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RECEIVED

MAR 3 1 2009

PUBLIC SERVICE COMMISSION

March 31, 2009

Mr. Jeff Derouen Executive Director Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602 HAND DELIVERED

Dear Mr. Derouen:

Pursuant to Commission Order in Case No. 2008-00128 dated August 20, 2008, attached for filing is an original and six copies of a updates to Big Sandy RECC's Tariff for Qualified Cogeneration and Small Power Production Facilities.

Very truly yours,

**Bobby Sexton** 

President & General Manager

**Enclosures** 

P.S.C. KY NO. 7

CANCELS P.S.C. KY NO. 6

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

OF

PAINTSVILLE, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING

ELECTRIC POWER AND ENERGY

AT

VARIOUS LOCATIONS THROUGHOUT KENTUCKY

**FROM** 

QUALIFIED COGENERATION AND

SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED March 31, 2009

EFFECTIVE June 1, 2009

ISSUED BY BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

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MAR 3 1 2009

PUBLIC SERVICE COMMISSION

BY

Bobby Sexton

President and General Manger

Original Sheet No. 1

# COGENERATION AND SMALL POWER PRODUCTION POWER PURCHASE RATE SCHEDULE OVER 100 kW

### **AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with Big Sandy RECC and EKPC for the purchase of electric power by Big Sandy RECC.

# **RATES**

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

- 1. Capacity
  - a. \$50.36 per kW per year is applicable if cogenerator or small power producer is dispatched by Big Sandy RECC.
  - b. \$0.005851 per kWh is applicable if cogenerator or small power producer is not dispatched by Big Sandy RECC.
- 2. Energy A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.
  - a. Time Differentiated Rates:

	Wi	<u>nter</u>	Sun	<u>nmer</u>
Year	On-Peak	Off-Peak	On-Peak	Off-Peak
2009	\$0.06185	\$0.04866	\$0.05010	\$0.02755
2010	\$0.06360	\$0.04895	\$0.05801	\$0.03125
2011	\$0.06471	\$0.05037	\$0.06050	\$0.03358
2012	\$0.07310	\$0.05610	\$0.06526	\$0.03541
2013	\$0.06613	\$0.04911	\$0.07532	\$0.04113

#### b. Non-Time Differentiated Rates:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	2013	
Rate	\$0.04876	\$0.05186	\$0.05361	\$0.05916	\$0.05847	]

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ISSUED BY

**Bobby Sexton** 

TITLE President & General Manager

(I)

Original Sheet No. 2

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

**On-Peak** 7:00 a.m. - 12:00 noon

5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.

10:00 p.m. - 7:00 a.m.

Summer (May - September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

# TERMS AND CONDITIONS

- 1. All power from a Qualifying Facility (QF) will be sold only to Big Sandy RECC.
- 2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
- 3. Qualifying Facility (QF) shall provide reasonable protection for BSRECC and East Kentucky Power, Generation & Transmission Company.
- 4. Qualifying Facility (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.
- 5. Qualifying Facility shall reimburse BSRECC and EKPC for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

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**ISSUED BY** 

**Bobby Sexton** 

TITLE President & General Manager

Original Sheet No. 3

- 6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury \$1,000,000.00
  - b. Property Damage \$500,000.00
- 7. Initial contract term shall be for a minimum of five years.
- 8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
- 9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
- 10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

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**ISSUED BY** 

**Bobby Sexton** 

TITLE President & General Manager

Original Sheet No. 4

# COGENERATION AND SMALL POWER PRODUCTION POWER PURCHASE RATE SCHEDULE LESS THAN 100 kW

### **AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with Big Sandy RECC and EKPC for the purchase of electric power by Big Sandy RECC.

### **RATES**

- 1. Capacity
  - a. \$50.36 per kW per year is applicable if cogenerator or small power producer is dispatched by Big Sandy RECC.

b. \$0.005851 per kWh is applicable if cogenerator or small power producer is not dispatched by Big Sandy RECC.

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- 2. Energy A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.
  - a. Time Differentiated Rates:

	Wii	nter_	Sum	nmer	
Year	On-Peak	Off-Peak	On-Peak	Off-Peak	
2009	\$0.06185	\$0.04866	\$0.05010	\$0.02755	
2010	\$0.06360	\$0.04895	\$0.05801	\$0.03125	
2011	\$0.06471	\$0.05037	\$0.06050	\$0.03358	1
2012	\$0.07310	\$0.05610	\$0.06526	\$0.03541	1
2013	\$0.06613	\$0.04911	\$0.07532	\$0.04113	1

b. Non-Time Differentiated Rates:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	
Rate	\$0.04876	\$0.05186	\$0.05361	\$0.05916	\$0.05847	(I)

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**ISSUED BY** 

Bobby Sexton

TITLE President & General Manger

Original Sheet No. 5

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

**On-Peak** 7:00 a.m. - 12:00 noon

5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.

10:00 p.m. - 7:00 a.m.

Summer (May - September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

#### TERMS AND CONDITIONS

- 1. All power from a Qualifying Facility (QF) will be sold only to Big Sandy RECC.
- 2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
- 3. Qualifying Facility (QF) shall provide reasonable protection for BSRECC and EKPC.
- 4. Qualifying Facility (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.
- 5. Qualifying Facility shall reimburse BSRECC and EKPC for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

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**ISSUED BY** 

**Bobby Sexton** 

TITLE President & General Manager

Original Sheet No. 6

- 6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury \$1,000,000.00
  - b. Property Damage \$500,000.00
- 7. Initial contract term shall be for a minimum of five years.
- 8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
- 9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
- 10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

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