(0.0029)	(0.0034)	(0.0034)	(0.0029)	(0.0026)	(0.0027)	(0.0029)	(0.0039)	(0.0029)	(0.0028)	(0.0027)	(0.0030)	(0.0028)	(0.0038)	(0.0030)	(0.0029)	(0.0027)	(0.0029)	(0.0027)	(0.0036)		
	\$	÷	*	\$	\$	8	\$	*	\$ €	\$	\$	\$ (c)	*	*	\$	8	\$	*	\$	\$ (c)	\$ (c)	8		
Recoverable US Amount e	(358,456)	(348,566)	(288,333)	(306,281)	(250,327	(237,357)	(263,971)	(327,290)	(357,023)	(315,47)	(246,738)	(254,82	(287,916)	(342,723)	(321,30	(329,32	(250,583)	(262,069)	(280,533)	(329,479)	(370,766)	(362,529)		
	S	8	₩.	4) \$	3	8	*	⇔	*	3	*	₩	69	8)	*	8)	6	es es	*	€Đ	8	\$ (6		
(Over) or Under d	•	(45,54	9,34	(32,02	(27,41	9,21	38,33	30,37	8,75	(70,40	11,144	19,13	32,94	(2,84	24,38	(68,44	4	11,55	33,82	13,46	37,39	98'69)		
	\$	6)	8	8	3	4	4	=	6	5	2)	8	(2)	\$ (2)	\$ (2)	3	3)	8	6	(2)	6	6	£	2
Supplier US Amt c	\$ (358,456	\$ (303,019)	\$ (297,678	\$ (274,257)	\$ (222,913)	\$ (246,574)	\$ (302,304)	\$ (357,66	\$ (365,77	\$ (245,06	\$ (257,882)	\$ (273,962)	\$ (320,862)	\$ (339,875)	\$ (345,68	\$ (260,877)	\$ (250,133)	\$ (273,628)	\$ (314,360)	\$ (342,945)	\$ (408,159)	\$ (302,659)	\$ (262,021	\$ (274,615)
ומי	4	22	33	9	83	2	92	78	53	8	98	8	6	9	6	26	94	55	20	F	9	8	8	2
kWh Purchased b	119,485,44	101,006,322	99,226,903	91,418,910	74,304,453	82,191,270	100,767,926	119,220,378	121,926,429	81,689,003	85,960,730	91,320,600	106,953,840	113,291,610	115,227,419	86,959,025	83,377,794	91,209,325	104,786,520	114,314,911	136,053,010	100,886,480	87,340,280	91,538,170
Power Bill Month a	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07
•	~	N	es	4	S	9	7	۵	6	9	7	7	13	14	15	16	17	48	19	20	2	22	ដ	24

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

	Rate/kWh Loss Factor Retail kWh MRSM (Over) or Month MRSM(m) Sales Revenue Under f g h i j k l	0.0023) 96.37% Feb-06 \$ (0.002443) 99,477,566 \$ (243,026) \$ (36,375)	95.26% Apr-06 \$ (0.004515) 84,651,283 \$ (381,770) \$ (94.98% May-06 \$ (0.006319) 79,057,673 \$ (499,567) \$	\$ (0.006145) 73,276,568 \$ (450,308) \$	95.68% Jui-06 \$ (0.006448) 91,336,377 \$ (588,901) \$	95.23% Aug-06 \$ (0.005067) 107,005,635 \$ (542,150) \$	0.0044) 95.32% Sep-06 \$ (0.004586) 116,687,088 \$ (535,176) \$ 13,946	\$ (0.003970) 93,580,604 \$ (371,511) \$	95.79%	95.06% Dec-06 \$ (0.001624) 88,050,878 \$ (142,958) \$	94.84% Jan-07 \$ (0.000709) 97,801,417 \$ (69,333) \$	95.37% Feb-07 \$ (0.002014) 100,996,712 \$ (203,405) \$	0.0031) 95.25% Mar-07 \$ (0.003271) 115,583,741 \$ (378,040) \$ 25,107	Apr-07 \$ (0.004115) 86,923,820 \$ (357,666) \$	94.98% May-07 \$ (0.006363) 82,480,518 \$ (524,814) \$	95.11% Jun-07 \$ (0.007505) 82,962,580 \$ (622,656) \$	0.0059) 95.68% Jul-07 \$ (0.006145) 98,528,617 \$ (605,432) \$ 69,213	0.0046) 95.23% Aug-07 \$ (0.004798) 104,581,303 \$ (501,803) \$ 22,983		0.0029) 95.60% Oct-07 \$ (0.003076) 109.069,227 \$ (335,526) \$ (64,612)	\$ (0.005241) 88,948,888 \$ (466,172) \$		
	Over) or Recoverable Under MRSM Amount d	(278,401)	10,101 \$ (429,470)	60	s	s	49	55,941 \$ (521,230)	s	\$	s	10,288 \$ (61,395)	φ.	(2,032) \$ (352,933)	49	\$	43	27,455 \$ (536,219)	49	\$	52,919 \$ (400,138)	\$		
	Supplier MRSM Amt	\$ (278,401) \$	\$ (439,571) \$	\$ (926,003) \$	\$ (385,208) \$	\$ (523,010) \$	\$ (568,091) \$	\$ (577,172) \$	\$ (476,712) \$	\$ (208,784) \$	\$ (143,269) \$	\$ (71,683) \$	\$ (213,375) \$	\$ (350,901) \$	\$ (479,594) \$	\$ (428,711) \$	\$ (594,484) \$	\$ (563,674) \$	\$ (548,033) \$	\$ (489,268) \$	\$ (453,057) \$	\$ (441,883) \$	\$ (474,258)	 6
SM	kWh Purchased b	119,485,444	99,225,903	91,418,910	74,304,453	82,191,270	100,767,926	119,220,378	121,926,429	81,689,003	85,960,730	91,320,600	106,953,840	113,291,610	115,227,419	86,959,025	83,377,794	91,209,325	104,786,520	114,314,911	136,053,010	100,886,480	87,340,280	27 27 27 27
RETAIL MRSM	Power Bill Month a	1 Dec-05	3 Feb-06		5 Apr-06	6 May-06	90-unf 2	90-InC 8	9 Aug-06	10 Sep-06		12 Nov-06	13 Dec-06	14 Jan-07	15 Feb-07	16 Mar-07	17 Apr-07	18 May-07	19 Jun-07	20 Jul-07	21 Aug-07		23 Oct-07	

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

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									_				_		_	_		_	_	_	_	_				
(Over) or Under	•	•	•	•	3,682	15,555	9,716	2,416	(19,243	4,212	7,428	11,968	(871	7,176	(19,776	(163	∞	£	0	9	9	9				
_	₩.	₩.	и	••	()	H.	69 ·	63 (₩.	4	₩.	43	€9	69	ø	44	69	₩	4	↔	69	↔				
Rebate Revenue k	•	•	•		(103,682)	(111,873)	(94,161)	(92,700)	(78,341)	(123,455)	(103,215)	(104,541)	(87,161)	(108,047)	(73,050)	(119,611)	(171)	6	£	0	9	9		(1,200,000)	1,200,000	0
_,	↔	↔	69	s ·	()	₩.	G ·	₩ (9	(A)	69	↔	₩	())	€9	47	G)	G)	44	49	43	₩		69 6	<i>^</i>	69
kWh Sales J	99,477,566	98,785,004	84,551,283	79,057,673	73,276,568	91,336,377	107,005,635	116,687,088	93,580,604	81,017,141	88,050,878	97,801,417	100,996,712	115,583,741	86,923,820	82,480,518	82,962,580	98,528,617	104,581,303	121,337,332	109,069,227	88,948,888				
Retail RF	•	•	•	•	(0.001415)	(0.001225)	(0.000880)	(0.000794)	(0.000837)	(0.001524)	(0.001172)	(0.001069)	(0.000863)	(0.000935)	(0.000840)	(0.001450)	(0.000002)	0.00000	(0.00000)	0.00000	(0.00000)	(0.00000)				
	€ >	φ. ω	es es	es CD	ص	es co	es Co	69 ·	es es	es es	es es	₩	\$	*	₩ ~	\$ 2	\$ ~	\$ _	\$ _	\$ ^	₩	*				
Retall Factor <u>Month</u> h	Feb-06	Mar-06	Apr-06	May-0	Jun-06	3ul-06	Aug-0	Sep-06	Oct-0	Nov-06	Dec-06	Jan-07	Feb-0	Mar-07	Apr-0	May-07	0-unf	0-Inc	Aug-07	Sep-0	Oct-0	Nov-07		Total	rget	Difference
																								۱۲	-	ä
Loss Factor 9	95.37%	95.25%	95.86%	94.98%	95.11%	95.68%	95.23%	95.32%	32.60 %	96.79%	92.06%	94.84%	95.37%	95.25%	82.86%	94.98%	95.11%	%89.36	95.23%	95.32%	95.60%	95.79%				
Rate/kWh f					(0.0013)	(0.0012)	(0.0008)	(0.0008)	0.0008)	(0.0015)	(0.0011)	6	(8)	(60	(80	4	6	9	6	0	6	6				
Rate					<u>e</u>	9	<u>ë</u>	<u>0</u>	ë	0.0	(0.0 0.0	(0.0010)	(0.0	(00000)	0.0	(0.0014)	(0.000)	0.000	(0.0000	0.00	(0.000)	(0.000)				
	₩	49	s,	s,	€9	49	•	.	··	s s	·	w	₩.	49	\$	s	s	s	• •	€9	<u>`</u>	` \$+				
	.	,	69	s,	₩.	•	•	.	··	·	·>	(92,572) \$ (0.00	₩.	(100,871) \$ (0.00	(92,824) \$ (0.00	s	s	s	(1) \$ (0.000	€9	000'0) \$ (0)	` \$+				
Recoverable Rebate Amount Rate	₩.	уэ ,		s,	€9	49	•	.	\$ (97,584) \$	\$ (119,243) \$	\$ (95,788) \$	\$ (92,572) \$	\$ (88,032) \$	\$ (100,871) \$	\$ (92,824) \$ (\$ (119,775) \$	\$ (163) \$	& & &) \$ (1) \$ -	\$ 0) \$ (o) \$ -) \$ (0) \$ -				
	ъ.	·		s,	\$ (100,000) \$	2 \$ (96,318) \$ (5 \$ (84,445) \$ (.	\$ (97,584) \$	\$ (119,243) \$	\$ (95,788) \$	\$ (92,572) \$	\$ (88,032) \$	\$ (100,871) \$	\$ (92,824) \$ (\$ (119,775) \$	\$ (163) \$	& & &) \$ (1) \$ -	\$ 0	<u>`</u>) \$ (0) \$ -				
(Over) or Recoverable <u>Under Rebate Amount</u> d e			· · · · · · · · · · · · · · · · · · ·		\$ (100,000) \$) \$ 3,682 \$ (96,318) \$ (5 \$ (84,445) \$ (\$ 9,716 \$ (90,284) \$ (\$ 2,416 \$ (97,584) \$	\$ (19,243) \$ (119,243) \$) \$ 4,212 \$ (95,788) \$ () \$ 7,428 \$ (92,572) \$	\$ 11,968 \$ (88,032) \$	\$ (100,871) \$	\$ 7,176 \$ (92,824) \$	\$ (19,775) \$ (119,775) \$	\$ (163) \$	& & &) \$ (1) \$ -	\$ 0) \$ (o) \$ -) \$ (0) \$ -				
(Over) or Recoverable <u>Under Rebate Amount</u> d e	49 ·	ss ,	69 1 69 1		\$ (100,000) \$ - \$ (2 \$ (96,318) \$ (5 \$ (84,445) \$ (\$ 9,716 \$ (90,284) \$ (\$ 2,416 \$ (97,584) \$	\$ (119,243) \$	\$ (95,788) \$	\$ (92,572) \$	\$ (88,032) \$	\$ (100,871) \$	\$ (92,824) \$ (\$ (119,775) \$	\$ (163) \$	& & &) \$ (1) \$ -	\$ 0) \$ (o) \$ -) \$ (0) \$ -	٠	•		
(Over) or Recoverable It Under Rebate Amount d e	· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·		\$ (100,000) \$ - \$ (100,000) \$	\$ (100,000) \$ 3,682 \$ (96,318) \$	\$ (100,000) \$ 15,565 \$ (84,445) \$ (\$ (100,000) \$ 9,716 \$ (90,284) \$	\$ (100,000) \$ 2,416 \$ (97,584) \$	\$ (100,000) \$ (19,243) \$ (119,243) \$	\$ (100,000) \$ 4,212 \$ (95,788) \$	\$ (100,000) \$ 7,428 \$ (92,572) \$	\$ (100,000) \$ 11,968 \$ (88,032) \$	\$ (100,000) \$ (871) \$ (100,871) \$	\$ (100,000) \$ 7,176 \$ (92,824) \$	\$ (100,000) \$ (19,775) \$ (119,775) \$	\$ (163) \$ (163) \$	***) \$ (L) \$. \$	& O & O & &) \$ (0) \$ (0) \$. \$) \$ (0) \$ (0) \$ - \$. \$0	· \$ 0		
(Over) or Recoverable <u>Under Rebate Amount</u> d e	119,486,444 \$ - \$ - \$	101,006,322 \$ - \$ - \$	99,225,903 \$ - \$ - \$ - \$		\$ (100,000) \$ - \$ (100,000) \$) \$ 3,682 \$ (96,318) \$ (\$ (100,000) \$ 15,565 \$ (84,445) \$ (\$ (100,000) \$ 9,716 \$ (90,284) \$	\$ (100,000) \$ 2,416 \$ (97,584) \$	\$ (100,000) \$ (19,243) \$ (119,243) \$	\$ (100,000) \$ 4,212 \$ (95,788) \$) \$ 7,428 \$ (92,572) \$	\$ 11,968 \$ (88,032) \$	\$ (100,000) \$ (871) \$ (100,871) \$	\$ (100,000) \$ 7,176 \$ (92,824) \$	\$ (100,000) \$ (19,775) \$ (119,775) \$	\$ (163) \$ (163) \$	***) \$ (1) \$ -	\$ 0) \$ (0) \$ (0) \$. \$.) \$ (0) \$ -	87,340,280 \$ -	91,538,170 \$ -		
Supplier (Over) or Recoverable Rebate Amt Under Rebate Amount c d e e	Dec-05 119,486,444 \$ - \$ - \$	Jan-06 101,006,322 \$ - \$ - \$ - \$		91,418,910 \$ - \$ - \$	74,304,463 \$ (100,000) \$ - \$ (100,000) \$	82,191,270 \$ (100,000) \$ 3,682 \$ (96,318) \$ (100,767,926 \$ (100,000) \$ 15,555 \$ (84,445) \$ (\$ (100,000) \$ 9,716 \$ (90,284) \$	121,926,429 \$ (100,000) \$ 2,416 \$ (97,584) \$ (81,689,003 \$ (100,000) \$ (19,243) \$ (119,243) \$	85,960,730 \$ (100,000) \$ 4,212 \$ (95,788) \$	91,320,600 \$ (100,000) \$ 7,428 \$ (92,572) \$	106,953,840 \$ (100,000) \$ 11,968 \$ (88,032) \$	\$ (100,000) \$ (871) \$ (100,871) \$	115,227,419 \$ (100,000) \$ 7,176 \$ (92,824) \$	86,959,025 \$ (100,000) \$ (19,775) \$	83,377,794 \$ - \$ (163) \$ (163) \$	***	104,786,520 \$ - \$ (1) \$ (1) \$ (114,314,911 \$. \$ 0 \$. 0 \$	136,053,010 \$. \$ (0) \$.) \$ (0) \$ (0) \$ - \$		Nov-07 91,538,170 \$ -		

KENERGY CORP

Sample Calculation of FAC, ES, US, MRSM & Rebate

Retail S	ummary	
	Retail S	

Retail Sum m	0	9	0	<u>(</u>	0	9	0	9	1	•	0	ı			,	0	0	0	0	9	0	9
Retail Amount Rebate I	*	6 Э	4 3	4 Э	(103,682) \$	(111,873) \$	(94,161) \$	(92,700) \$	(78,341) \$	(123,455) \$	(103,215) \$	(104,541) \$	(87,161) \$	(108,047) \$	\$ (030,52)	(119,611) \$	\$ (171)	₽	\$ (E)	8	\$ (0)	\$ (0)
Retail Amount <u>MRSM</u> k	(243,026)	(386,877)	(381,770)	(499,567)	(450,308)	(588,901)	(542,150)	(535,176)	(371,511)	(310,638)	(142,958)	(69,333)	(203,405)	(378,040)	(367,666)	(524,814)	(622,656)	(605,432)	(501,803)	(619,203)	(335,526)	(466,172)
Retail Amount <u>US</u> j	(312,909)	(357,911)	(256,309)	(278,868)	(259,543)	(275,690)	(294,343)	(336,046)	(286,620)	(326,614)	(265,871)	(287,775)	(285,068)	(367,104)	(252,854)	(328,875)	(262,142)	(295,896)	(293,998)	(366,872)	(310,897)	(333,667)
Retail Amount ES I	34,420	44,556	36,894	44,151	45,331	53,500	62,493	76,618	69,852	83,732	73,801	84,754	88,876	119,875	87,135	117,343	98,731	116,604	121,104	156,753	138,335	152,658
Retail Amount <u>FAC</u> h	521,515	700,232	601,185	734,284	768,202	922,964	868,161	887,304	666,620	676,975	438,243	376,894	486,758	733,316	596,434	855,957	786,238	784,716	674,699	729,322	508,088	647,181
	₩	49	G	₩	ø	w	s	₩	↔	₩	₩	₩	W	₩	₩	↔	G	₩	₩	₩	63	49
Composite <u>Factor</u> g	0.00000	(0.00000)	0.00000	(0.00000)	•	•	(0.00000)	(0.00000)	•	•	0.00000		•	(0.00000)		•	(0.00000)	(0.00000)	0.00000	(0.00000)	0.00000	(0.000000)
U	49	69	↔	49	₩	69	49	49	69	s	*	49	₩	4	4	\$	*	₩	\$	₩	\$	49
Retail RF Rate f	•	•	•	•	(0.001415)	(0.001225)	(0.000880)	(0.000794)	(0.000837)	(0.001524)	(0.001172)	(0.001069)	(0.000863)	(0.000935)	(0.000840)	(0.001450)	(0.000002)	0.00000	(0.00000)	0.00000	(0.00000)	(0.000000)
Retail MRSM(m) <u>Rate</u> e	(0.002443) \$	(0.003916) \$	(0.004515) \$	(0.006319) \$	(0.006145) \$	(0.006448) \$	(0.005067) \$	(0.004586) \$	(0.003970) \$	(0.003834) \$	(0.001624) \$	\$ (60,000,0)	(0.002014) \$	(0.003271) \$	(0.004115) \$	(0.006363) \$	(0.007505) \$	(0.006145) \$	(0.004798) \$	(0.004279) \$	(0.003076) \$	(0.005241) \$
Retail US <u>Rate</u> d	0.003146) \$	0.003623) \$	0.003031) \$	0.003527) \$	0.003542) \$	0.003018) \$	0.002751) \$	0.002880) \$	(0.003063) \$	(0.004031) \$	(0.003020) \$	(0.002942) \$	(0.002823) \$	(0.003176) \$	\$ (0.00200)	\$ (786500.0)	(0.003160) \$	(0.002000)	(0.002811) \$	(0.003024) \$	(0.002850) \$	(0.003751) \$
	40	\$	\$	- *	\$	₩	•	\$	4 >	•	₩	4	69	49	49	₩	49	€\$	G	w	₩	49
Retail MESF Rate c	\$ 0.000346 \$ (\$ 0.000451 \$ (0	\$ 0.000436 \$ ((\$ 0.000558 \$ (1	\$ 0.000619 \$ (\$ 0.000586 \$ (\$ 0.000584 \$ (\$ 0.000667 \$ (\$ 0.000746 \$	\$ 0.001034 \$	\$ 0.000838 \$	\$ 0.000867 \$	\$ 0.000880 \$	\$ 0.001037 \$	\$ 0.001002 \$	\$ 0.001423 \$	\$ 0.001190 \$	\$ 0.001183 \$	\$ 0.001158 \$	\$ 0.001292 \$	\$ 0.001268 \$	\$ 0.001716 \$
Retail Retail FAC MESF Rate Rate b c	0.005243 \$ 0.000346 \$ (\$	0.000436 \$ (0.000558 \$ (0.000586	0.000584	0.000657	0.000746	0.001034	0.000838	0.000867	0.000880	0.001037	0.001002	0.001423	0.001190	0.001183	0.001158	0.001292	0.001268	0.007276 \$ 0.001716 \$
_	9	\$ 0.000451 \$ (\$ 0.000436 \$ (\$ 0.009288 \$ 0.000558 \$ (\$ 0.010484 \$	\$ 0.000586	\$ 0.000584	\$ 0.007604 \$ 0.000657	\$ 0.007123 \$ 0.000746	\$ 0.008356 \$ 0.001034	\$ 0.000838	\$ 0.000867	\$ 0.000880	\$ 0.001037	\$ 0.006862 \$ 0.001002	\$ 0.010378 \$ 0.001423	\$ 0.009477 \$ 0.001190	\$ 0.001183	\$ 0.001158	\$ 0.006011 \$ 0.001292	\$ 0.004658 \$ 0.001268	49

KENERGY CORP. PUBLIC NOTICE PSC CASE NO. 2008-00009

THE APPLICATION OF KENERGY CORP. FOR NEW TARIFFS AND ADJUSTMENTS TO EXISTING TARIFFS

Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, is applying to the Kentucky Public Service Commission for new tariffs and adjustments to existing tariffs. The rates contained in this notice, which are the rates contained in the application, are rates proposed by Kenergy Corp.; however, the Kentucky Public Service Commission may order rates to be charged that differ from the rates contained therein.

The proposed new and revised tariffs are necessary to reflect and pass through changes in the wholesale rates proposed by our wholesale power supplier, Big Rivers Electric Corporation, in PSC Cases No. 2007-00455 and No. 2007-00460.

The proposed new tariffs, applicable to kWh sales made under all non-smelter Kenergy tariffs are as follows:

Fuel Adjustment Clause – FAC
Environmental Surcharge – ES
Unwind Surcredit – US
Rebate Adjustment
Member Rate Stability Mechanism – MRSM
Unwind Rider – Composite Factor – URCF

The revenue impacts of the new tariffs by rate class are:

	 Annu	al In	npact by R	ate	Class - Nor	1-D	irect Serve		· · · · · · · · · · · · · · · · · · ·		·		
<u>Class</u>	FAC		<u>ES</u>		<u>us</u>		Rebate		MRSM		ombined et Effect		URCE
Residential:													
Amount	\$ 4,736,292	\$	393,353	\$	(3,211,045)	\$	(200,690)	\$	(1,717,909)	\$	-	\$	-
Percent	9.60%		0.80%		-6.51%		-0.41%		-3.48%		0.00%		0.00%
Non-residential Single Phase:													
Amount	\$ 728,077	\$	60,467	\$	(493,611)	\$	(30,851)	\$	(264,082)	\$	_	\$	-
Percent	8.79%		0.73%		-5.96%		-0.37%		-3.19%		0.00%		0.00%
3 Phase 1,000 kW or Less:													
Amount	\$ 1,258,195	\$	104,494	\$	(853,013)	\$	(53,313)	\$	(456,362)	\$	-	\$	-
Percent	10.71%	·	0.89%		-7.26%		-0.45%	·	-3.89%	·	0.00%	·	0.00%
3 Phase Over 1,000 kW:													
Amount	\$ 528,483	\$	43,891	\$	(358,293)	\$	(22,393)	\$	(191,687)	\$	-	\$	-
Percent	14.24%		1.18%		-9.65%		-0.60%		-5.17%	·	0.00%		0.00%

	Ann	ual	Impact by	R	ate Class - Di	rec	t Serve		
Class	FAC		<u>ES</u>		<u>us</u>		Rebate	<u>MRSM</u>	 mbined et Effect
Direct Serve Class B									
Amount	\$ 4,104,985	\$	340,922	\$	(2,783,040)	\$	(173,940)	\$ (1,488,927)	\$ -
Percent	20.37%		1.69%		-13.81%		-0.86%	-7.39%	0.00%
Direct Serve Class C									
Amount	\$ 1,244,173	\$	103,331	\$	(843,508)	\$	(52,718)	\$ (451,278)	\$ -
Percent	14.12%		1.17%		-9.58%		-0.60%	-5.11%	0.00%

The average bill impacts of the new tariffs by rate class are:

	<u>A</u> ۱	verage Mor	ithl	y Bill Impa	ct t	y Rate Clas	s -	Non-Direct	Se	rve	 	
<u>Class</u>		<u>FAC</u>		<u>ES</u>		<u>US</u>		Rebate		MRSM	ombined et Effect	URCF
Residential: Amount	\$	8.82	\$	0.73	\$	(5.98)	\$	(0.37)	\$	(3.20)	\$ _	\$ -
Percent	·	9.60%	•	0.80%	ĺ	-6.51%	•	-0.41%		-3.48%	0.00%	0.00%
Non-residential Single Phase:												
Amount	\$	6.99	\$	0.58	\$	(4.74)	\$	(0.30)	\$	(2.53)	\$ -	\$ -
Percent		8.79%		0.73%		-5.96%		-0.37%		-3.19%	0.00%	0.00%
3 Phase 1,000 kW or Less:												
Amount	\$	122.19	\$	10.15	\$	(82.84)	\$	(5.18)	\$	(44.32)	\$ -	\$ -
Percent		10.71%		0.89%		-7.26%		-0.45%		-3.89%	0.00%	0.00%
3 Phase Over 1,000 kW:												
Amount	\$	3,644.71	\$	302.70	\$	(2,470.99)	\$	(154.44)	\$	(1,321.98)	\$ -	\$ -
Percent		14.24%		1.18%		-9.65%		-0.60%		-5.17%	 0.00%	 0.00%

	!	Average Mo	nth	ly Bill Imp	act	by Rate Cla	iss	- Direct Ser	ve	***************************************	
<u>Class</u>		FAC		<u>ES</u>		<u>us</u>		<u>Rebate</u>		MRSM	mbined et Effect
Direct Serve Class B											
Amount	\$	114,027	\$	9,470	\$	(77,307)	\$	(4,832)	\$	(41,359)	\$ -
Percent		20.37%		1.69%		-13.81%		-0.86%		-7.39%	0.00%
Direct Serve Class C											
Amount	\$	7,406	\$	615	\$	(5,021)	\$	(314)	\$	(2,686)	\$ -
Percent		14.12%		1.17%		-9.58%		-0.60%		-5.11%	0.00%

The proposed new tariffs applicable to sales made under the Class A smelter tariff are as follows:

Schedule 34 - Smelter Customers Served Under Special Contracts - Class A

Fuel Adjustment Clause - FAC

Environmental Surcharge - ES

Schedule 34, including the effects of the FAC and the ES, is expected to result in an average monthly increase in the bills to the Class A smelter customers of \$286,521, or 2.7%.

Revisions to the following tariffs are:

Schedule 43 - Small Power and Cogeneration (100 KW or less)(Customer Sells Power to Kenergy)

Schedule 44 - Small Power and Cogeneration (Over 100 KW)(Customer Sells Power to Big Rivers)

Schedule 45 - Small Power and Cogeneration (Over 100 KW)(Customer Buys Power from Kenergy)

No customers presently take service under any of these three tariffs.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication of this notice request to intervene in the proceeding. That written request must be submitted to the Kentucky Public Service Commission, Post Office Box 615, 211 Sower Boulevard, Frankfort, KY 40601, and should set forth the grounds for the request, including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause shown. Intervenors may obtain copies of the application by contacting Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, or by calling (270) 826-3991.

A copy of the application and any other filing is available for public inspection at Kenergy's office at the above stated address or at one of its branch offices at 315 Hawes Blvd., Hawesville, KY 42348; 1441 U. S. Highway 231 North, Hartford, KY 42347; 2620 Brown Badgett Loop, Hanson, KY 42413; 703 South Main Street, Marion, KY 42064; or 3111 Fairview Drive, Owensboro, KY 42303.

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·		⊣.	
			min continuo to navo rates mat are ran, just and reasonable.

A: Yes, I do. 1

2 3 4 5. Q: Do you have anything additional to add?

Not at this time. A:

KENERGY CORP. PUBLIC NOTICE PSC CASE NO. 2008-00009

THE APPLICATION OF KENERGY CORP. FOR NEW TARIFFS AND ADJUSTMENTS TO EXISTING TARIFFS

Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, is applying to the Kentucky Public Service Commission for new tariffs and adjustments to existing tariffs. The rates contained in this notice, which are the rates contained in the application, are rates proposed by Kenergy Corp.; however, the Kentucky Public Service Commission may order rates to be charged that differ from the rates contained therein.

The proposed new and revised tariffs are necessary to reflect and pass through changes in the wholesale rates proposed by our wholesale power supplier, Big Rivers Electric Corporation, in PSC Cases No. 2007-00455 and No. 2007-00460.

The proposed new tariffs, applicable to kWh sales made under all non-smelter Kenergy tariffs are as follows:

Fuel Adjustment Clause – FAC
Environmental Surcharge – ES
Unwind Surcredit – US
Rebate Adjustment
Member Rate Stability Mechanism – MRSM
Unwind Rider – Composite Factor – URCF

The revenue impacts of the new tariffs by rate class are:

		<u>Annu</u>	al Ir	npact by R	ate	Class - No	n-D	irect Serve		******				***************************************
<u>Class</u>		FAC		<u>ES</u>		<u>us</u>		Rebate		MRSM		ombined et Effect		UROF
Residential:														
Amount	\$	4,736,292	\$	393,353	\$	(3,211,045)	\$	(200,690)	\$	(1,717,909)	\$	-	\$	-
Percent		9.60%		0.80%		-6.51%		-0.41%		-3.48%		0.00%		0.00%
Non-residential Single Phase:														
Amount	\$	728,077	\$	60,467	\$	(493,611)	\$	(30,851)	\$	(264,082)	\$	-	\$	-
Percent		8.79%		0.73%		-5.96%	•	-0.37%	Ţ	-3.19%	•	0.00%	Ť	0.00%
3 Phase 1,000 kW or Less:														
Amount	\$	1,258,195	\$	104,494	\$	(853,013)	\$	(53,313)	\$	(456,362)	\$	-	\$	-
Percent		10.71%		0.89%		-7.26%	•	-0.45%	•	-3.89%	•	0.00%	•	0.00%
3 Phase Over 1,000 kW:														
Amount	\$	528,483	\$	43,891	\$	(358,293)	\$	(22,393)	\$	(191,687)	\$		\$	_
Percent	•	14.24%	•	1.18%	*	-9.65%	7	-0.60%	*	-5.17%	*	0.00%	*	0.00%

		Ann	ual	Impact by	R	ate Class - D	irec	t Serve				
<u>Class</u>		FAC		<u>ES</u>		<u>us</u>		Rebate		MRSM		ombined et Effect
Direct Serve Class B Amount	\$	4.104.985	\$	340,922	\$	(2,783,040)	\$	(173,940)	\$	(1,488,927)	\$	_
Percent	Ť	20.37%	•	1.69%	•	-13.81%	*	-0.86%	*	-7.39%	Ψ	0.00%
Direct Serve Class C												
Amount	\$	1,244,173	\$	103,331	\$	(843,508)	\$	(52,718)	\$	(451,278)	\$	-
Percent		14.12%		1.17%		-9.58%		-0.60%		-5.11%		0.00%

The average bill impacts of the new tariffs by rate class are:

	A	verage Moi	nthl	y Bill Impa	ct l	y Rate Clas	s -	Non-Direct	Se	rve			
<u>Class</u>		FAC		ES		<u>us</u>		Rebate		MRSM	ombined et <mark>日fect</mark>		URCE
Residential:													
Amount	\$	8.82	\$	0.73	\$	(5.98)	\$	(0.37)	\$	(3.20)	\$ -	\$	-
Percent		9.60%		0.80%		-6.51%		-0.41%		-3.48%	0.00%		0.00%
Non-residential Single Phase:													
Amount	\$	6.99	\$	0.58	\$	(4.74)	\$	(0.30)	\$	(2.53)	\$ -	\$	-
Percent		8.79%		0.73%		-5.96%		-0.37%		-3.19%	0.00%		0.00%
3 Phase 1,000 kW or Less:													
Amount	\$	122.19	\$	10.15	\$	(82.84)	\$	(5.18)	\$	(44.32)	\$ •	\$	-
Percent		10.71%	•	0.89%		-7.26%		-0.45%		-3.89%	0.00%	·	0.00%
3 Phase Over 1,000 kW:													
Amount	\$	3,644.71	\$	302.70	\$	(2,470.99)	\$	(154.44)	\$	(1,321.98)	\$	\$	-
Percent		14.24%		1.18%		-9.65%		-0.60%		-5.17%	0.00%		0.00%

	į	Average Mo	onth	ly Bill Im	pact	by Rate Cl	ass	- Direct Ser	ve		
Class		FAC		ES		<u>us</u>		<u>Rebate</u>		MRSM	ombined et Effect
Direct Serve Class B											
Amount	\$	114,027	\$	9,470	\$	(77,307)	\$	(4,832)	\$	(41,359)	\$ -
Percent		20.37%		1.69%		-13.81%		-0.86%		-7.39%	0.00%
Direct Serve Class C											
Amount	\$	7,406	\$	615	\$	(5,021)	\$	(314)	\$	(2,686)	\$ -
Percent		14.12%		1.17%		-9.58%		-0.60%		-5.11%	 0.00%

The proposed new tariffs applicable to sales made under the Class A smelter tariff are as follows:

Schedule 34 – Smelter Customers Served Under Special Contracts – Class A Fuel Adjustment Clause – FAC

Environmental Surcharge - ES

Schedule 34, including the effects of the FAC and the ES, is expected to result in an average monthly increase in the bills to the Class A smelter customers of \$286,521, or 2.7%.

Revisions to the following tariffs are:

Schedule 43 - Small Power and Cogeneration (100 KW or less)(Customer Sells Power to Kenergy)

Schedule 44 - Small Power and Cogeneration (Over 100 KW)(Customer Sells Power to Big Rivers)

Schedule 45 - Small Power and Cogeneration (Over 100 KW)(Customer Buys Power from Kenergy)

No customers presently take service under any of these three tariffs.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication of this notice request to intervene in the proceeding. That written request must be submitted to the Kentucky Public Service Commission, Post Office Box 615, 211 Sower Boulevard, Frankfort, KY 40601, and should set forth the grounds for the request, including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause shown. Intervenors may obtain copies of the application by contacting Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, or by calling (270) 826-3991.

A copy of the application and any other filing is available for public inspection at Kenergy's office at the above stated address or at one of its branch offices at 315 Hawes Blvd., Hawesville, KY 42348; 1441 U. S. Highway 231 North, Hartford, KY 42347; 2620 Brown Badgett Loop, Hanson, KY 42413; 703 South Main Street, Marion, KY 42064; or 3111 Fairview Drive, Owensboro, KY 42303.

By: Sanford Novick, President and CEO

1		CASE NO. 2008-00009
2		
3		DIRECT TESTIMONY OF SANFORD NOVICK
4		ON BEHALF OF
5		KENERGY CORP.
6		
7	1	O: Places state years name ich description and hyginess address
8 9	1.	Q: Please state your name, job description, and business address.
10		A: My name is Sanford Novick. I am President and CEO of Kenergy
11		Corp. My business address is Post Office Box 18, Henderson, KY 42419-
12		0018.
13		
14	2.	Q: What is the purpose of your testimony?
15		
16		A: The purpose of my testimony is to support the instant filing being made
17		by Kenergy.
18		
19	3.	Q: Why is Kenergy seeking Commission approval of new rate riders,
20		modifications to its existing tariffs, new retail contracts with Alcan and
21		Century Aluminum ("smelters") along with new wholesale contracts for the
22		smelters' power, and an amended wholesale power supply agreement with
23 24		Big Rivers Electric Corporation ("BREC")?
25		A: As one of the three electric distribution cooperative member-owners of
26		BREC, Kenergy has been intimately involved in the "unwind" initiatives
27		of BREC as presented for Commission approval in its filing in Cases 2007-
28		00455 and 2007-00460. Testimony presented by Mr. Burns Mercer in the
29		BREC filing articulates the reasons behind Kenergy's support of the filings.
30		
31		Assuming the Commission approves BREC's requests in Cases 2007-00455
32		
		and 2007-00460, Kenergy's new contracts with the smelters and with
33		BREC for the smelters' power, and its amended wholesale power
33 34		BREC for the smelters' power, and its amended wholesale power agreement with BREC are necessary conditions for the unwind to proceed.
33 34 35		BREC for the smelters' power, and its amended wholesale power agreement with BREC are necessary conditions for the unwind to proceed. Additionally, in order for Kenergy to properly and in a timely manner flow
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33 34 35 36 37 38		BREC for the smelters' power, and its amended wholesale power agreement with BREC are necessary conditions for the unwind to proceed. Additionally, in order for Kenergy to properly and in a timely manner flow through to its members the various charges and credits contemplated in the
33 34 35 36 37	4.	BREC for the smelters' power, and its amended wholesale power agreement with BREC are necessary conditions for the unwind to proceed. Additionally, in order for Kenergy to properly and in a timely manner flow through to its members the various charges and credits contemplated in the BREC filings, its requested new rate riders and tariff modifications are also

A: Yes, I do. 1

2 3 Q: Do you have anything additional to add? 5.

Not at this time. 5 A: