

is at least 250 kW greater than the Base Amount applicable for that Customer.

3.1.3 Other Qualified Customer. A Customer is eligible to enter into a Participation Agreement under 3.2 below if the Customer

(a) initiates an expansion of its facilities (served through an existing delivery point) where it adds at least 250 kW in load for the purpose(s) of all-electric space conditioning, all-electric water conditioning, and/or all-electric cooking, and

(b) on or before the effective date of the Participation Agreement, enters into a written Power Supply Contract specifying a Contract Demand which is at least 250 kW greater than the Base Amount applicable for that Customer.

3.2 Expansion Customer Participation Agreement. To participate in the EGC Program, a Customer qualifying under 3.1 above must enter into a Participation Agreement. The Participation Agreement shall:

(a) be in a form furnished or approved by TVA;

(b) include (i) a certification by the Customer showing that it qualifies under 3.1 above and (ii) a requirement that the Customer promptly notify Distributor of any change in any aspect of such qualifying status;

(c) provide for a monthly credit to the Customer for the time period and in the amount specified in Guideline 4.2, 4.3, 4.4, or 4.5 below for each kW by which the Customer's Actual Firm Demand (up to and including the kW amount of the Contract Demand) in the month exceeds the applicable Base Amount; provided, however, that

(i) for an SIC Customer, no credit shall be applicable unless such Actual Firm Demand exceeds the Base Amount by at least 100 kW, and

(ii) for an All-Electric Customer, or a Customer that qualifies under 3.1.3 above, no credit shall be applicable unless such Actual Firm Demand exceeds the Base Amount by at least 250 kW;

(d) provide that a Customer billed under part 2 of the section of schedule GSA or TGSA entitled "Base Charges" shall not receive a credit in any month which exceeds fifty percent (50%) of the amount of the charges billed to the Customer under that section;

(e) provide that where any type of power other than firm power was available at the Customer's delivery point at any time during the period used to calculate the applicable Base Amount

(i) for an SIC Customer no credit shall be applicable in any month unless the highest Total Metered Demand (up to and including the kW amount of

the amount of power available) in that month exceeds the Total Metered Base Amount by at least 100 kW,

(ii) for an All-Electric Customer, or a Customer that qualifies under 3.1.3 above, no credit shall be applicable in any month unless the highest Total Metered Demand (up to and including the kW amount of the total amount of power available) in that month exceeds the Total Metered Base Amount by at least 250 kW; and

(iii) the kW amount eligible for a credit will be the lesser of the kW amount calculated under (c) above or the kW amount by which the highest Total Metered Demand (up to and including the kW amount of the total amount of power available) in the month exceeds the Total Metered Base Amount; and

(f) provide for the automatic termination of the Participation Agreement if (i) the Customer does not qualify for a credit under (c), and where applicable (d) and (e), above within 12 months of the effective date of the Participation Agreement or (ii) ceases at any time to qualify for participation in the EGC Program under 3.1 above.

GUIDELINE 4 - CREDITS

4.1 Credit Method. Distributor shall make available to each Customer that qualifies for participation in the Program:

(a) one of the two credit options set forth in 4.2 and 4.3 below, for those customers which qualify for participation in the Program before October 1, 2003, or

(b) one of the two credit options set forth in 4.4 and 4.5 below, for those customers which qualify for participation in the Program on or after October 1, 2003

and shall specify in the Participation Agreement with such Customer the credit option so selected.

4.2 Declining 6 Year Credit Option. If this credit option is selected, Distributor shall apply the following schedule of credit amounts in calculating the credits to be applied under a Participation Agreement, entered into before October 1, 2003. Such credits will be applied for a 6-year period beginning with the first month in which the Customer qualifies for a credit under 2.2(c) or 3.2(c) above.

\$6.00 per kW for the first 12-consecutive-month period.

\$5.00 per kW for the second 12-consecutive-month period.

\$4.00 per kW for the third 12-consecutive-month period.

\$3.00 per kW for the fourth 12-consecutive-month period.

\$2.00 per kW for the fifth 12-consecutive-month period.

\$1.00 per kW for the sixth 12-consecutive-month period.

4.3 Flat 3 Year Credit Option. If this credit option is selected, Distributor will apply a credit amount of \$6.00 per kW in calculating the credits to be applied under a Participation Agreement, entered into before October 1, 2003. Such credits will be applied for a 3-year period beginning with the first month in which the Customer qualifies for a credit under 2.2(c) or 3.2(c) above.

4.4 Declining 8 Year Credit Option. If this credit option is selected, Distributor shall apply the following schedule of credit amounts in calculating the credits to be applied under a Participation Agreement entered into on or after October 1, 2003. Such credits will be applied for an 8-year period beginning with the first month in which the Customer qualifies for a credit under 2.2(c) or 3.2(c) above.

\$6.00 per kW for the first 12-consecutive-month period.

\$5.25 per kW for the second 12-consecutive-month period.

\$4.50 per kW for the third 12-consecutive-month period.

\$3.75 per kW for the fourth 12-consecutive-month period.

\$3.00 per kW for the fifth 12-consecutive-month period.

\$2.25 per kW for the sixth 12-consecutive-month period.

\$1.50 per kW for the seventh 12-consecutive-month period.

\$0.75 per kW for the eighth 12-consecutive-month period.

4.5 Flat 4 Year Credit Option. If this credit option is selected, Distributor will apply a credit amount of \$6.00 per kW in calculating the credits to be applied under a Participation Agreement entered into on or after October 1, 2003. Such credits will be applied for a 4-year period beginning with the first month in which the Customer qualifies for a credit under 2.2(c) or 3.2(c) above.

GUIDELINE 5 - EXPANSION DURING GROWTH CREDIT PARTICIPATION

It is recognized that a Customer receiving credits under the EGC Program may subsequently expand its facilities in a manner which would qualify the Customer for additional credits under Guideline 3.1 above. In such event, the Customer may enter into a Participation Agreement (Additional Credit Agreement) to cover credits for the expanded load except that

(a) a Customer shall not be eligible to enter into such an Additional Credit Agreement within the 12-month period immediately following the month in

which the Customer begins to receive credits under any Participation Agreement, and

(b) the Additional Credit Agreement shall provide that any kW amount of Actual Firm Demand for which the Customer receives a credit under the Additional Credit Agreement shall not be counted for purposes of determining the credit applicable under any previous EGC agreements which are still effective.



Tennessee Valley Authority, Post Office Box 292409, Nashville, Tennessee 37229-2409

August 13, 2007

Mr. Paul Thompson
EVP & General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

Dear Mr. Thompson:

As I described to you in my letter dated May 2, 2007, TVA has determined that the regulation costs imposed by Nonconforming Loads on the TVA system outweigh the benefits to the system that are the basis for offering credits under the Enhanced Growth Credit (EGC) program. Based on this determination, TVA is making changes in the eligibility requirements of the EGC program that will allow the continued availability of growth credits in those situations where attracting a new customer, or encouraging an existing customer to expand, will help keep rates lower for other consumers of TVA power. Accordingly, a customer with a total contract demand of more than 50 MW and with one or more of the following load characteristics:

- (a) expected load swings of approximately 50 MW or more and ramp rates of approximately 10 MW or more per minute, or
- (b) loads with expected daily reactive power ramp rates of 50 MVAR or more per minute, or
- (c) loads known to create voltage flicker exceeding the limits set out in the Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or
- (d) loads known to create harmonic current distortions exceeding the limits set out in IEEE Standard 519

will not be eligible to receive billing credits under the EGC program after the effective date of the amendment described below. TVA believes that this change is necessary in order for the EGC program to continue to achieve the original intent of the program to have a balanced development of the resources of the region in the future.

Mr. Paul Thompson
Page 2
August 13, 2007

We want to encourage your continued participation in the EGC program, and therefore, it will be necessary to amend Enhanced Growth Credit Program Agreement, TV-52337A, Supp. No. 39, as amended, to put this modification in place. If you are agreeable to the proposed change in the program, please have a duly authorized representative sign both originals of the enclosed agreement on behalf of Tri-County Electric Membership Corporation and return them both to your TVA Customer Service Manager. A fully executed original will be returned to you following signature on TVA's behalf.

If you do not wish to execute the enclosed agreement, this letter serves as TVA's notice that from and after December 1, 2007, Tri-County Electric Membership Corporation will not be authorized to enter into any new agreements with its customers to provide for billing credits under the EGC program.

Please do not hesitate to call Myron Callahan if you have any questions.

Sincerely,



Kenneth R. Breeden
Executive Vice President
Customer Resources

Enclosures

08/23/2007

Laura,

Please copy for our files
type in Ronald's title & mail
both originals to Myron.

Thanks,
Caw

06/19/2008

Laura,

Please file.
[Signature]

c: G.Hale 06/20/08 xk



Tennessee Valley Authority, 400 West Summit Hill Drive, Knoxville, Tennessee 37902-1401

March 26, 2008

TV-52337A, Supp. No. 81

Mr. Paul Thompson
EVP & General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

Dear Mr. Thompson:

This letter confirms the understanding between the Tri-County Electric Membership Corporation (Distributor) and the Tennessee Valley Authority (TVA) concerning the reimbursement plan for Distributor's costs of preparing or having prepared a Statement on Auditing Standards No. 70 (SAS 70) Type II audit of internal controls (Report) including an opinion of a certified public accountant (Opinion) as described in section 1 below in support of TVA's efforts related to Section 404 of the Sarbanes-Oxley Act of 2002. It is recognized (a) that TVA's internal control structure is impacted by the nature of its current end-use billing arrangements with Distributor, (b) that under these arrangements, Distributor calculates major components of its power bills, and (c) that TVA will rely on the Report provided for by this agreement in assessing the effectiveness of TVA's internal controls over the end-use billing process as well as the effectiveness of related controls performed by Distributor.

In accordance with the following timetable and conditions, TVA will reimburse Distributor the applicable amount provided for in Attachment A to this agreement:

1. Distributor agrees to prepare or have prepared a Report.

a. The Report shall provide TVA assurance that controls are in place to achieve the following control objectives related to the end-use billing process:

- i. The end-use customer master file, including end-use customer classifications and applicable industry codes (such as SIC or NAICS), is accurate, and only valid changes are made to the file by authorized individuals;
- ii. All actual power usage for the period is captured and meter readings for energy usage (kWh) and peak demands (kW) are transferred completely and accurately to the computer system used to compute the "Schedule 1" power invoice;
- iii. All adjustments to energy usage (kWh) and interval meter data (kW) are valid (e.g., based on prior inaccurate meter readings or other valid support), are made by authorized personnel, and are calculated using the appropriate billing rate in effect at the time of the original billing;

Mr. Paul Thompson

Page 2

March 26, 2008

- iv. Processes are in place to periodically verify the proper performance of commercial and industrial meters used for demand charge calculations;
- v. "Schedule 1" summaries and any other billing information reported to TVA (e.g., minimum bill data, itemized statements, and support for adjustments) are accurately calculated (using correct power usage, product and credit charge codes, customer classifications, usage calculations, credit calculations, contract terms, valid rates, and appropriate factors) and are conveyed completely and accurately to TVA on a timely basis;
- vi. Logical access to system resources (e.g., programs, data, tables, and parameters) in distributor and third party processor systems used in the end-use billing process is restricted for proper system security and segregation of duties;
- vii. New systems and applications purchased or developed for use in the end-use billing process are authorized, tested, approved, properly implemented and documented;
- viii. Changes to existing systems and applications used in the end-use billing process are approved, tested, and documented to ensure data that has been recorded, processed, and reported remains complete, accurate, and valid throughout the update and storage process;
- ix. System and application processing (such as batch jobs and interfaces) are appropriately authorized and scheduled. Deviations or problems arising from scheduled processing are identified and resolved through a properly controlled computer operations environment including the appropriate maintenance and testing of system backups; and
- x. Key spreadsheets and reports used as data sources or inputs to the end-use billing process are controlled and validated.

If Distributor relies on a third party to perform any of the control objectives above, Distributor is to obtain a separate Report, including Opinion, from the third party on the related controls.

- b. The Opinion shall address the following four components:
 - i. Fair presentation of the description of controls,
 - ii. Design effectiveness of controls,
 - iii. Operating effectiveness as of a specified date, and

Mr. Paul Thompson
Page 3
March 26, 2008

- iv. Whether or not the Distributor's or third party billing agencies' controls are operating effectively over a specified period of time.
2. On or before August 31, 2008, Distributor shall submit to TVA the required Report(s), including Opinion(s) and descriptions of controls performed to meet each of the control objectives and audit requirements listed under section 1 above; the nature of the tests conducted; and the results of each test as described in TVA's "End-Use Billing Process" Audit Plan.

Distributor agrees to submit the Report(s) by either mail or e-mail as listed below. If submitted by mail, two (2) copies of the Report(s) shall be included.

By Mail: Tennessee Valley Authority
Attn: Controller
400 West Summit Hill Drive
WT 4B-K
Knoxville, Tennessee 37902

E-mail: dsasrepo@tva.gov

3. If (1) TVA receives the Report(s) and Opinion(s) meeting the requirements of section 1 above on or before the deadline provided for in section 2 above, (2) TVA receives a copy of the auditor's invoice, and (3) TVA's specific concerns on deficiencies identified in the Report(s) are satisfactorily addressed, TVA shall reimburse Distributor in accordance with Attachment A by applying a credit on the Distributor's next power invoice. TVA will not reimburse Distributor if the auditor cannot express an opinion on Distributor's internal controls or if the Report(s) include a disclaimer.
4. Nothing in this agreement is intended to subject a Distributor that is not otherwise legally subject to the provisions of the Sarbanes-Oxley Act of 2002 to this act. The Report(s) and Opinion(s) described in this agreement support TVA's efforts under the act.

Mr. Paul Thompson
Page 4
March 26, 2008

If this correctly states our understanding, please have a duly authorized representative sign and date both duplicate originals of this letter on behalf of Distributor and return them to Myron Callahan. A fully executed original will be returned to you.

Sincerely,



John M. Thomas III
Vice President & Controller

Accepted and agreed to as of
the ___ day of _____, 2008.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By:

Title:

Paul Thompson
Exec. V.P. & Gen. Mgr.

SAS 70 Audit Cost - Reimbursement Scale

Fiscal Year 2008

Distributor MWh Usage TVA's FY 2007	Reimbursement Amounts
Less Than 500,000	\$ 20,000
500,000 up to but not including 1 Million	\$ 25,000
1 Million up to but not including 2 Million	\$ 30,000
2 Million up to but not including 6 Million	\$ 40,000
6 Million or More	\$ 80,000

The above table presents the reimbursement amounts distributors will receive for their SAS 70 Type II audit reports and opinions provided in accordance with the preceding letter agreement. The reimbursement will be in the form of a credit to the most current power invoice after the following requirements are met: TVA is in receipt of the completed SAS 70 audit report(s) and opinion(s) meeting the requirements of section 1 of this agreement on or before the deadline provided for in section 2 of this agreement; TVA receives a copy of the auditor's invoice; and TVA's specific concerns on deficiencies identified in the report are satisfactorily addressed. There will be no reimbursement for an audit in which the auditor cannot express an opinion on the distributor's internal controls or for a report that includes a disclaimer.



Tennessee Valley Authority, 400 West Summit Hill Drive, Knoxville, Tennessee 37902-1401

February 24, 2009

Mr. Paul Thompson
EVP & General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

TV-52337A, Supp. No. 82

02/27/2009
copy mailed today
to E. Peterson.

Dear Mr. Thompson:

This letter confirms the understanding between the Tri-County Electric Membership Corporation (Distributor) and the Tennessee Valley Authority (TVA) concerning the reimbursement plan for Distributor's costs of preparing or having prepared a Statement on Auditing Standards No. 70 (SAS 70) Type II audit of internal controls (Report) including an opinion of a certified public accountant (Opinion) as described in section 1 below in support of TVA efforts related to Section 404 of the Sarbanes-Oxley Act of 2002. It is recognized that (a) TVA's internal control structure is impacted by the nature of its current end-use billing arrangements with Distributor, (b) that under these arrangements, Distributor calculates major components of its power bills, and (c) that TVA will rely on the Report provided for by this agreement in assessing the effectiveness of TVA's internal controls over the end-use billing process as well as the effectiveness of related controls performed by Distributor.

In accordance with the following timetable and conditions, TVA will reimburse Distributor the applicable amount provided for in Attachment A to this agreement:

1. Distributor agrees to prepare or have prepared a Report.
 - a. The Report shall provide TVA assurance that controls are in place to achieve the following control objectives related to the end-use billing process:
 - i. The end-use customer master file, including end-use customer classifications and applicable industry codes (such as SIC or NAICS), is accurate, and only valid changes are made to the file by authorized individuals;
 - ii. All actual power usage for the period is captured and meter readings for energy usage (kWh) and peak demands (kW) are transferred completely and accurately to the computer system used to compute the "Schedule 1" power invoice;
 - iii. All adjustments to energy usage (kWh) and interval meter data (kW) are valid (e.g., based on prior inaccurate meter readings or other valid support), are made by authorized personnel, and are calculated using the appropriate billing rate in effect at the time of the original billing;

- iv. Processes are in place to periodically verify the proper performance of commercial and industrial meters used for demand charge calculations;
- v. "Schedule 1" summaries and any other billing information reported to TVA (e.g., minimum bill data, itemized statements, and support for adjustments) are accurately calculated, (using correct power usage, product and credit charge codes, customer classifications, usage calculations, credit calculations, contract terms, valid rates, and appropriate factors) and are conveyed completely and accurately to TVA on a timely basis;
- vi. Logical access to system resources (e.g., programs, data, tables, and parameters) in distributor and third party processor systems used in the end-use billing process is restricted for proper system security and segregation of duties;
- vii. New systems and applications purchased or developed for use in the end-use billing process are authorized, tested, approved, properly implemented and documented;
- viii. Changes to existing systems and applications used in the end-use billing process are approved, tested, and documented to ensure data that has been recorded, processed, and reported remains complete, accurate, and valid throughout the update and storage process;
- ix. System and application processing (such as batch jobs and interfaces) are appropriately authorized and scheduled. Deviations or problems arising from scheduled processing are identified and resolved through a properly controlled computer operations environment including the appropriate maintenance and testing of system backups; and
- x. Key spreadsheets and reports used as data sources or inputs to the end-use billing process are controlled and validated.

If Distributor relies on a third party to perform any of the control objectives above, Distributor is to obtain a separate Report, including Opinion, from the third party on the related controls.

b. The Opinion shall address the following four components:

- i. Fair presentation of the description of controls,
- ii. Design effectiveness of controls,
- iii. Operating effectiveness as of a specified date, and

Mr. Paul Thompson
Page 3
February 24, 2009

iv. Whether or not the Distributor's or third party billing agencies' controls are operating effectively over a specified period of time.

2. On or before August 31, 2009 Distributor shall submit to TVA the required Report(s), including Opinion(s) and descriptions of controls performed to meet each of the control objectives and audit requirements listed under section 1 above; the nature of the tests conducted; and the results of each test as described in TVA's "End-Use Billing Process" Audit Plan.

Distributor agrees to submit the Report(s) by either mail or e-mail as listed below. If submitted by mail, two (2) copies of the Report(s) shall be included.

By Mail: Tennessee Valley Authority
Attn: Controller
400 West Summit Hill Drive
WT 4B-K
Knoxville, Tennessee 37902

E-mail: dsasrepo@tva.gov

3. If TVA receives the Report(s) and Opinion(s) meeting the requirements of section 1 above on or before the deadline provided for in section 2 above, (2) TVA receives a copy of the auditor's invoice; and (3) TVA's specific concerns on deficiencies identified in the Report(s) are satisfactorily addressed, TVA shall reimburse Distributor in accordance with Attachment A by applying a credit on the Distributor's next power invoice. TVA will not reimburse Distributor if the auditor cannot express an opinion on Distributor's internal controls or if the Report(s) include a disclaimer.
4. Nothing in this agreement is intended to subject a Distributor that is not otherwise legally subject to the provisions of the Sarbanes-Oxley Act of 2002 to this act. The Report(s) and Opinion(s) described in this agreement support TVA's efforts under the act.

Mr. Paul Thompson
Page 4
February 24, 2009

If this correctly states our understanding, please have a duly authorized representative sign and date both duplicate originals of this letter on behalf of Distributor and return them to Ernie Peterson. A fully executed original will be returned to you.

Sincerely,

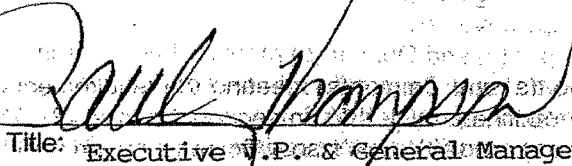


John M. Thomas III
Vice President & Controller

Accepted and agreed to as of
the 27 day of February, 2009

TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION

By:



Title: Executive V.P. & General Manager

July 8, 2010

Tammy,

Please send (1) copy of the 5MR agreement to Kingsford, keep copies of both the 5MR & TV-52337A, Supp. #83 for your records & copy Laura on both. Glenn needs a copy of TV-52337A, Supp. #83 to adjust the billing,



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

July 7, 2010

Mr. Paul Thompson
Executive Vice President/General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

Thanks,
[Signature]

Dear Paul:

**TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION – KINGSFORD
MANUFACTURING COMPANY – EXECUTED 5 MR AGREEMENT, CONTRACT
NO. 3168, and AGREEMENT TV-52337A, SUPP. NO. 83**

Enclosed are two fully executed originals of tri-party 5 MR Agreement, Contract No. 3168, dated July 1, 2010, covering arrangements for (a) 1,000 kW of Kingsford's contract demand to be designated as protected load and (b) 4,000 kW of Kingsford's contract demand to be designated as 5 MR and subject to suspension of availability upon 5 minutes' notice. Please present one fully executed original of 5 MR Agreement 3168 to Kingsford Manufacturing and retain the other fully executed original for your files.

Also, enclosed for your files is one fully executed original of Agreement TV-52337A, Supplement No. 83, dated July 1, 2010, covering the wholesale billing adjustments needed for Kingsford's participation in the 5 MR program.

If you have questions or concerns, please call me at 270-846-7042.

Sincerely,

Hugh A. Meyer
Customer Service Engineer
Kentucky

Enclosures

AGREEMENT
Between
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION
And
TENNESSEE VALLEY AUTHORITY

Date: July 1, 2010

TV-52337A, Supp. No. 83

THIS AGREEMENT, made and entered into between TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), a cooperative corporation created and existing under and by virtue of the laws of the State of Tennessee, and TENNESSEE VALLEY AUTHORITY (TVA), a corporation created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended (TVA Act);

WITNESSETH:

WHEREAS, TVA and Distributor have entered into a contract dated July 18, 1979, as amended (Power Contract), under which Distributor purchases its entire requirements for electric power and energy from TVA for resale; and

WHEREAS, Distributor and Kingsford Manufacturing Company (Company) have entered into a power supply contract dated December 29, 2010 (Company Contract); under which Company purchases power from Distributor for a term of at least five years for the operation of Company's plant near Summer Shade, Kentucky; and

WHEREAS, TVA, Distributor, and Company have entered into an agreement of even date herewith (5 MR Agreement) covering arrangements for Distributor and Company to participate in TVA's 5 Minute Response (5 MR) Interruptible Program under which a portion of Company's contract demand will be designated as 5 MR interruptible power; and

WHEREAS, the parties wish to supplement and amend the Power Contract and to enter into such other arrangements as are necessary between TVA and Distributor with respect to Distributor providing service to Company under the 5 MR Agreement;

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements set forth below, and subject to the provisions of the TVA Act, the parties mutually agree as follows:

SECTION 1 - TERM OF AGREEMENT

This agreement shall become effective as of the effective date of the 5 MR Agreement, and shall continue in effect until expiration or termination of the 5 MR Agreement, or of the Power Contract, whichever first occurs.

SECTION 2 - BILLING DATA

2.1 Metering Data. Data obtained from the metering facilities referred to in section 5 of this agreement will be used (a) by Distributor for the purposes of determining the power and energy taken by Company and (b) by TVA for determining applicable adjustments for Distributor's wholesale bill.

2.2 Billing Data Supplied by Distributor. As a condition for TVA making 5 MR available to Distributor, Distributor shall provide TVA the following information related to Company's power and energy takings under the 5 MR program.

2.2.1 Bills to Company. To facilitate TVA's preparation of the bill to Distributor for power and energy made available under the Power Contract, each month Distributor shall furnish to TVA a copy of Distributor's bill to Company for power and energy made available under the Company Contract.

2.2.2 5 MR Data. Distributor shall also provide such other information related to Company's power and energy takings as TVA may require, including but not limited to, any charges associated with 5 MR, 5 MR credits, and Credit Reduction Charges.

2.3 TVA Billing Analysis.

2.3.1 Analysis Provided by TVA. It is recognized that Distributor has requested that TVA perform certain monthly meter-reading services and billing data analysis (Billing Analysis) with respect to Company. Accordingly, TVA will supply Distributor as soon as practicable after Company's scheduled meter-reading date the information regarding the amounts of power designated as 5 MR deemed to have been taken by Company and such other information as may be necessary for Distributor to calculate Company's bill under the Company Contract and to meet its obligations under 2.2 above.

2.3.2 Termination of Services. The Billing Analysis provided for under this subsection 2.3 may be terminated by TVA or Distributor at any time upon at least 30 days' written notice to the other party.

SECTION 3 - ADJUSTMENTS TO DISTRIBUTOR'S WHOLESALE BILLING

In calculating the wholesale bill each month for Distributor, the following steps will be taken with respect to Company:

3.1 Demand and Energy Charges. Distributor will be billed demand and energy charges as provided in the wholesale rate schedule (Wholesale Schedule), which is contained in the Schedule of Rates and Charges attached to and made a part of the Power Contract, for the demand and the energy deemed to have been taken by Company under the Company Contract and the 5 MR Agreement.

3.2 5 MR Credits. TVA will apply a credit to the wholesale power bill equal to any 5 MR credit applied to Company's bill in accordance with the 5 MR Agreement.

3.3 Credit Reduction Charges. In the event that any Credit Reduction Charges are applied to Company's bill in accordance with the 5 MR Agreement, the amount of the Credit Reduction Charges will be included in a subsequent wholesale bill as provided for in section 4 below.

3.4 Administrative Costs Charge. (a) For so long as TVA is providing Billing Analysis to Distributor under subsection 2.3 above, an amount equal to the Administrative Costs Charge billed to Company (in accordance with the 5 MR Agreement) will be included as part of the wholesale bill.

(b) After any termination of Billing Analysis is effective under said subsection 2.3:

(i) an amount equal to the portion of the Administrative Costs Charge billed to Company (in accordance with the 5 MR Agreement) which is for coverage of TVA's other costs other than the no longer applicable Billing Analysis costs will continue to be included as part of the wholesale bill, and

(ii) the amount of the total Administrative Costs Charge then allocated to reflect said portion (currently \$350) shall not be increased without a corresponding increase of the total Administrative Costs Charge applicable under the 5 MR Agreement.

(c) TVA and Distributor also agree to coordinate, and to cooperate with each other to implement, any increase of said total Administrative Costs Charge that the other party deems necessary to address any increase in its costs.

SECTION 4 - CREDIT REDUCTION CHARGES

(a) In the event that any Credit Reduction Charges are applied to Company's bill in accordance with the 5 MR Agreement, except as otherwise provided in (b) below, the amount of the Credit Reduction Charges will be included in the wholesale bill for the first wholesale billing month occurring at least 60 days after the date that such Credit Reduction Charge is to be paid by Company.

(b) In the event that Company fails to pay any Credit Reduction Charges when due:

(i) Distributor shall promptly notify TVA in writing. Within 90 days after the date on which Company becomes past due in the payment of any Credit Reduction Charges, Distributor, after consultation with TVA, shall institute litigation to enforce payment. To the extent determined by TVA to be appropriate, TVA will assist Distributor in such efforts. Upon failure of Distributor to do so, TVA may institute such litigation in the name of Distributor, or in the name of TVA, or in the name of both, and any actions taken by TVA in connection with such litigation shall be binding on Distributor.

(ii) The amounts applicable under (a) above shall accrue but shall not become payable by Distributor until collection is made from Company. If all legal remedies are pursued, Distributor's payment obligations to TVA shall be limited to the amount recovered from Company reduced by the costs (not recovered from the Company) reasonably incurred by Distributor in the prosecution of such litigation.

SECTION 5 - METERING FACILITIES

5.1 Revenue Meter. It is recognized and agreed that Distributor is responsible for providing, installing, and maintaining the meter and associated equipment which in TVA's judgment are needed for determining the amounts of power and energy associated with 5 MR. Such metering facilities shall include a solid-state type revenue meter (Revenue Meter) capable of remote telephone access. Distributor will, at its expense, provide the equipment and materials and perform the work necessary to install the Revenue Meter. Thereafter, Distributor shall test, calibrate, operate, maintain, repair, and replace all facilities in the metering installation.

5.2 Remote Access. In accordance with guidelines or specifications furnished or approved by TVA, Distributor shall provide or otherwise arrange for a telephone circuit (or an alternative system approved by TVA) and all other equipment necessary to allow remote access by TVA to the metering data recorded by the Revenue Meter under the 5 MR Agreement.

5.3 Access by TVA. Distributor agrees for TVA to have access to the data stored in the Revenue Meter through the telephone circuit (or alternative system approved under 5.2 above) and will provide to TVA any information necessary for the exercise of such access. Distributor further grants to TVA access to the metering facilities for the purpose of confirmation of the metering data being received by telephone. The use of the telephone circuit and access to the metering data will be coordinated by TVA's and Distributor's operating representatives to ensure unrestricted access by TVA for data retrieval purposes during such periods as specified by TVA.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives, as of the day and year first above written.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 

Title: Executive V.P. & General Manager

TENNESSEE VALLEY AUTHORITY

By 

Senior Vice President
Commercial Operations and Pricing

5 MR AGREEMENT

Date: July 1, 2010

Contract No. 3168

THIS AGREEMENT (5 MR Agreement) is made and entered into by and among the following parties:

COMPANY: KINGSFORD MANUFACTURING COMPANY

Legal Status: a corporation created and existing under and by virtue of the laws of the State of Delaware

Mail Notices

to: Rob Service, Plant Manager

at: 5126 Summer Shade Road

P.O. Box 42166

Summer Shade, Kentucky 42166

Telephone number for suspension notices: (270) 428-6254 is the number of the dedicated line designed in accordance with subsection 3.6.3 below.

If no one is reached at the dedicated line, TVA may (without obligation) also provide suspension notices at the following number(s): (270) 427-0739 and (270) 428-6250.

DISTRIBUTOR: TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

Legal Status: a cooperative corporation created and existing under and by virtue of the laws of the State of Tennessee

Mail Notices

to: EVP & General Manager

at: Tri-County Electric Membership Corporation

Post Office Box 40

Lafayette, Tennessee 37083-0040

TVA: TENNESSEE VALLEY AUTHORITY

Legal Status: a corporation created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended (TVA Act)

Mail Notices

to: Executive Vice President, Customer Resources

at: Tennessee Valley Authority

Post Office Box 292409

Nashville, Tennessee 37229-2409

W I T N E S S E I H:

WHEREAS, Distributor purchases power from TVA for resale under Power Contract TV-52337A, dated July 18, 1979, as amended; and

WHEREAS, the power supply contract between Distributor and Company, dated December 29, 2009 (Company Contract), provides for a Contract Demand of 5,000 kW for a term of at least five years for the operation of Company's plant near Summer Shade, Kentucky; and

WHEREAS, Distributor and Company wish to participate in TVA's 5 Minute Response (5 MR) Interruptible Program under which a portion of Company's Contract Demand will be designated as 5 MR interruptible power; and

WHEREAS, Company, Distributor, and TVA wish to supplement and amend the Company Contract in the respects necessary to provide for such participation during the term of this 5 MR Agreement;

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements set forth below, and subject to the provisions of the TVA Act, the parties enter into this 5 MR Agreement by agreeing as follows:

SECTION 1 - DEFINITIONS

As used in this 5 MR Agreement:

- 1.1 "**5 MR Demand**" for any clock half-hour shall mean the amount (up to and including the 5 MR available in that half-hour), if any, by which the Total Demand for that half-hour exceeds the Protected Demand.
- 1.2 "**Billing Period**" shall mean the period of time from the Meter-Reading Time in one calendar month to the Meter-Reading Time in the next calendar month used to determine the power and energy amounts for which Company is to be billed.
- 1.3 "**Contract Demand**" shall mean the total kW amount of power made available under the Company Contract.
- 1.4 "**Demand Ratchet**" shall mean the exception language set out in the section headed "Determination of Demand" of the Rate Schedule which establishes the level below which billing demand cannot fall.
- 1.5 "**Effective Interruptible Demand**" shall mean the kW amount of 5 MR Demand that TVA, in its reasonable judgment, deems to be available for suspension at the time of the 200 highest hourly average kW amounts of TVA's system load each year.
- 1.6 "**Guidelines**" shall mean the Suspension Noncompliance Guidelines attached to and made a part of this 5 MR Agreement. The Guidelines may be changed or adjusted by TVA from time-to-time upon 60 days' notice; provided, however, that (a) any Credit Reduction Charge amount provided for by the Guidelines may only be changed or adjusted as provided for in 3.5 below and (b) with respect to Guideline 6 – Termination, no change or adjustment to the Guidelines shall reduce (i) the noncompliance threshold giving rise to TVA's termination right to an amount less than 10 percent or (ii) the notice period for any such termination to less than 60 days.
- 1.7 "**Load Factor**" for any Billing Period shall mean a percentage calculated by dividing the total metered energy for that Billing Period by the product of the Metered Demand for that Billing Period and the number of clock hours in that Billing Period.
- 1.8 "**Metered Demand**" for any Billing Period shall mean the highest average amount during any clock half-hour of that Billing Period of Company's load measured in kW.

1.9 "**Meter-Reading Time**" for any calendar month shall mean 0000 hours Central Prevailing Time, on the ~~5th~~^{1st} day of ~~that~~^{the following} calendar month, except that Distributor, after first obtaining TVA's concurrence, may change the time and date of the meter reading upon notice to Company and TVA.

1.10 "**Proprietary Information**" shall mean any and all information related to projected forecasts of TVA's power system operations and other forecasts relative to potential suspensions of 5 MR disclosed by TVA to Company whether via the System or otherwise.

1.11 "**Protected Demand**" shall mean the portion of the Contract Demand specified in 3.1 below that is not subject to suspension of availability under 3.6 below.

1.12 "**Rate Schedule**" shall mean Distributor's rate schedule applicable for billing Company under the Company Contract, as it may be modified, changed, replaced, or adjusted from time to time as provided under contractual arrangements between Distributor and TVA (together with the currently effective Adjustment Addendum).

1.13 "**System**" shall mean the computer-based information system or other information system designated by TVA under 3.7 below.

1.14 "**Total Demand**" for each clock half-hour shall be the higher of the average amount during that half-hour of (a) Company's load measured in kW or (b) 93 percent of Company's load measured in kVA plus an additional 2 percent for that part of the load over 5,000 kVA.

SECTION 2 - TERM AND TERMINATION

2.1 **Effective Date and Term.** This 5 MR Agreement shall become effective as of 0000 hours Central Prevailing Time on July 1, 2010 (Effective Date). Except as otherwise provided, it shall continue in effect through the first Meter-Reading Time that falls at least 5 years after the Effective Date of this 5 MR Agreement.

2.2 **Termination of 5 MR Agreement.** This 5 MR Agreement may be terminated:

- (a) by any party effective on or after the 3rd anniversary of the Effective Date by such party giving at least 2 years' notice;
- (b) by Company in the event that any annual decrease in the 5 MR Credit Amount is more than 12 percent, upon at least 15 days' notice to TVA prior to the effective date of such decrease;
- (c) by Company in the event that any annual increase in the 5 MR Credit Reduction Charge is more than 12 percent, upon at least 15 days' notice to TVA prior to the effective date of such increase;
- (d) by TVA or Distributor in accordance with the Guidelines; or
- (e) by TVA or Distributor upon at least 60 days' notice if: (i) Company does not maintain a current Load Reduction Plan, (ii) Company's Effective Interruptible Demand drops below 500 kW, (iii) Company's average of the most recent 12 monthly Load Factors (Average Yearly Load Factor) drops below 40 percent, or (iv) Company fails to respond

properly to a test of any system that would be utilized by TVA to suspend 5 MR in accordance with 3.6 below.

2.3 Termination of Company Contract. Notwithstanding anything in the Company Contract that may be construed to the contrary, except as otherwise provided below, the parties agree that during the term of this 5 MR Agreement, no notice by Company or Distributor to terminate the Company Contract shall be effective sooner than the date on which termination of this 5 MR Agreement can be achieved under 2.2 (a) above. It is expressly recognized that this 5 MR Agreement and the Company Contract may be terminated by Distributor, or power supply from Distributor under the Company Contract may be suspended, in accordance with the Rules and Regulations of Distributor.

SECTION 3 - 5 MR

3.1 Protected Demand and 5 MR Availability. Subject to the other provisions of this 5 MR Agreement and the Company Contract, during the term of this 5 MR Agreement the provisions of the Company Contract providing for Company's Contract Demand shall be deemed amended in the respects necessary to provide:

- (a) that 1,000 kW of Company's Contract Demand is designated to be Protected Demand,
- (b) that 4,000 kW shall be the portion of Company's Contract Demand designated as 5 MR and subject to suspension of availability under 3.6 below, and
- (c) that Distributor shall make the 5 MR portion of Company's Contract Demand available, in such amounts as TVA, in its judgment, is able to supply, up to and including the kW amount of 5 MR specified in (b) above.

Further, it is expressly recognized and agreed that the Protected Demand and the kW amount of 5 MR made available under this 5 MR Agreement may be adjusted by TVA in accordance with the Guidelines.

3.2 Determination of Billing Amounts. For purposes of determining the charges under the Rate Schedule, the following shall apply:

3.2.1 Billing Demand. The highest Total Demand in a Billing Period shall be the billing demand; provided, however, that the billing demand shall in no case be less than the amount calculated under the Demand Ratchet.

3.2.2 Excess Demand. For purposes of applying the charges set out in the section headed "Base Charges" of the Rate Schedule, if this section provides for an additional amount to be applied as a part of the demand charge applicable under part 3 of said section to each kW "by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand," for purposes of this 5 MR Agreement, this additional amount shall be applied to the kW amount, if any, equal to the higher of:

- (a) any amount by which the highest Total Demand in any clock half-hour during which 5 MR is available exceeds the higher of 2,500 kW or the Contract Demand, or

(b) any amount by which the highest Total Demand in any clock half-hour during which the availability of 5 MR is suspended exceeds the higher of 2,500 kW or the Protected Demand.

3.3 Conflicts. In the event of any conflict between the Rate Schedule and this 5 MR Agreement, this 5 MR Agreement shall control. In the event of any conflicts between the Company Contract and this 5 MR Agreement, this 5 MR Agreement shall control.

3.4 Administrative Costs Charge. To help recover administrative and other costs of making the 5 MR program available (Administrative Costs), Distributor's monthly power invoice to Company shall include, and Company shall pay, a monthly Administrative Costs Charge (currently \$700 for the first meter and \$50 for each additional meter at the delivery point identified in the Company Contract). This charge shall be due and payable each month on the due date for the monthly power invoice. Not more frequently than annually, by at least 60 days' notice to Company, TVA may increase or decrease the Administrative Costs Charge to reflect changes in TVA's or Distributor's Administrative Costs.

3.5 5 MR Credit.

3.5.1 Credit Amount. In each month that Company's Load Factor exceeds 50 percent, a credit of \$4.00 per kW (Credit Amount) of the highest 5 MR Demand established in that month shall be applied to Company's bill.

3.5.2 Credit Reduction Charge. In each Billing Period during which Company fails to suspend its 5 MR takings as required under 3.6 below, a charge (Credit Reduction Charge) shall be applied to Company's bill as set out in the Guidelines.

It is expressly recognized that application of the Credit Reduction Charge shall be without prejudice to any other rights of Distributor or TVA that may arise due to any failure by Company to comply with a 5 MR suspension.

3.5.3 Adjustments. Not more frequently than once in any 12-month period, by at least 60 days' notice to Company, TVA may change or adjust:

- (a) the Credit Amount provided for in 3.5.1 above, and/or
- (b) any Credit Reduction Charge amount provided for in the Guidelines,

to assure TVA of such cost recovery as the TVA Board determines to be necessary to meet the then-existing circumstances; provided, however, that any such changed or adjusted amounts shall be applied to all customers to which 5 MR is made available.

3.6 Reliability Suspensions of Availability.

3.6.1 5 MR Subject to Suspension by Notice. TVA may suspend the availability of 5 MR upon 5 minutes' notice to Company. Such availability of 5 MR may be suspended at any time that TVA determines, in its sole judgment, that such a suspension is necessary or appropriate to address the reliability of the TVA system or the reliability of any portion of the TVA system.

Any such suspension shall become effective, and Company shall cease taking 5 MR, at the expiration of the 5-minute notice period. Notwithstanding anything that may be construed to the contrary, the availability of 5 MR remains at all times subject to the provisions of subsection 4.3 below covering interference with availability or use of power.

3.6.2 Suspension Periods. For billing purposes, each period of suspension shall begin when the suspension becomes effective and shall end at the time notice is given of the restoration of the availability of 5 MR; provided, however, that if such notice is not given before the end of the Billing Period in which a period of suspension begins, that period of suspension shall be deemed to end at the end of the Billing Period and a new period of suspension shall be deemed to begin at the start of the next Billing Period and continue until the time notice is given of the restoration of the availability of 5 MR.

3.6.3 Telephone Line for Suspension Notices. Company shall at all times maintain, in accordance with guidelines furnished or approved by TVA, a telephone line (or an alternative system approved by TVA) dedicated to the receipt of notices under this paragraph.

3.6.4 Load Reduction Plan. It is recognized that prior to the Effective Date of this agreement Company provided Distributor a plan certified by its authorized representative (Load Reduction Plan) describing the actions that will be taken by Company to suspend its 5 MR takings as required under this subsection 3.6. Company shall update the Load Reduction Plan annually and provide Distributor with the updated plan by March 1 of each year. Annual updates of the Load Reduction Plan, acceptable to Distributor and TVA, shall be certified by an authorized representative of Company. Within 24 months of the Effective Date of this agreement, Company shall demonstrate its Load Reduction Plan by completing a Load Demonstration in accordance with the Guidelines.

3.7 Power System Information.

(a) For Company's convenience, TVA may from time to time provide Company with information related to projected forecasts of TVA's power system operations and other forecasts relative to potential suspensions of 5 MR availability via a System designated by TVA for obtaining access to such information or via other means. All such forecast information shall be deemed to be Proprietary Information and it is expressly recognized and agreed that Company's obligations with respect to such Proprietary Information provided during the term of this agreement shall survive its termination or expiration. The System will be owned, operated, and maintained by TVA.

As a condition of access to the System and in consideration of TVA's making Proprietary Information available to Company, (i) Company agrees not to divulge Proprietary Information to third parties without the written consent of TVA, and (ii) Company further agrees not to use the Proprietary Information disclosed to it by TVA to compete with TVA or for any purpose other than those set forth in this section 3. Nothing in this paragraph shall prevent Company from making disclosures to other parties that are required by law; provided, however, Company shall endeavor to secure the agreement of such other party to maintain the information in confidence. In the event that Company is unable to secure such agreement, Company shall notify TVA with reasonable promptness so that TVA may join Company in the pursuit of such an agreement of confidence, or take any other action it deems appropriate.

- (b) For Company's access to the System, Company shall provide, at its expense, such software, hardware, or other equipment as may be necessary. In addition, Company shall be responsible for any telephone or other communications charges incurred in connecting to the System in the manner designated by TVA. Company shall access the System only in accordance with guidelines furnished or approved by TVA and shall use the System only in connection with obtaining information about 5 MR under this 5 MR Agreement.
- (c) Nothing in this subsection 3.7 shall restrict or limit TVA's right to suspend 5 MR provided for in subsection 3.6 above and TVA may suspend 5 MR under said subsection 3.6 without regard to whether or not a potential suspension has been projected. Further, the failure or inability for any reason of Company to access information about a potential suspension, through the System or otherwise, shall not alter Company's obligation to comply with any suspension of 5 MR.
- (d) TVA makes no statement, representation, claim, guarantee, assurance, or warranty of any kind whatsoever, including, but not limited to, representations or warranties, express or implied, of merchantability, fitness for a particular use or purpose, accuracy, or completeness, of any estimates, information, service, or equipment furnished or made available to Company under this subsection 3.7. Company hereby waives, and releases the United States of America, TVA, and their directors, officers, agents, and employees from any and all claims, demands, or causes of action, including, without limitation, consequential damages, arising out of or in any way connected with any estimates, information, service, or equipment furnished or made available under this section.

SECTION 4 - MISCELLANEOUS PROVISIONS

4.1 Notices.

4.1.1 Notice. Any notice required by this 5 MR Agreement shall be deemed properly given if posted by TVA electronically on the System as defined under 3.7 above or delivered in writing to the address specified by this 5 MR Agreement: (a) personally, (b) by recognized overnight courier service, or (c) by United States Mail, postage prepaid.

4.1.2 Certain Notices May Be Oral. Notices between the authorized operating representatives of the parties may be oral, except for notice of termination under section 2 of this 5 MR Agreement, which must be in writing. Notices that may be oral shall be confirmed as provided by one of the methods in 4.1.1 above. Notwithstanding anything else in this subsection 4.1, notices of suspension under subsection 3.6 may be oral and shall not require confirmation by TVA consistent with subsection 4.1.1 above.

4.1.3 Changes in Persons to Receive Notice. The designation of the person to be so notified, or the address of such person, may be changed at any time and from time to time by either party by similar notice.

4.2 Relationship of Distributor, Company, and TVA.

4.2.1 Company to Remain a Customer of Distributor. It is expressly recognized that Company remains a customer of Distributor and is not a directly served customer of TVA. TVA is a party to this 5 MR Agreement only because of the unique nature of 5 MR.

Distributor retains responsibility for all power service and customer relations matters except as provided otherwise with respect to 5 MR. TVA and Company may at any time communicate directly concerning matters relating to 5 MR; further TVA shall have sole responsibility for

(a) requiring reductions in availability of 5 MR, and

(b) maintenance of records of the status of the availability of 5 MR.

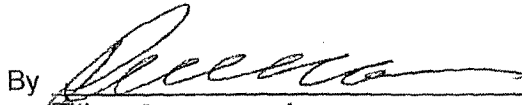
4.2.2 Additional Contract Amendments. No assignment of Company Contract or amendments of Company Contract relating to Contract Demand or term, shall be effective unless they are approved by TVA.

4.3 Interference With Availability of Power. The term "force majeure" shall be deemed to be a cause reasonably beyond the control of Distributor or TVA, such as, but without limitation to, injunction, administrative order, strike of employees, war, invasion, fire, accident, floods, backwater caused by floods, acts of God, or inability to obtain or ship essential services, materials, or equipment because of the effect of similar causes on suppliers or carriers. Acts of God shall include without limitation the effects of drought if the drought is of such severity as to have a probability of occurrence not more often than an average of once in 40 years.

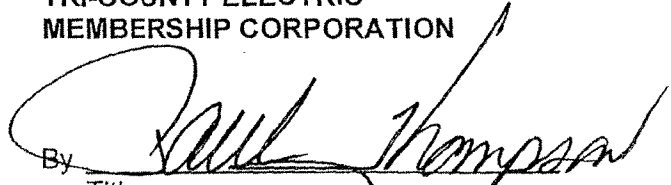
It is recognized by the parties that the availability of power to Company may be interrupted or curtailed from time to time during the term of this contract because of force majeure or otherwise. Company shall be solely responsible for providing and maintaining such equipment in its plant and such emergency operating procedures as may be required to safeguard persons on its property, its property, and its operations from the effects of such interruptions or curtailments. Company assumes all risk of loss, injury, or damage to Company resulting from such interruptions or curtailments.

IN WITNESS WHEREOF, the parties have caused this 5 MR Agreement to be executed by their duly authorized representatives, as of the day and year first above written.

KINGSFORD MANUFACTURING COMPANY

By 
Title: R.C. SERVICE
PLANT MANAGER

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title: Executive V.P. & General Manager

TENNESSEE VALLEY AUTHORITY

By 
Senior Vice President
Commercial Operations and Pricing

Suspension Noncompliance Guidelines

Guideline 1 - Definition of terms:

5-Minute Period: For any clock hour, the first 5-consecutive-minute clock interval measured from the beginning of that hour and each 5-consecutive-minute clock interval thereafter in that hour.

Average Noncompliant Load: During any suspension of the availability of 5 MR, the average kW amount by which Company's average load during each 5-Minute Period of the suspension period exceeds its Protected Demand, up to and including the amount of 5 MR available under subsection 3.1 of the Overlay.

Credit Reduction Charge: The charge that shall apply to Company in the event of a Noncompliance situation.

Company: Shall have the same definition as in the Overlay.

Guidelines: Shall have the same definition as in the Overlay.

Load Demonstration: A live test of Company's ability to achieve its Protected Demand level within 5 minutes' notice. If such live test is not an actual TVA suspension, Company shall provide Distributor and TVA at least 48 hours' notice of such Load Demonstration. If TVA calls for a suspension of the availability of 5 MR, and if Company is successful in achieving its Protected Demand level within 5 minutes' notice, such successful suspension shall count as Company's Load Demonstration. A Load Demonstration shall be completed within 24 months of the beginning of the Overlay.

Maximum Noncompliant Load: During any suspension of the availability of 5 MR, the maximum kW amount by which Company's average load in any 5-Minute Period of the suspension period exceeds the Protected Demand, up to and including the amount of 5 MR available under subsection 3.1 of the Overlay.

Noncompliance: The situation when TVA suspends the availability of 5 MR and Company does not suspend its entire 5 MR takings during any 5-Minute Period of a suspension in accordance with subsection 3.6 of the Overlay.

Noncompliance Percentage: The percentage calculated by dividing the Maximum Noncompliant Load by the kW amount of 5 MR made available under subsection 3.1 of the Overlay.

Overlay: The 5 MR Agreement (as it may be amended) to which these Guidelines are attached.

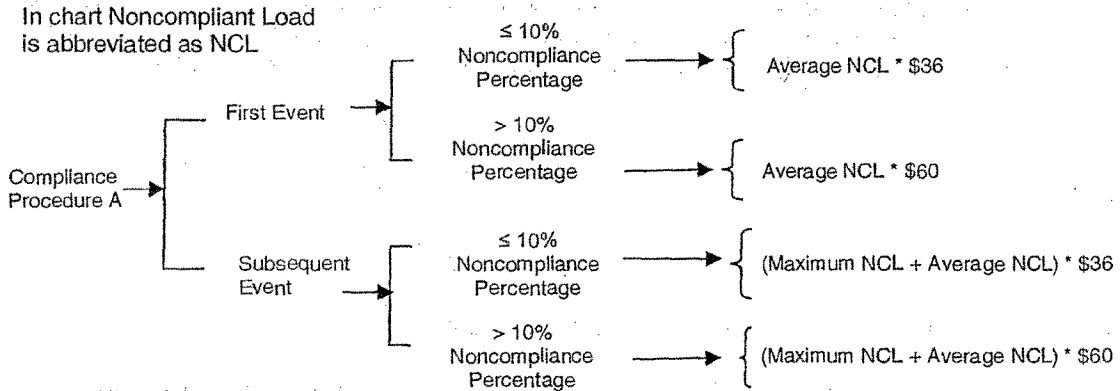
Protected Demand: Shall have the same definition as in the Overlay.

Guideline 2 - Company has completed Load Demonstration: In the event of a Noncompliance, if Company has completed its Load Demonstration or if it is in the first 24 months of the Overlay, a Credit Reduction Charge of:

- a) \$36 per kW if Company has a less than or equal to 10% Noncompliance Percentage during a suspension, or
- b) \$60 per kW if Company has a greater than 10% Noncompliance Percentage during a suspension

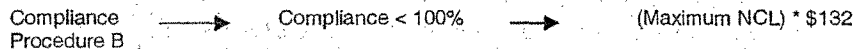
shall be applied (i) to the Average Noncompliant Load following the first Noncompliance and (ii) to the sum of the Maximum Noncompliant Load and the Average Noncompliant Load for any subsequent Noncompliance.

GUIDELINE 2 CREDIT REDUCTION CHARGE CHART



Guideline 3 - Company has not completed Load Demonstration: In the event of a Noncompliance, if Company has not completed its Load Demonstration within 24 months of the effective date of the Overlay, a Credit Reduction Charge of \$132 per kW shall be applied to Company's Maximum Noncompliant Load.

GUIDELINE 3 CREDIT REDUCTION CHARGE CHART



Guideline 4 - Credit Reduction Charge cap: Each Credit Reduction Charge shall be capped so that the maximum charge will not exceed the aggregate amount of 5 MR credits that Distributor has paid Company, during the most recent 12 months, by more than 20 percent. If Company has not been in the 5 MR program for 12 months, the Credit Reduction Charge would be capped at the amount of credits TVA calculates Company would receive over a year based on Company's average monthly credits plus 20 percent. If Company has a Noncompliance in the first month of the Overlay, then the Credit Reduction Charge would be capped at the amount of credits TVA calculates Company would receive over a year based on the 5 MR credit that Company receives in that first month plus 20 percent.

Guideline 5 - Adjustment of Protected Demand: TVA may increase the Protected Demand of Company by an amount equal to the Maximum Noncompliant Load upon at least 60 days' notice following any Noncompliance.

Guideline 6 - Termination: It is recognized that suspension compliance is the essence of the Overlay. Accordingly, it is expressly agreed that after the first Noncompliance under Guideline 2, on any subsequent Noncompliance, if such Noncompliance is over 10 percent, TVA or Distributor may terminate the Overlay upon not less than 60 days' notice. In the event of a Noncompliance under Guideline 3, TVA shall terminate the Overlay upon not less than 60 days' notice.

VALLEY INVESTMENT INITIATIVE
PARTICIPATION AGREEMENT

Among

KINGSFORD MANUFACTURING COMPANY,
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION,
And
TENNESSEE VALLEY AUTHORITY

Date: _____

VII-E Contract No. 3207

TV- 52337A, Supp. No. 84

THIS AGREEMENT will confirm the understandings among KINGSFORD MANUFACTURING COMPANY (Company), TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), and TENNESSEE VALLEY AUTHORITY (TVA) with respect to Company's participation in the Valley Investment Initiative for Existing Customers (VII-E) being jointly conducted by Distributor and TVA.

It is understood and agreed that:

SECTION 1 – DEFINITIONS AND ELIGIBILITY REQUIREMENTS

1.1 Definitions. Except as otherwise provided below, underlined terms used in this agreement are defined in Company's "Valley Investment Initiative for Existing Customers VII-E Award Application" (VII-E Award Application) which is attached to and made a part of this agreement.

1.1.1 Notwithstanding A.1.2 of Attachment 1 to the VII-E Award Application, Annual Base Charges shall mean for any 12-month period the sum of customer charge, demand charges, and energy charges under the applicable Rate Schedule and Adjustment Addendum (if any) during that period which are attributable to a Customer's Qualifying Plant; provided, however, that in calculating the Annual Base Charges, any portion of the energy charge designated as fuel costs shall be excluded, and the Annual Base Charges shall be reduced by the amount of any credits attributable to a Customer's Qualifying Plant which the Customer received under any contract overlays, credit programs, and/or any award programs offered by TVA and/or Distributor, during that period.

1.1.2 Notwithstanding A.1.12 of Attachment 1 to the VII-E Award Application, Meter Data shall mean Plant interval data during Peak Hours and other Plant power use data necessary to calculate the following:

- (a) total Plant kWh usage and highest Total Metered Demand for each month of the Evaluation Period,
- (b) Annual Load Factor,
- (c) Coincident Load Factor.

1.1.3 Notwithstanding A.1.16 of Attachment 1 to the VII-E Award Application, Plant shall mean all (a) physical personal property and (b) things attached, annexed, or fixed to the Customer's real property (such as Customer's building) that are (1) used in Customer's trade or business characterized by the same NAICS code(s),

(2) depreciable for federal income tax purposes, and (3) located on contiguous real property in the TVA service area.

1.2 Eligibility Requirements. It is expressly recognized that in determining Company's initial and continued eligibility for participation in VII, the following applies:

1.2.1 Section A.2.2 of Attachment 2 of the VII-E Award Application is replaced with the following:

Contractual Requirements. A Customer's power supply contract(s) for power supplied to its Plant must provide for the Customer to purchase firm power for a term of at least 66 months from the date of submission of the Customer's completed VII-E Award Application under a general service rate schedule or a manufacturing service rate schedule, or any replacement schedule of the general service or manufacturing service rate schedule. The power supply contract(s) may include a pricing overlay under a separate agreement implementing a TVA-approved program, subject to all of the standard terms and conditions under which the program is offered.

1.2.2 Section A.2.8 of Attachment 2 of the VII-E Award Application is replaced with the following:

Financial Review. A Qualifying Customer must be determined by TVA to be financially viable. In order to facilitate TVA's evaluation of a Customer's financial condition, a Customer will provide, upon request by TVA: (i) copies of Customer's commercial credit ratings, where "commercial credit ratings" shall mean an estimate of creditworthiness as assigned by a recognized rating agency (such as Standard & Poor's; Moody's Investor Services, Inc.; or Fitch Ratings) to a rated entity's unsecured, senior long-term debt obligations; and (ii) a copy of Customer's three most recent annual reports containing consolidated financial statements and its most recent quarterly report containing financial statements; and (iii) such different or additional financial information as TVA may from time to time request for TVA's use in evaluating Customer's financial condition. The financial statements to be provided by Customer shall be prepared in accordance with generally accepted accounting principles.

A Customer may provide the commercial credit ratings and/or financial statements requested in subsection (i) above for a parent entity of Customer, if Customer-level ratings and statements are not available. Such a Customer must certify that Customer is a wholly owned subsidiary of the parent entity and Customer's financial information is consolidated within the financial statements of the parent entity.

TVA will consider a Customer financially unviable and ineligible for VII under the following conditions:

- (a) Customer or Customer's parent entity is reorganizing or winding down in bankruptcy as of the date it submits a VII-E Award Application;

- (b) Customer's risk levels exceed allowable levels as solely determined by TVA; or
- (c) Customer fails to provide adequate power contract performance assurance as required by TVA or Distributor.

1.2.3 Section A.2.9 of Attachment 2 of the VII-E Award Application is replaced with the following:

Meter Data. A Qualifying Plant must have metering in place capable of recording Plant interval data during Peak Hours and other Plant power use data necessary to calculate the VII Metrics. A Qualifying Customer must have arrangements in place with TVA and/or Customer's Distributor to provide for the collection, processing (if any), and transmission to TVA of all Plant Meter Data and corresponding VII Metrics.

SECTION 2 - TERM

This agreement shall become effective on the date first written above (Effective Date), and shall continue in effect through the end of the Award Period described below, except that the provisions of sections 3.2, 6.2, 7.3, 7.4, 9.3, and 10 below shall continue in effect until the obligations of the parties under them are fulfilled.

SECTION 3 - ELIGIBILITY FOR VII-E

3.1 Company's Certification. Company's eligibility for the VII-E award provided for in section 4 below is based on TVA's determination that Company meets the criteria of a Qualifying Customer at Company's Qualifying Plant. It is expressly recognized that such determination is based on information provided and certified by Company in the VII-E Award Application.

3.2 Access to Records. Company shall keep and make available accurate records and books of accounts related to Company's VII Metrics, as well as data to support compliance with the terms and conditions of this agreement. Company shall allow Distributor, TVA, and their agents and employees, free access, at any time during normal working hours and upon reasonable notice, to all such books, records, and other documents of Company until the completion of all close-out procedures respecting this agreement and the final settlement and conclusion of all issues arising out of this agreement.

SECTION 4 - VII-E AWARDS

Based on Company's projections and the information contained in the VII-E Award Application, Company will be eligible to receive a VII-E award in the form of monthly credits on Company's power bill (Bill Credits) for a 5-year Award Period, beginning on June 2, 2010. Except as otherwise provided below, Distributor shall apply the monthly Bill Credits for each year of the 5-year period in amounts equal to 1/12 of the Maximum Annual Award amounts set out in the table below.

Year	Maximum Annual Award
1	\$144,179.44
2	\$144,179.44
3	\$144,179.44
4	\$144,179.44
5	\$144,179.44

In the event that Company receives more than one power bill in any month for its Qualifying Plant, a pro rata portion of the Bill Credit will be applied to each power bill in proportion to the total retail amount of each power bill. Company shall not be eligible for and will not earn or receive any Bill Credits for any amount that exceeds the amount of Company's monthly power bill(s) attributable to Company's Qualifying Plant in any given month.

SECTION 5 - REPORTING BY COMPANY

5.1 Annual Reporting. Within 30 days after the first 12 months of Company's Evaluation Period, and within 30 days after each 12-month period of the Evaluation Period thereafter, Company shall provide TVA a report certified by Company's duly authorized officer (Annual Certification), and verified by Distributor pursuant to section 6.1 below, showing Company's VII Metrics for the previous year. The Annual Certification shall be in a form furnished by TVA.

5.2 Continuing Reporting Obligation. Company shall immediately notify Distributor and TVA of any material changes in the information provided in its VII-E Award Application or its Annual Certifications. Upon receipt of such notice, TVA may at that time calculate an Adjusted Award pursuant to section 7 below.

SECTION 6- DATA SUPPLIED BY DISTRIBUTOR

6.1 Annual Certification. It is recognized that Company's eligibility to receive the Bill Credits provided for in this agreement is based on information provided by Company and, where applicable, verified by Distributor in Company's VII-E Award Application and Annual Certifications. Distributor shall review Company's Annual Certification each year and, where requested by TVA, shall certify the accuracy of certain items, including:

- (a) Company's payment history under its power supply contract with Distributor,

- (b) total kWh usage and highest Total Metered Demand of Company's Qualifying Plant for each of the previous 12 months,
- (c) total kWh usage of Company's Qualifying Plant during Peak Hours,
- (d) whether Company's Qualifying Plant is a Nonconforming Load, and
- (e) Company's Annual Base Charges.

6.2 Monthly Data. It is recognized that Distributor may be responsible for providing and maintaining metering facilities which are capable of recording the data specified in items (b) and (c) above. If requested by TVA, Distributor shall make available to TVA any such meter data necessary for TVA to verify Company's eligibility for participation in VII-E or calculate Bill Credits under this agreement. Distributor shall also furnish to TVA a copy of Company's power bill each month, which shall itemize the amount of any Bill Credit for that month, and any other information related to Company's eligibility for and participation in VII-E as TVA may reasonably request.

6.3 Other Information. Distributor shall promptly notify TVA if Company materially breaches the power supply contract under which power is supplied to Company's Qualifying Plant or materially breaches any overlay, supplement, or amendment to that contract, such that Distributor either suspends or terminates power supply, or suspends or terminates any product or other arrangements made available as an overlay, supplement, or amendment to the power supply contract.

SECTION 7 - AWARD ADJUSTMENT AND RECOVERY

7.1 Annual Award Adjustments. Each year, and immediately upon receipt of any notice pursuant to section 5.2 above, TVA will calculate adjusted Maximum Annual Awards (Adjusted Awards) for the Evaluation Period. The Adjusted Awards will be calculated by applying the VII Metrics provided in Company's Annual Certification or notice to the same formula that was used in calculating the Maximum Annual Awards set out in the tabulation in section 4 above, except that if the Annual Base Charges for the previous year are at least 80% of the Annual Base Charges for the Base Year, the Base Year's Annual Base Charges will be used in the calculation. If the Adjusted Awards are less than the Maximum Annual Awards for those years set out in section 4 above, the sum of Company's monthly Bill Credits in the remaining Award Period years will be equal to the Adjusted Awards for the remaining Award Period minus the difference between the monthly Bill Credits Company received and the amount that the Bill Credits would have been if they had been calculated using the VII Metrics provided in Company's Annual Certification or notice. Notwithstanding TVA's calculation of Adjusted Awards, it is expressly recognized that Company shall neither earn nor receive in any month Bill Credits greater than 1/12 the Maximum Annual Awards set out above.

7.2 Disqualification. During the term of this agreement, TVA will use Company's VII Metrics and other information available to TVA during the Evaluation Period and Award Period to determine whether Company remains eligible to participate in VII-E. If at any time during the term of this agreement TVA determines that Company ceases to qualify for VII-E, the Bill Credits provided under section 4 above shall be discontinued. At such time, if any, during the Award Period that Company provides certification that it again meets the VII-E eligibility requirements set forth in the VII-E Award Application, the Bill Credits will resume. Company shall not be eligible for and will not earn or receive any Bill Credits for those periods when it does not qualify for VII-E.

7.3 Award Recovery. Company shall not be eligible to receive Bill Credits under section 4 above if at any time any of the following occurs:

- (a) Company provides materially false information on its VII-E Award Application or Annual Certifications;
- (b) Company fails to notify TVA of material changes in information provided in its VII-E Award Application or Annual Certification;
- (c) Company materially breaches the power supply contract under which power is supplied to Company's Qualifying Plant or materially breaches any overlay, supplement, or amendment to that contract, such that Distributor either suspends or terminates power supply, or suspends or terminates any product or other arrangements made available as an overlay, supplement, or amendment to the power supply contract;
- (d) Company's power supply contract otherwise expires or is terminated without being renewed or replaced by a power supply contract meeting the requirements of the VII-E Award Application; or
- (e) Company ceases commercial operation of its Qualifying Plant.

If any of the events identified in (a) – (e) above occur, this agreement shall be deemed to have automatically terminated as of the date of said occurrence, and promptly upon receipt of an invoice, Company shall immediately pay to Distributor any and all award amounts paid to Company during any period when Company was ineligible to receive Bill Credits as well as any and all award amounts in excess of those to which Company was entitled based on its actual VII Metrics.

7.4 Final Adjustment and Recovery. Upon receipt of Company's final Annual Certification and calculation of the corresponding Adjusted Award, Company's remaining monthly Bill Credits will be reduced by the difference between the monthly Bill Credits Company was received and the amount that the Bill Credits would have been if they had been calculated using the VII Metrics provided in Company's final Annual Certification. In the event that the remaining Bill Credits are insufficient to recover the difference, Company shall immediately pay to Distributor the unrecovered balance of the difference.

SECTION 8 - ENHANCED GROWTH CREDIT

It is understood and agreed that Company and Distributor shall not enter into an Enhanced Growth Credit (EGC) participation agreement during the term of this agreement.

SECTION 9 - WHOLESALE ADJUSTMENTS

9.1 Company Credit. Each month Distributor shall apply the Bill Credit to Company's power bill. TVA shall notify Distributor of (a) any adjustment to the Bill Credits provided for under section 7.1 of this agreement and (b) any discontinuance of Bill Credits in accordance with sections 7.2, 7.3, or 7.4 of this agreement.

9.2 Distributor Credit. TVA will apply a monthly credit to Distributor's wholesale power bill equal to the Bill Credit applied by Distributor to Company's bill in that month.

9.3 Award Recovery. In the event that under the provisions of section 7.3 of this agreement it is determined that Company received Bill Credits for which it was not eligible, Distributor and TVA shall fully cooperate in (a) endeavoring to collect from Company any

amounts due under said sections 7.3 and/or 7.4 and (b) making appropriate adjustments to Distributor's wholesale power bill to pass through to TVA amounts collected from Company. The obligations of this paragraph shall survive any expiration or termination of the VII-E Participation Agreement until they are discharged.

SECTION 10 - CONFIDENTIALITY

It is expressly recognized that the VII-E Award Application and the Annual Certification are the property of TVA and are not intended for further distribution. Except as may be otherwise required by law, (a) Company shall not disclose those documents or their contents except to TVA or Distributor and (b) TVA and Distributor will not disclose confidential information provided by Company in those documents without Company's consent.

SECTION 11 - NOTICES

11.1 Persons to Receive Notice. Any notice required by this agreement shall be deemed properly given if delivered in writing to the address specified below: (a) personally, (b) by recognized overnight courier service, or (c) by United States Mail, postage prepaid.

To TVA:

Jared E. Mitchem
Valley Investment Manager
TVA Economic Development
26 Century Blvd., Suite 100 OCP 2
Nashville, TN 37214

To Company:

Plant Manager
Kingsford Manufacturing Company
5126 Summer Shade Rd
Summer Shade, Kentucky 42166

To Distributor:

Paul Thompson, EVP & General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

11.2 Changes in Persons to Receive Notice. The designation of the person to be so notified, or the address of such person, may be changed at any time and from time to time by any party by similar notice.

SECTION 12 - WAIVERS

A waiver of one or more defaults shall not be considered a waiver of any other or subsequent default.

SECTION 13 - ATTACHMENT CORRECTION

Notwithstanding the information provided by Company on page 2, item 15, of the VII-E Award Application, the parties acknowledge and agree that proper value of the Annual Base Charges for the Plant for the twelve months prior to the date of the VII-E Award Application is \$1,057,034.

Notwithstanding the information provided by Company on page 2, item 18, of the VII-E Award Application, the parties acknowledge and agree that the proper value of the Annual Energy Efficiency Improvement for the five year period are projected to be Year 1 - 5.7%, Year 2 - 20%, Year 3 - 0%, Year 4 - 0% and Year 5 - 0%.

SECTION 14 - ENTIRE AGREEMENT

All terms and conditions with respect to this agreement are expressly contained herein and Company agrees that no representative or agent of TVA or Distributor has made any representation or promise with respect to this agreement not expressly contained herein.

SECTION 15 - SUCCESSORS AND ASSIGNS

This agreement may be assigned by TVA, but shall not be assignable by Company or Distributor without written consent of TVA.

**VALLEY INVESTMENT INITIATIVE FOR EXISTING CUSTOMERS
VII-E AWARD APPLICATION**

Please provide the following information and sign the certification below to apply for a Valley Investment Initiative Award. See Attachments 1 and 2 for definitions of relevant terms. The Evaluation Period for any Award based upon this application begins on the date of this VII-E Award Application. Your projections must be based upon such an Evaluation Period. Your distributor of TVA power must verify the items indicated before your VII-E Award Application is submitted to TVA. TVA reserves the right to request additional information to supplement this VII-E Award Application.

1. Customer Name: Kingsford Manufacturing Company
2. Customer DUNS Number: 00-913-8033
3. Plant Location: [5126 Summer Shade Rd, Summer Shade, Kentucky 42166]
4. Distributor of TVA power to Customer's Plant: Tri-County Electric Cooperative
5. Physical Description of the Plant: Charcoal manufacturing and distribution plant located on approximately 109 acres of land
6. Project Name/Description: Project Power Cost Savings
7. Plant's NAICS code: 325191
8. Did the Plant have peak monthly demand of 250kW or greater in each of the last 12 months? YES NO Distributor verified: [Signature]
If yes, what was the average monthly peak demand?
9. Did the Customer have 25 or more Plant Full-Time Equivalent Employees (FTEs) in each of the previous 12 months? YES NO If yes, what was the average number of FTE's in the previous 12 months? 88
10. Does the Customer have any plans to reduce the number of FTE's at the Plant by 50% or more during five-year Evaluation Period? YES NO
11. Is the Customer projecting 25% Total Capital Investment in its Plant (as a percentage of Plant Book Value) over the five-year VII-E Evaluation Period with at least 5% in Year 1 and at least 3% per year in Years 2-4? YES NO
12. Power Contracts serving Customer's Plant: [193926-02]
Distributor verified:

TVA RESTRICTED INFORMATION:

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13. Does the Customer have at least 66 months remaining on each standard firm power contract for the Plant? YES NO Distributor verified: *PT*

If no, will the Customer, within the next 180 days, make the contractual commitment necessary to purchase firm power for the Plant from Distributor for a term to end no earlier than 66 months from the date of submission of a completed VII-E Award Application?
 YES NO Distributor verified: *PT*

14. Does the Customer have half-hour interval metering in place at the Plant? YES NO
 Distributor verified: *PT*

If no, will the Customer have such metering installed in the next 180 days and arrangements in place for reading and reporting meter data to TVA? YES NO
 Distributor verified: *PT*

15. What were Annual Base Charges for the Plant for the previous twelve months? \$ 1,296,762
 Distributor verified: *PT*

16. What is the Plant's Book Value? \$ 32,279,743

17. Award Payment Options (select one): Decreasing Flat Increasing

18. What are the Customer's projections for the Plant in the following categories:

	Year 1	Year 2	Year 3	Year 4	Year 5
<u>Annual Capital Investment</u>	\$ 2,350k	\$ 2,350k	\$ 2,350k	\$ 2,350k	\$ 12,350k
<u>Annual Energy Efficiency Improvement</u>	4 %	1.4 %	1 %	1 %	1 %
<u>Average Full-Time Equivalent Employees</u>	88	88	100	100	100
<u>Customer Average Wage</u>	\$ 22.98	\$ 23.66	\$ 24.37	\$ 25.11	\$ 25.86
<u>Annual Load Factor</u>	69.5 %	69.5 %	69.5 %	69.5 %	69.5 %
<u>Coincident Load Factor</u>	102.9 %	102.9 %	102.9 %	102.9 %	102.9 %

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Required Documentation:

- Energy Efficiency Improvement Description:

Provide with this VII-E Award Application documentation describing the discrete, verifiable Energy Efficiency Improvement measures Customer intends to implement at the Plant and setting forth calculations which support the projected per cent Energy Efficiency Improvements based upon those measures.

- Billing Documents

Provide with this VII-E Award Application copies of Customer's power bills for the 12-month period preceding the date of this Award Application.

- Financial Documents:

Provide with this VII-E Award Application copies of Customer's most recent annual and quarterly reports containing consolidated financial statements.

I, Rob Service, am an authorized representative of Customer, and I certify to TVA that the above information is true and correct.

[Signature] PLANT MANAGER
Signature Title
DEC. 1ST, 2009
Date

I, Paul Thompson, am an authorized representative of Distributor, and I certify to TVA that the information verified above is true and correct.

[Signature] Exec. V.P. & Gen. Mgr.
Signature Title
12/03/2009
Date

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Attachment 1
Definitions

- A.1.1 "Annual Average Demand" shall mean for any 12-month period the kW amount calculated by dividing a Plant's total kWh usage during that period by the total number of clock hours in the period.
- A.1.2 "Annual Base Charges" shall mean for any 12-month period the sum of customer charge, demand charges, and energy charges under the applicable Rate Schedule and Adjustment Addendum (if any) during that period which are attributable to a Customer's Plant; provided, however, that in calculating the Annual Base Charges, any portion of the energy charge designated as fuel costs shall be excluded, and the Annual Base Charges shall be reduced by the amount of any credits attributable to a Customer's Plant which the Customer received under any contract overlays, credit programs, and/or any award programs offered by TVA and/or Distributor during that period.
- A.1.3 "Annual Load Factor" shall mean the percentage calculated by dividing a Plant's total metered energy for any year by the product of the highest Total Metered Demand for that year and the number of clock hours in that year.
- A.1.4 "Award Period" shall mean the period from the first billing period in which a Customer is scheduled to receive a VII Bill Credit through the 5th anniversary of said billing period.
- A.1.5 "Base Year" shall mean the 12-month period immediately preceding the date a Customer submits a VII-E Award Application.
- A.1.6 "Coincident Load Factor" shall mean for any 12-month period the percentage calculated by dividing the Annual Average Demand for that period by the Peak Period Average Demand for that period.
- A.1.7 "Customer" shall mean a customer purchasing power for its Plant from TVA or a distributor of TVA power under a written power supply contract(s).
- A.1.8 "Customer Average Wage" shall mean the Customer's total annual payroll (minus benefits) for Full-Time Equivalent Employees divided by the number of Full-Time Equivalent Employees.
- A.1.9 "Energy Efficiency Improvement" shall mean the projected percentage improvement during the Evaluation Period in a Plant's Energy Efficiency Measurement (as defined below) resulting from the implementation of either building improvements (Commercial Metric) or process-based improvements (Manufacturing Metric) at the Plant. The projected improvement in the Energy Efficiency Measurement will be based on calculations either performed or approved by TVA.

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The Energy Efficiency Measurement to be used in determining the Commercial Metric is the Customer's annual kWh usage per square foot of Plant area. The Energy Efficiency Measurement to be used in determining the Manufacturing Metric is the measurement submitted by the Customer and approved by TVA. This measurement may be the Plant's annual kWh usage per unit of plant output, the total Btu energy usage per unit of plant output, the ratio of the Plant's annual kWh usage and the Customer Average Wage, or such other measurement that is approved by TVA.

- A.1.10 "Evaluation Period" shall mean the period from the date of submission of a Customer's completed VII-E Award Application through the 5th anniversary of said date.
- A.1.11 "Full-Time Equivalent Employee" for any month shall mean the sum of (a) the number of full-time on-site Plant employees and contractors of a Customer who spend 100% of their work time on Plant-related matters in that month and (b) a number equal to the sum of total hours worked on Plant-related matters in that month by (i) full-time on-site Plant employees of Customer who spend less than 100% of their work time on Plant-related matters and (ii) part-time on-site Plant employees of Customer divided by the number of work hours in that month (based on an 8-hour work day, Monday through Friday).
- A.1.12 "Meter Data" shall mean Plant half-hourly interval data during Peak Hours and other Plant power use data necessary to calculate the following:
- (a) total Plant kWh usage and highest Total Metered Demand for each month of the Evaluation Period,
 - (b) Annual Load Factor,
 - (c) Coincident Load Factor.
- A.1.13 "Nonconforming Loads" as currently defined, shall mean electrical loads with one or more of the following characteristics:
- (a) expected load swings of approximately 50 MW or more and ramp rates of approximately 10 MW or more per minute,
 - (b) loads with expected daily reactive power ramp rates of 50 MVAR or more per minute,
 - (c) loads known to create voltage flicker exceeding the limits set out in the Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or
 - (d) loads known to create harmonic current distortions exceeding the limits set out in IEEE Standard 519.

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- A.1.14 "Peak Hours" shall mean from 13:00:00 to 18:59:59 Central Prevailing Time (CPT) during the calendar months of July and August, provided, however, that Peak Hours shall not include hours that fall on Saturdays, Sundays, or Independence Day.
- A.1.15 "Peak Period Average Demand" for any 12-month period shall mean the kW amount calculated by dividing a Plant's total kWh usage during the Peak Hours of that 12-month period by the total number of those Peak Hours.
- A.1.16 "Plant" shall mean all physical personal property and fixtures used in the Customer's trade or business characterized by the same NAICS code(s) that is depreciable for federal income tax purposes and which is affixed to contiguous real property in the TVA service area.
- A.1.17 "Plant Book Value" shall mean the most recent depreciated value of a Customer's Plant for Federal income tax purposes.
- A.1.18 "Qualifying Customer" shall mean a Customer that submits a VII-E Award Application and is found by TVA to meet the Customer eligibility requirements.
- A.1.19 "Qualifying Plant" shall mean a Plant for which a Customer has submitted a VII-E Award Application and is found by TVA to meet the Plant eligibility requirements.
- A.1.20 "Total Metered Demand" shall mean the average during any 30-consecutive-minute period beginning or ending on a clock hour of the total load at the Customer's Plant measured in kW.
- A.1.21 "Total Capital Investment" shall mean the sum of all projected Plant investments during the Evaluation Period which Customer intends to depreciate for Federal income tax purposes.
- A.1.22 "VII Metrics" shall mean the information necessary for TVA to determine a Qualifying Customer's monthly award under the VII Program. For any year, the VII Metrics shall include that year's:
- (a) Annual Base Charges,
 - (b) total Plant kWh usage and highest Total Metered Demand for each month,
 - (c) contribution towards the Total Capital Investment,
 - (d) completed Energy Efficiency Improvements identified in Customer's VII-E Award Application,
 - (e) average number of Full-Time Equivalent Employees,
 - (f) Customer Average Wage,
 - (g) Annual Load Factor, and
 - (h) Coincident Load Factor.

The VII Metrics shall be based on the most current data available and certified by Customer's duly authorized officer.

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Attachment 2
Eligibility

- A.2.1 A Qualifying Customer with a Qualifying Plant will be eligible for a VII award.
- A.2.2 Contractual Requirements. A Customer's power supply contract(s) for power supplied to its Plant must provide for the Customer to purchase firm power for a term of at least five years from the date of submission of the Customer's completed VII-E Award Application under a general service rate schedule or a manufacturing service rate schedule, or any replacement schedule of the general service or manufacturing service rate schedule. The power supply contract(s) may include a pricing overlay under a separate agreement implementing a TVA-approved program, subject to all of the standard terms and conditions under which the program is offered.
- A.2.3 Minimum Demand Requirements. A Customer must establish a Total Metered Demand of at least 250 kW in each of the 12 billing months preceding the effective date of its Valley Investment Initiative Participation Agreement (VII Participation Agreement). Further, a Customer will not be eligible to receive a monthly award under the VII Participation Agreement, in any month where the Total Metered Demand is not at least 250 kW.
- A.2.4 Minimum Capital Investment. A Customer must make a Total Capital Investment of at least 25 percent of its Plant Book Value, including capital investment of at least
- (a) 5 percent of its Plant Book Value during the first year,
 - (b) 8 percent of its Plant Book Value during the first two years,
 - (c) 11 percent of its Plant Book Value during the first three years,
 - (d) 14 percent of its Plant Book Value during the first four years, and
 - (e) 25 percent of its Plant Book Value during the first five years
- of the Customer's Evaluation Period.
- A.2.5 Minimum Workforce Requirements. A Customer must employ at least 25 Full-Time Equivalent Employees during each month of the Customer's Base Year and in each month during the Evaluation Period. Further, a Customer that eliminates, or projects the elimination of, 50% or more of its Full-Time Equivalent Employees during the Evaluation Period shall not be a Qualifying Customer.
- A.2.6 Nonconforming Loads. A Plant with Nonconforming Load characteristics shall not be a Qualifying Plant.
- A.2.7 Ineligible Industry Sectors. A Plant where the major use of electricity is for activities which are classified with one of the following North American Industry Classification System (NAICS) codes shall not be a Qualifying Plant:

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Sector	Related NAICS
Agriculture, Forestry, Fishing, and Hunting	11
Mining	21
Utilities	22
Construction	23
Retail Trade	44-45
Transportation	48, 491, 492
Real Estate and Rental and Leasing	53
Administrative and Support and Waste Management and Remediation Services	56
Educational Services	61
Health care and Social Assistance	62
Arts, Entertainment, and Recreation	71
Accommodations and Food Service	72
Other Services	81
Public Administration	92

Provided however that a Plant where the major use of electricity is for activities within an excluded NAICS code may participate in the program if the Customer and Plant under the following conditions:

- a. The Plant's sub-sector industry multiplier and Customer Average Wage exceed the Valley average;
- b. The Customer provides documentation demonstrating economic development support and/or incentives being provided by state and/or local economic development partners; and
- c. TVA's VII Committee determines that the customer meets the above requirements, other VII qualification criteria, and programmatic intent.

A.2.8 Financial Review. A Qualifying Customer must be determined by TVA to be financially sound. In order to facilitate TVA's evaluation of a Customer's financial condition, a Customer will provide: (i) a copy of its annual report containing consolidated financial statements for its current fiscal year; (ii) a copy of its quarterly report containing consolidated financial statements for such fiscal quarter; and (iii) such different or additional financial information as TVA may from time to time request for TVA's use in evaluating Customer's financial condition. The statements to be provided by Customer shall be for the then most recent accounting period and prepared in accordance with generally accepted accounting principles.

TVA will consider a Customer financially unsound and ineligible for the VII program under the following conditions:

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- (a) Customer is reorganizing or winding down in bankruptcy as of the date it submits a VII-E Award Application;
- (b) Customer's risk levels exceed allowable levels as solely determined by TVA; or
- (c) Customer fails to provide adequate power contract performance assurance as required by TVA or Distributor.

A.2.9 Meter Data. A Qualifying Plant must have metering in place capable of recording Plant half-hourly interval data during Peak Hours and other Plant power use data necessary to calculate the VII Metrics. A Qualifying Customer must have arrangements in place with TVA and/or Customer's Distributor to provide for the collection, processing (if any), and transmission to TVA of all Plant Meter Data and corresponding VII Metrics.

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Attachment 3

Worksheets

Load Factor

1. Annual Plant total metered energy: _____ kWh
2. Highest Plant 30-minute average demand for the year: _____ kW
3. Multiply line 2 by 8760 hours* = _____ kWh
4. Divide line 1 by the result from line 3 = _____ %

Coincident Load Factor

1. Annual Plant total metered energy: _____ kWh
2. Divide line 1 by 8760 hours* = _____ kW
3. Average demand during Peak Hours: _____ kW
4. Divide the result from line 2 by the amount from line 3 = _____ %

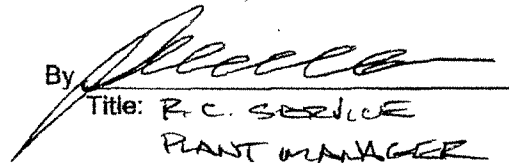
*For Leap Years, use 8784 hours.

TVA RESTRICTED INFORMATION:

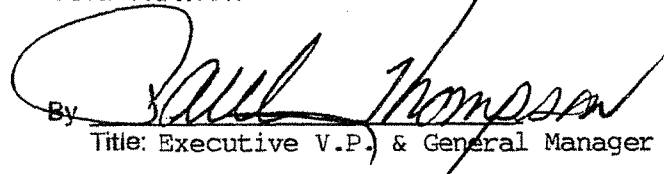
This VII-E Award Application is the property of TVA and is not intended for further distribution. Except as may be otherwise required by law, (a) neither Customer nor Distributor shall disclose this document or its contents except to one another and/or TVA, and (b) TVA and Distributor will not disclose confidential information provided by Customer herein without Customer's consent.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives, as of the day and year first above written.

KINGSFORD MANUFACTURING COMPANY

By 
Title: R. C. SERVICE
PLANT MANAGER

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

By 
Title: Executive V.P. & General Manager

TENNESSEE VALLEY AUTHORITY

By _____
Executive Vice President
Customer Relations



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

07/07/2010
Laura
Please copy Ralph, Jim, Glenn & file.
Thanks
Laur

July 6, 2010

Mr. Paul Thompson
Executive Vice President/General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

Dear Paul:

Enclosed is one fully executed original of the Resale Rate Schedule Substitution Agreement, TV-52337A, Supp. No. 85, dated July 1, 2010, providing for the substitution of:

- Schedule RS (July 2010) for Schedule RS (October 2003)
- Schedule GSA (July 2010) for Schedule GSA (October 2003, R1)
- Schedule LS (July 2010) for Schedule LS (October 2006)

If you have questions concerning this document or any material therein, please contact me at 270-846-7042.

Sincerely,

Hugh A. Meyer
Customer Service Engineer
Kentucky

Enclosure

July 1, 2010

RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT
Between
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (DISTRIBUTOR)
And
TENNESSEE VALLEY AUTHORITY (TVA)

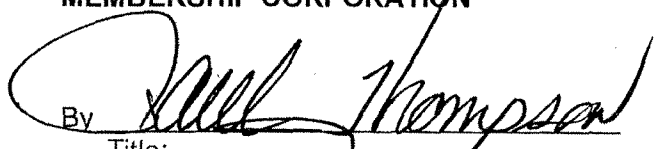
Distributor and TVA agree to substitute the new resale rate schedules specified in (a) below copies of which are attached, for the resale rate schedules specified in (b) below, which, as adjusted, are now in effect as a part of the Schedule of Rates and Charges attached to and made a part of the Power Contract TV-52337A, dated July 18, 1979, as amended (Power Contract), between TVA and Distributor. This substitution is to be effective for all bills rendered from resale meter readings taken for revenue months of Distributor beginning with the July 2010 revenue month. It is expressly recognized that the adjustments set forth in the applicable Adjustment Addendum to said Schedule of Rates and Charges shall continue to apply to the charges provided for by the attached schedules specified in (a) below.

- (a) New resale rate schedules:
 - Residential Rate – Schedule RS (July 2010)
 - General Power Rate – Schedule GSA (July 2010)
 - Outdoor Lighting Rate – Schedule LS (July 2010)

- (b) Existing resale rate schedules:
 - Residential Rate – Schedule RS (October 2003)
 - General Power Rate – Schedule GSA (October 2003, R1)
 - Outdoor Lighting Rate – Schedule LS (October 2006)


It is understood that, upon execution of this agreement by TVA and Distributor, all references in the Power Contract to the existing resale rate schedules specified in (b) above, or to any predecessor schedules, shall be deemed to refer to the appropriate new resale rate schedules specified in (a) above.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title: Executive V.P. & General Manager

Rate schedule substitution agreed to as of
the date first above written.

TENNESSEE VALLEY AUTHORITY

By 
Senior Vice President
Commercial Operations and Pricing

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

RESIDENTIAL RATE--SCHEDULE RS

(July 2010)

Availability

This rate shall apply only to electric service to a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing therein.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor. Multiphase service shall be supplied in accordance with Distributor's standard policy.

Base Charges

Customer Charge: \$19.71 per month, less

Hydro Allocation Credit: \$1.71 per month

Energy Charge: First 300 kWh per month at 6.302¢ per kWh

Next 700 kWh per month at 6.002¢ per kWh

Additional kWh per month at 5.702¢ per kWh

Adjustment

The base energy charge shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, the base energy charge and the hydro allocation credit shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Minimum Monthly Bill

The base customer charge, as reduced by the hydro allocation credit, constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under Distributor's standard policy because of special circumstances affecting Distributor's cost of rendering service.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSA

(July 2010)

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is 5,000 kW or less) for electric service to commercial, industrial, and governmental customers, and to institutional customers including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor.

Base Charges

1. If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW and (b) customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:

Customer Charge: \$25.00 per delivery point per month

Energy Charge: First 300 kWh per month at 7.321¢ per kWh

Next 600 kWh per month at 6.821¢ per kWh

Additional kWh per month at 6.571¢ per kWh

2. If (a) the higher of (i) the customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

Customer Charge: \$50.00 per delivery point per month

Demand Charge: First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$10.50 per kW

Energy Charge: First 15,000 kWh per month at 6.771¢ per kWh

Additional kWh per month at 3.339¢ per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: \$100.00 per delivery point per month

Demand Charge: First 1,000 kW of billing demand per month, at \$10.43 per kW

Next 1,500 kW of billing demand per month, at \$11.46 per kW

Excess over 2,500 kW of billing demand per month, at \$11.96 per kW, plus an additional

\$11.96 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand

Energy Charge: 3.439¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Determination of Demand

Distributor shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 93 percent of the load in kVA plus an additional 2 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under 2 of the Base Charges, the monthly bill shall in no event be less than the sum of (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50 kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

Distributor may require minimum bills higher than those stated above.

Seasonal Service

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to (1) 1.33¢ per kWh per month under 1 of the Base Charges, (2) the sum of 1.33¢ per kWh for the first 15,000 kWh per month and \$4.00 per kW per month of billing demand in excess of 50 kW under 2 of the Base Charges, and (3) \$4.00 per kW per month of billing demand under 3 of the Base Charges. Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 50 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(July 2010)

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Service under this schedule is for a term of not less than 1 year.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Adjustment

The energy charge in Part A and Part B of this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, the energy charge in Part A and Part B of this rate schedule shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

PART A--CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND ATHLETIC FIELD LIGHTING INSTALLATIONS

I. Energy Charge: 4.541¢ per kWh per month

II. Facility Charge

The annual facility charge shall be 15 percent of the installed cost to Distributor's electric system of the facilities devoted to street and park lighting service specified in this Part A. Such installed cost shall be recomputed on July 1 of each year, or more often if substantial changes in the facilities are made. Each month, one-twelfth of the then total annual facility charge shall be billed to the customer. If any part of the facilities has not been provided at the electric system's expense or if the installed cost of any portion thereof is reflected on the books of another municipality or agency or department, the annual facility charge shall be adjusted to reflect properly the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations shall be provided, owned, and maintained by and at the expense of the customer, except as Distributor may agree otherwise in accordance with the provisions of the paragraph next following in this section II. The facilities necessary to provide service to such systems and installations shall be provided by and at the expense of Distributor's electric system, and the annual facility charge provided for first above in this section II shall apply to the installed cost of such facilities.

When so authorized by policy duly adopted by Distributor's governing board, traffic signal systems and athletic field lighting installations may be provided, owned, and maintained by Distributor's electric system for the customer's benefit. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation and shall require payment by the customer of a facility charge sufficient to cover all of Distributor's costs (except reimbursed costs), including appropriate overheads, of providing, owning, and maintaining such system or installation; provided that, for athletic field lighting installations, such facility charge shall in no case be less than 12 percent per year of such costs. Said facility charge shall be in addition to the annual facility charge on the facilities necessary to provide service to such system or installation as provided for in the preceding paragraph. Replacement of lamps and related glassware for traffic signal systems and athletic field lighting installations provided under this paragraph shall be paid for under the provisions of paragraph A in Section IV.

III. Customer Charge - Traffic Signal Systems and Athletic Field Lighting Installations.

Distributor shall apply a uniform monthly customer charge of \$17.50 for service to each traffic signal system or athletic field lighting installation.

IV. Replacement of Lamps and Related Glassware - Street and Park Lighting

Customer shall be billed and shall pay for replacements as provided in paragraph A below, which shall be applied to all service for street and park lighting.

- A. Distributor shall bill the customer monthly for such replacements during each month at Distributor's cost of materials, including appropriate storeroom expense.
- B. Distributor shall bill the customer monthly for one-twelfth of the amount by which Distributor's cost of materials, including appropriate storeroom expense, exceeds the product of 3 mills multiplied by the number of kilowatthours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 5 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

Revenue and Cost Review

Distributor's costs of providing service under Part A of this rate schedule are subject to review at any time and from time to time to determine if Distributor's revenues from the charges being applied are sufficient to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest.) If any such review discloses that revenues are either less or more than sufficient to cover said costs, Distributor shall revise the above facility charges so that revenues will be sufficient to cover said costs. Any such revision of the annual

facility charge provided for first above in section II of Part A of this rate schedule shall be by agreement between Distributor and TVA.

PART B--CHARGES FOR OUTDOOR LIGHTING FOR INDIVIDUAL CUSTOMERS

Charges Per Fixture Per Month

(a) <u>Type of Fixture</u>	<u>Lamp Size</u>		<u>Rated kWh</u>	<u>Facility Charge</u>
	<u>(Watts)</u>	<u>(Lumens)</u>		
Mercury Vapor or Incandescent	175	7,650	80	\$ 4.83
	400	19,100	171	\$ 7.18
High Pressure Sodium	100	8,550	49	\$ 7.75
	200	18,900	95	\$ 12.63
	250	22,500	116	\$ 11.19
	400	45,000	180	\$ 11.78
Metal Halide	400	45,000	171	\$ 10.25
	1,000	125,000	408	\$ 14.57

(b) Energy Charge: For each lamp size under (a) above, 4.541¢ per rated kWh per month

Additional Facilities

The above charges in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, Distributor may apply an additional monthly charge.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with replacement policies of Distributor without additional charge to the customer.

Special Outdoor Lighting Installations

When so authorized by policy duly adopted by Distributor's governing board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by Distributor's electric system. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of Distributor's costs (except reimbursed costs), including appropriate overheads, or providing, owning, and maintaining such installations, and making lamp replacements.

Service is subject of Rules and Regulations of Distributor.



Tennessee Valley Authority, 6045 Russellville Road Bowling Green, Kentucky 42101-7319
June 21, 2010

06/25/2010

Laura,
Please file.

Thanks,
Paul

Mr. Paul Thompson
Executive Vice President & General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

Dear Paul:

TRI-COUNTY EMC – PROPOSED RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT, TV-52337A, SUPP. NO. 85

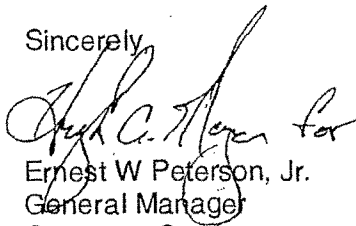
Enclosed are two duplicate originals of a standard-form resale rate schedule substitution agreement to provide for the substitution of Schedule RS (July 2010) for Schedule RS (October 2003), Schedule GSA (July 2010) for Schedule GSA (October 2003, R1), and Schedule LS (July 2010) for Schedule LS (October 2006). This substitution will be effective for bills rendered for Tri-County EMC's revenue months beginning with the July 2010 revenue month.

Also enclosed is a copy of the October 2009 Adjustment Addendum. Please note that Tri-County EMC's resale charges to its customers will be the sum of the base charges in the proposed schedule and the corresponding resale rate adjustment amounts set forth in the October 2009 Adjustment Addendum (including the applicable FCA amounts).

Upon execution of the enclosed agreement by the authorized representative of Tri-County EMC, please return both originals to my office for further handling. After final execution by TVA, a fully executed original will be returned to you for your files.

If you have questions or concerns regarding this document, please call either me (270-846-7040) or Hugh Meyer (270-846-7042).

Sincerely,


Ernest W. Peterson, Jr.
General Manager
Customer Service
Kentucky

Enclosures

#86

Tennessee Valley Authority, Post Office Box 292409 Nashville, Tennessee 37229-2409

John J. Bradley
Senior Vice President, Economic Development

September 17, 2010

Ms. Tammy Dixon
Manager of Marketing/Key Accounts
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

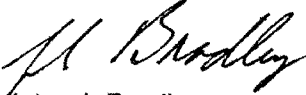
Dear Ms. Dixon:

VALLEY INVESTMENT INITIATIVE PARTICIPATION AGREEMENT

Enclosed is a fully executed original of the Valley Investment Initiative Participation Agreement between TVA, Tri-County Electric Membership Corporation, and Sumitomo Electric Wiring Systems dated and effective September 16, 2010.

TVA appreciates Tri-County's partnership and Sumitomo's long-term commitment to capital investment and quality jobs in the Tennessee Valley.

Sincerely,


John J. Bradley

Enclosure

**VALLEY INVESTMENT INITIATIVE
PARTICIPATION AGREEMENT**

Among
SUMITOMO ELECTRIC WIRING SYSTEMS, INC.,
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION,
And
TENNESSEE VALLEY AUTHORITY

Date: 9/16/2010 VII-E Contract No. 3855

TV- 52337A, Supp. No. 86

THIS AGREEMENT will confirm the understandings among SUMITOMO ELECTRIC WIRING SYSTEMS, INC. (Company), TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), and TENNESSEE VALLEY AUTHORITY (TVA) with respect to Company's participation in the Valley Investment Initiative for Existing Customers (VII-E) being jointly conducted by Distributor and TVA.

It is understood and agreed that:

SECTION 1 - DEFINITIONS AND ELIGIBILITY REQUIREMENTS

1.1 Definitions. Except as otherwise provided below, underlined terms used in this agreement are defined in Company's "Valley Investment Initiative for Existing Customers VII-E Award Application" (VII-E Award Application) which is attached to and made a part of this agreement.

1.1.1 Notwithstanding A.1.12 of Attachment 1 to the VII-E Award Application, Meter Data shall mean Plant interval data during Peak Hours and other Plant power use data necessary to calculate the following:

- (a) total Plant kWh usage and highest Total Metered Demand for each month of the Evaluation Period,
- (b) Annual Load Factor,
- (c) Coincident Load Factor.

1.1.2 Notwithstanding A.1.16 of Attachment 1 to the VII-E Award Application, Plant shall mean all (a) physical personal property and (b) things attached, annexed, or fixed to the Customer's real property (such as Customer's building) that are (1) used in Customer's trade or business characterized by the same NAICS code(s), (2) depreciable for federal income tax purposes, and (3) located on contiguous real property in the TVA service area.

1.2 Eligibility Requirements. It is expressly recognized that in determining Company's initial and continued eligibility for participation in VII, the following applies:

1.2.1 Section A.2.2 of Attachment 2 of the VII-E Award Application is replaced with the following:

Contractual Requirements. A Customer's power supply contract(s) for power supplied to its Plant must provide for the Customer to purchase firm power for a

term of at least 66 months from the date of submission of the Customer's completed VII-E Award Application under a general service rate schedule or a manufacturing service rate schedule, or any replacement schedule of the general service or manufacturing service rate schedule. The power supply contract(s) may include a pricing overlay under a separate agreement implementing a TVA-approved program, subject to all of the standard terms and conditions under which the program is offered.

1.2.2 Section A.2.8 of Attachment 2 of the VII-E Award Application is replaced with the following:

Financial Review. A Qualifying Customer must be determined by TVA to be financially viable. In order to facilitate TVA's evaluation of a Customer's financial condition, a Customer will provide, upon request by TVA: (i) copies of Customer's commercial credit ratings, where "commercial credit ratings" shall mean an estimate of creditworthiness as assigned by a recognized rating agency (such as Standard & Poor's, Moody's Investor Services, Inc. or Fitch Ratings) to a rated entity's unsecured, senior long-term debt obligations; and (ii) a copy of Customer's three most recent annual reports containing consolidated financial statements and its most recent quarterly report containing financial statements; and (iii) such different or additional financial information as TVA may from time to time request for TVA's use in evaluating Customer's financial condition. The financial statements to be provided by Customer shall be prepared in accordance with generally accepted accounting principles.

A Customer may provide the commercial credit ratings and/or financial statements requested in subsection (i) above for a parent entity of Customer, if Customer-level ratings and statements are not available. Such a Customer must certify that Customer is a wholly owned subsidiary of the parent entity and Customer's financial information is consolidated within the financial statements of the parent entity.

TVA will consider a Customer financially unviable and ineligible for VII under the following conditions:

- (a) Customer or Customer's parent entity is reorganizing or winding down in bankruptcy as of the date it submits a VII-E Award Application;
- (b) Customer's risk levels exceed allowable levels as solely determined by TVA; or
- (c) Customer fails to provide adequate power contract performance assurance as required by TVA or Distributor.

1.2.3 Section A.2.9 of Attachment 2 of the VII-E Award Application is replaced with the following:

Meter Data. A Qualifying Plant must have metering in place capable of recording Plant interval data during Peak Hours and other Plant power use data necessary to calculate the VII Metrics. A Qualifying Customer must have arrangements in place with TVA and/or Customer's Distributor to provide for

the collection, processing (if any), and transmission to TVA of all Plant Meter Data and corresponding VII Metrics.

SECTION 2 - TERM

This agreement shall become effective on the date first written above (Effective Date), and shall continue in effect through the end of the Award Period described below, except that the provisions of sections 3.2, 6.2, 7.3, 7.4, 9.3, and 10 below shall continue in effect until the obligations of the parties under them are fulfilled.

SECTION 3 - ELIGIBILITY FOR VII-E

3.1 Company's Certification. Company's eligibility for the VII-E award provided for in section 4 below is based on TVA's determination that Company meets the criteria of a Qualifying Customer at Company's Qualifying Plant. It is expressly recognized that such determination is based on information provided and certified by Company in the VII-E Award Application.

3.2 Access to Records. Company shall keep and make available accurate records and books of accounts related to Company's VII Metrics, as well as data to support compliance with the terms and conditions of this agreement. Company shall allow Distributor, TVA, and their agents and employees, free access, at any time during normal working hours and upon reasonable notice, to all such books, records, and other documents of Company until the completion of all close-out procedures respecting this agreement and the final settlement and conclusion of all issues arising out of this agreement.

SECTION 4 - VII-E AWARDS

Based on Company's projections and the information contained in the VII-E Award Application, Company will be eligible to receive a VII-E award in the form of monthly credits on Company's power bill (Bill Credits) for a 5-year Award Period, beginning on December 10, 2010. Except as otherwise provided below, Distributor shall apply the monthly Bill Credits for each year of the 5-year period in amounts equal to 1/12 of the Maximum Annual Award amounts set out in the table below.

Year	Maximum Annual Award
1	\$81,630.58
2	\$81,630.58
3	\$81,630.58
4	\$81,630.58
5	\$81,630.58

In the event that Company receives more than one power bill in any month for its Qualifying Plant, a pro rata portion of the Bill Credit will be applied to each power bill in proportion to the total retail amount of each power bill. Company shall not be eligible for and will not earn or receive any Bill Credits for any amount that exceeds the amount of Company's monthly power bill(s) attributable to Company's Qualifying Plant in any given month.

SECTION 5 - REPORTING BY COMPANY

5.1 Annual Reporting. Within 30 days after the first 12 months of Company's Evaluation Period, and within 30 days after each 12-month period of the Evaluation Period thereafter, Company shall provide TVA a report certified by Company's duly authorized officer (Annual Certification), and verified by Distributor pursuant to section 6.1 below, showing Company's VII Metrics for the previous year. The Annual Certification shall be in a form furnished by TVA.

5.2 Continuing Reporting Obligation. Company shall immediately notify Distributor and TVA of any material changes in the information provided in its VII-E Award Application or its Annual Certifications. Upon receipt of such notice, TVA may at that time calculate an Adjusted Award pursuant to section 7 below.

SECTION 6 - DATA SUPPLIED BY DISTRIBUTOR

6.1 Annual Certification. It is recognized that Company's eligibility to receive the Bill Credits provided for in this agreement is based on information provided by Company and, where applicable, verified by Distributor in Company's VII-E Award Application and Annual Certifications. Distributor shall review Company's Annual Certification each year and, where requested by TVA, shall certify the accuracy of certain items, including:

- (a) Company's payment history under its power supply contract with Distributor,
- (b) total kWh usage and highest Total Metered Demand of Company's Qualifying Plant for each of the previous 12 months,
- (c) total kWh usage of Company's Qualifying Plant during Peak Hours,
- (d) whether Company's Qualifying Plant is a Nonconforming Load, and
- (e) Company's Annual Base Charges.

6.2 Monthly Data. It is recognized that Distributor may be responsible for providing and maintaining metering facilities which are capable of recording the data specified in items (b) and (c) above. If requested by TVA, Distributor shall make available to TVA any such meter data necessary for TVA to verify Company's eligibility for participation in VII-E or calculate Bill Credits under this agreement. Distributor shall also furnish to TVA a copy of Company's power bill each month, which shall itemize the amount of any Bill Credit for that month, and any other information related to Company's eligibility for and participation in VII-E as TVA may reasonably request.

6.3 Other Information. Distributor shall promptly notify TVA if Company materially breaches the power supply contract under which power is supplied to Company's Qualifying Plant or materially breaches any overlay, supplement, or amendment to that contract, such that Distributor either suspends or terminates power supply, or suspends or terminates any product or other arrangements made available as an overlay, supplement, or amendment to the power supply contract.

SECTION 7 - AWARD ADJUSTMENT AND RECOVERY

7.1 Annual Award Adjustments. Each year, and immediately upon receipt of any notice pursuant to section 5.2 above, TVA will calculate adjusted Maximum Annual Awards (Adjusted Awards) for the Evaluation Period. The Adjusted Awards will be calculated by applying the VII Metrics provided in Company's Annual Certification or notice to the same formula that was used in calculating the Maximum Annual Awards set out in the tabulation in section 4 above, except that if the Annual Base Charges for the previous year are at least 80% of the Annual Base Charges for the Base Year, the Base Year's Annual Base Charges will be used in the calculation. If the Adjusted Awards are less than the Maximum Annual Awards for those years set out in section 4 above, the sum of Company's monthly Bill Credits in the remaining Award Period years will be equal to the Adjusted Awards for the remaining Award Period minus the difference between the monthly Bill Credits Company received and the amount that the Bill Credits would have been if they had been calculated using the VII Metrics provided in Company's Annual Certification or notice. Notwithstanding TVA's calculation of Adjusted Awards, it is expressly recognized that Company shall neither earn nor receive in any month Bill Credits greater than 1/12 the Maximum Annual Awards set out above.

7.2 Disqualification. During the term of this agreement, TVA will use Company's VII Metrics and other information available to TVA during the Evaluation Period and Award Period to determine whether Company remains eligible to participate in VII-E. If at any time during the term of this agreement TVA determines that Company ceases to qualify for VII-E, the Bill Credits provided under section 4 above shall be discontinued. At such time, if any, during the Award Period that Company provides certification that it again meets the VII-E eligibility requirements set forth in the VII-E Award Application, the Bill Credits will resume. Company shall not be eligible for and will not earn or receive any Bill Credits for those periods when it does not qualify for VII-E.

7.3 Award Recovery. Company shall not be eligible to receive Bill Credits under section 4 above if at any time any of the following occurs:

- (a) Company provides materially false information on its VII-E Award Application or Annual Certifications;
- (b) Company fails to notify TVA of material changes in information provided in its VII-E Award Application or Annual Certification;
- (c) Company materially breaches the power supply contract under which power is supplied to Company's Qualifying Plant or materially breaches any overlay, supplement, or amendment to that contract, such that Distributor either suspends or terminates power supply, or suspends or terminates any product or other arrangements made available as an overlay, supplement, or amendment to the power supply contract;
- (d) Company's power supply contract otherwise expires or is terminated without being renewed or replaced by a power supply contract meeting the requirements of the VII-E Award Application; or
- (e) Company ceases commercial operation of its Qualifying Plant.

If any of the events identified in (a) – (e) above occur, this agreement shall be deemed to have automatically terminated as of the date of said occurrence, and promptly upon receipt of an invoice, Company shall immediately pay to Distributor any and all award amounts paid to Company during any period when Company was ineligible to receive Bill Credits as

well as any and all award amounts in excess of those to which Company was entitled based on its actual VII Metrics.

7.4 Final Adjustment and Recovery. Upon receipt of Company's final Annual Certification and calculation of the corresponding Adjusted Award, Company's remaining monthly Bill Credits will be reduced by the difference between the monthly Bill Credits Company received and the amount that the Bill Credits would have been if they had been calculated using the VII Metrics provided in Company's final Annual Certification. In the event that the remaining Bill Credits are insufficient to recover the difference, Company shall immediately pay to Distributor the unrecovered balance of the difference.

SECTION 8 - ENHANCED GROWTH CREDIT

It is understood and agreed that Company and Distributor shall not enter into an Enhanced Growth Credit (EGC) participation agreement during the term of this agreement.

It is expressly recognized and agreed that the EGC participation agreement between Company and Distributor dated June 1, 2005, is hereby terminated as of December 10, 2010.

SECTION 9 - WHOLESALE ADJUSTMENTS

9.1 Company Credit. Each month Distributor shall apply the Bill Credit to Company's power bill. TVA shall notify Distributor of (a) any adjustment to the Bill Credits provided for under section 7.1 of this agreement and (b) any discontinuance of Bill Credits in accordance with sections 7.2, 7.3, or 7.4 of this agreement.

9.2 Distributor Credit. TVA will apply a monthly credit to Distributor's wholesale power bill equal to the Bill Credit applied by Distributor to Company's bill in that month.

9.3 Award Recovery. In the event that under the provisions of section 7.3 of this agreement it is determined that Company received Bill Credits for which it was not eligible, Distributor and TVA shall fully cooperate in (a) endeavoring to collect from Company any amounts due under said sections 7.3 and/or 7.4 and (b) making appropriate adjustments to Distributor's wholesale power bill to pass through to TVA amounts collected from Company. The obligations of this paragraph shall survive any expiration or termination of the VII-E Participation Agreement until they are discharged.

SECTION 10 - CONFIDENTIALITY

It is expressly recognized that the VII-E Award Application and the Annual Certification are the property of TVA and are not intended for further distribution. Except as may be otherwise required by law, (a) Company shall not disclose those documents or their contents except to TVA or Distributor and (b) TVA and Distributor will not disclose confidential information provided by Company in those documents or confidential information provided pursuant to 3.2 above without Company's consent.

SECTION 11 - NOTICES

11.1 Persons to Receive Notice. Any notice required by this agreement shall be deemed properly given if delivered in writing to the address specified below: (a) personally, (b) by recognized overnight courier service, or (c) by United States Mail, postage prepaid.

To TVA:

Jared E. Mitchem
Valley Investment Manager
TVA Economic Development
26 Century Blvd., Suite 100 OCP 2
Nashville, Tennessee 37214

To Company:

Chuck Threlkel
Sumitomo Electric Wiring Systems, Inc.
Assistant Manager, Maintenance, Engineering & Safety
2687 Old Gallatin Road
Scottsville, Kentucky 42164

To Distributor:

EVP & General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

11.2 Changes in Persons to Receive Notice. The designation of the person to be so notified, or the address of such person, may be changed at any time and from time to time by any party by similar notice.

SECTION 12 - WAIVERS

A waiver of one or more defaults shall not be considered a waiver of any other or subsequent default.

SECTION 13 - APPLICATION CORRECTION

Notwithstanding the information provided by Company on page 2 of the attached VII-E Award Application, the parties acknowledge and agree that proper value of the Annual Base Charges for the Plant for the twelve months prior to the date of the VII-E Award Application is \$789,464.28.

SECTION 14 - ENTIRE AGREEMENT


All terms and conditions with respect to this agreement are expressly contained herein and Company agrees that no representative or agent of TVA or Distributor has made any representation or promise with respect to this agreement not expressly contained herein.

SECTION 15 - SUCCESSORS AND ASSIGNS

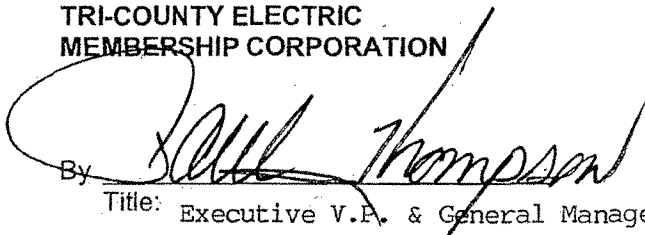
This agreement may be assigned by TVA, but shall not be assignable by Company or Distributor without written consent of TVA.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives, as of the day and year first above written.

**SUMITOMO ELECTRIC WIRING SYSTEMS,
INC.**

By 
Title: DEP. DIV. MGR.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title: Executive V.P. & General Manager

TENNESSEE VALLEY AUTHORITY

By 
Executive Vice President
Customer Relations

**VALLEY INVESTMENT INITIATIVE FOR EXISTING CUSTOMERS
VII-E AWARD APPLICATION**

Please provide the following information and sign the certification below to apply for a Valley Investment Initiative Award. See Attachments 1 and 2 for definitions of relevant terms. The Evaluation Period for any Award based upon this application begins on the date of this VII-E Award Application. Your projections must be based upon such an Evaluation Period. Your distributor of TVA power must verify the items indicated before your VII-E Award Application is submitted to TVA. TVA reserves the right to request additional information to supplement this VII-E Award Application.

1. Customer Name: Sumitomo Electric Wiring Systems, Inc.
2. Customer DUNS Number:
3. Plant Location: 2687 Old Gallatin Road, Scottsville, Allen, KY, 42164
4. Distributor of TVA power to Customer's Plant: Tri County Electric
5. Physical Description of the Plant: SEWS Components manufacturing plant (SV-5).
Processes include injection molding, metal stamping and automated assembly processes.
Shipping and receiving also conducted in this facility.
6. Project Name/Description: SEWS SV Business Growth Plan
7. Plant's NAICS code: 335931
8. Did the Plant have peak monthly demand of 250kW or greater in each of the last 12 months? YES NO Distributor verified: [Distributor Representative Initials Here] **PT**
If yes, what was the average monthly peak demand?
9. Did the Customer have 25 or more Plant Full-Time Equivalent Employees (FTEs) in each of the previous 12 months? YES NO If yes, what was the average number of FTE's in the previous 12 months? 171
10. Does the Customer have any plans to reduce the number of FTE's at the Plant by 50% or more during five-year Evaluation Period? YES NO
11. Is the Customer projecting 25% Total Capital Investment in its Plant (as a percentage of Plant Book Value) over the five-year VII-E Evaluation Period with at least 5% in Year 1 and at least 3% per year in Years 2-4? YES NO
12. Power Contracts serving Customer's Plant: [List Contract Number(s)]
Distributor verified: **PT**

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13. Does the Customer have at least 66 months remaining on each standard firm power contract for the Plant? YES NO Distributor verified: PT
If no, will the Customer, within the next 180 days, make the contractual commitment necessary to purchase firm power for the Plant from Distributor for a term to end no earlier than 66 months from the date of submission of a completed VII-E Award Application? YES NO Distributor verified: PT
14. Does the Customer have half-hour interval metering in place at the Plant? YES NO
Distributor verified:
If no, will the Customer have such metering installed in the next 180 days and arrangements in place for reading and reporting meter data to TVA? YES NO
Distributor verified: PT
15. Is the Customer presently complying with the performance assurance provisions of its standard firm power contract? YES NO
Distributor verified: PT
16. What were Annual Base Charges for the Plant for the previous twelve months? \$ 895293
Distributor verified: PT
17. What is the Plant's Book Value? \$ 16,000,000
18. Award Payment Options (select one): Decreasing Flat Increasing

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19. What are the Customer's projections for the Plant in the following categories:

	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Capital Investment	\$ 5000000	\$ 7600000	\$ 8200000	\$ 9700000	\$ 11200000
Annual Energy Efficiency Improvement	0 %	1 %	1 %	0 %	0 %
Average Full-Time Equivalent Employees	170	173	176	179	182
Customer Average Wage	\$ 36,890	\$ 37,996	\$ 39,136	\$ 40,310	\$ 41,520
Annual Load Factor	55.8 %	55.8 %	55.8 %	55.8 %	55.8 %
Coincident Load Factor	77 %	77 %	77 %	77 %	77 %

Required Documentation:

- Energy Efficiency Improvement Description:

Provide with this VII-E Award Application documentation describing the discrete, verifiable Energy Efficiency Improvement measures Customer intends to implement at the Plant and setting forth calculations which support the projected per cent Energy Efficiency Improvements based upon those measures.

- Billing Documents

Provide with this VII-E Award Application copies of Customer's power bills for the 12-month period preceding the date of this Award Application.

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• Financial Documents:

Provide with this VII-E Award Application copies of Customer-level financial statements, if available. If Customer-level statements are not available, provide copies of financial statements for a parent entity of Customer. "Financial documents" means the most recent quarterly report and the three most recent annual statements containing consolidated financial statements.

If Customer has chosen to provide parent entity financial statements, Customer certifies that Customer is a wholly owned subsidiary of the parent entity and Customer's financial information is consolidated within the financial statements of the parent entity.

I, Alan Bomar, am an authorized representative of Customer, and I certify to TVA that the above information is true and correct.

Alan Bomar
Signature

PLANT GENERAL MANAGER
Title

ALAN BOMAR
Printed

6-10-10
Date

I, [Type Name Here], am an authorized representative of Distributor, and I certify to TVA that the information verified above is true and correct.

Paul Thompson
Signature

Executive V.P. & General Manager
Title

Paul Thompson
Printed

June 10, 2010
Date

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Attachment 1
Definitions

- A.1.1 "Annual Average Demand" shall mean for any 12-month period the kW amount calculated by dividing a Plant's total kWh usage during that period by the total number of clock hours in the period.
- A.1.2 "Annual Base Charges" shall mean for any 12-month period the sum of customer charge, demand charges, and energy charges under the applicable Rate Schedule and Adjustment Addendum (if any) during that period which are attributable to a Customer's Qualifying Plant; provided, however, that in calculating the Annual Base Charges, any portion of the energy charge designated as fuel costs shall be excluded, and the Annual Base Charges shall be reduced by the amount of any credits attributable to a Customer's Qualifying Plant which the Customer received under any contract overlays, credit programs, and/or any award programs offered by TVA and/or Distributor during that period.
- A.1.3 "Annual Load Factor" shall mean the percentage calculated by dividing a Plant's total metered energy for any year by the product of the highest Total Metered Demand for that year and the number of clock hours in that year.
- A.1.4 "Award Period" shall mean the period from the first billing period in which a Customer is scheduled to receive a VII Bill Credit through the 5th anniversary of said billing period.
- A.1.5 "Base Year" shall mean the 12-month period immediately preceding the date a Customer submits a VII-E Award Application.
- A.1.6 "Coincident Load Factor" shall mean for any 12-month period the percentage calculated by dividing the Annual Average Demand for that period by the Peak Period Average Demand for that period.
- A.1.7 "Customer" shall mean a customer purchasing power for its Plant from TVA or a distributor of TVA power under a written power supply contract(s).
- A.1.8 "Customer Average Wage" shall mean the Customer's total annual payroll (minus benefits) for Full-Time Equivalent Employees divided by the number of Full-Time Equivalent Employees.
- A.1.9 "Energy Efficiency Improvement" shall mean the projected percentage improvement during the Evaluation Period in a Plant's Energy Efficiency Measurement (as defined below) resulting from the implementation of either building improvements (Commercial Metric) or process-based improvements (Manufacturing Metric) at the Plant. The projected improvement in the Energy Efficiency Measurement will be based on calculations either performed or approved by TVA.

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The Energy Efficiency Measurement to be used in determining the Commercial Metric is the Customer's annual kWh usage per square foot of Plant area. The Energy Efficiency Measurement to be used in determining the Manufacturing Metric is the measurement submitted by the Customer and approved by TVA. This measurement may be the Plant's annual kWh usage per unit of plant output, the total Btu energy usage per unit of plant output, the ratio of the Plant's annual kWh usage and the Customer Average Wage, or such other measurement that is approved by TVA.

- A.1.10 "Evaluation Period" shall mean the period from the date of submission of a Customer's completed VII-E Award Application through the 5th anniversary of said date.
- A.1.11 "Full-Time Equivalent Employee" for any month shall mean the sum of (a) the number of full-time on-site Plant employees and contractors of a Customer who spend 100% of their work time on Plant-related matters in that month and (b) a number equal to the sum of total hours worked on Plant-related matters in that month by (i) full-time on-site Plant employees of Customer who spend less than 100% of their work time on Plant-related matters and (ii) part-time on-site Plant employees of Customer divided by the number of work hours in that month (based on an 8-hour work day, Monday through Friday).
- A.1.12 "Meter Data" shall mean Plant half-hourly interval data during Peak Hours and other Plant power use data necessary to calculate the following:
- (a) total Plant kWh usage and highest Total Metered Demand for each month of the Evaluation Period,
 - (b) Annual Load Factor,
 - (c) Coincident Load Factor.
- A.1.13 "Nonconforming Loads" as currently defined, shall mean electrical loads with one or more of the following characteristics:
- (a) expected load swings of approximately 50 MW or more and ramp rates of approximately 10 MW or more per minute,
 - (b) loads with expected daily reactive power ramp rates of 50 MVAR or more per minute,
 - (c) loads known to create voltage flicker exceeding the limits set out in the Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or
 - (d) loads known to create harmonic current distortions exceeding the limits set out in IEEE Standard 519.

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- A.1.14 "Peak Hours" shall mean from 13:00:00 to 18:59:59 Central Prevailing Time (CPT) during the calendar months of July and August; provided, however, that Peak Hours shall not include hours that fall on Saturdays, Sundays, or Independence Day.
- A.1.15 "Peak Period Average Demand" for any 12-month period shall mean the kW amount calculated by dividing a Plant's total kWh usage during the Peak Hours of that 12-month period by the total number of those Peak Hours.
- A.1.16 "Plant" shall mean all physical personal property and fixtures used in the Customer's trade or business characterized by the same NAICS code(s) that is depreciable for federal income tax purposes and which is affixed to contiguous real property in the TVA service area.
- A.1.17 "Plant Book Value" shall mean the most recent depreciated value of a Customer's Plant for Federal income tax purposes.
- A.1.18 "Qualifying Customer" shall mean a Customer that submits a VII-E Award Application and is found by TVA to meet the Customer eligibility requirements.
- A.1.19 "Qualifying Plant" shall mean a Plant for which a Customer has submitted a VII-E Award Application and is found by TVA to meet the Plant eligibility requirements.
- A.1.20 "Total Metered Demand" shall mean the average during any 30-consecutive-minute period beginning or ending on a clock hour of the total load at the Customer's Plant measured in kW.
- A.1.21 "Total Capital Investment" shall mean the sum of all projected Plant investments during the Evaluation Period which Customer intends to depreciate for Federal income tax purposes.
- A.1.22 "VII Metrics" shall mean the information necessary for TVA to determine a Qualifying Customer's monthly award under the VII Program. For any year, the VII Metrics shall include that year's:
- (a) Annual Base Charges,
 - (b) total Plant kWh usage and highest Total Metered Demand for each month,
 - (c) contribution towards the Total Capital Investment,
 - (d) completed Energy Efficiency Improvements identified in Customer's VII-E Award Application,
 - (e) average number of Full-Time Equivalent Employees,
 - (f) Customer Average Wage,
 - (g) Annual Load Factor, and
 - (h) Coincident Load Factor.

The VII Metrics shall be based on the most current data available and certified by Customer's duly authorized officer.

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Attachment 2

Eligibility

- A.2.1 A Qualifying Customer with a Qualifying Plant will be eligible for a VII award.
- A.2.2 Contractual Requirements. A Customer's power supply contract(s) for power supplied to its Plant must provide for the Customer to purchase firm power for a term of at least five years from the date of submission of the Customer's completed VII-E Award Application under a general service rate schedule or a manufacturing service rate schedule, or any replacement schedule of the general service or manufacturing service rate schedule. The power supply contract(s) may include a pricing overlay under a separate agreement implementing a TVA-approved program, subject to all of the standard terms and conditions under which the program is offered.
- A.2.3 Minimum Demand Requirements. A Customer must establish a Total Metered Demand of at least 250 kW in each of the 12 billing months preceding the effective date of its Valley Investment Initiative Participation Agreement (VII Participation Agreement). Further, a Customer will not be eligible to receive a monthly award under the VII Participation Agreement, in any month where the Total Metered Demand is not at least 250 kW.
- A.2.4 Minimum Capital Investment. A Customer must make a Total Capital Investment of at least 25 percent of its Plant Book Value, including capital investment of at least
- (a) 5 percent of its Plant Book Value during the first year,
 - (b) 8 percent of its Plant Book Value during the first two years,
 - (c) 11 percent of its Plant Book Value during the first three years,
 - (d) 14 percent of its Plant Book Value during the first four years, and
 - (e) 25 percent of its Plant Book Value during the first five years
- of the Customer's Evaluation Period.
- A.2.5 Minimum Workforce Requirements. A Customer must employ at least 25 Full-Time Equivalent Employees during each month of the Customer's Base Year and in each month during the Evaluation Period. Further, a Customer that eliminates, or projects the elimination of, 50% or more of its Full-Time Equivalent Employees during the Evaluation Period shall not be a Qualifying Customer.
- A.2.6 Nonconforming Loads. A Plant with Nonconforming Load characteristics shall not be a Qualifying Plant.
- A.2.7 Ineligible Industry Sectors. A Plant where the major use of electricity is for activities which are classified with one of the following North American Industry Classification System (NAICS) codes shall not be a Qualifying Plant:

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Sector	Related NAICS
Agriculture, Forestry, Fishing, and Hunting	11
Mining	21
Utilities	22
Construction	23
Retail Trade	44-45
Transportation	48, 491, 492
Real Estate and Rental and Leasing	53
Administrative and Support and Waste Management and Remediation Services	56
Educational Services	61
Health care and Social Assistance	62
Arts, Entertainment, and Recreation	71
Accommodations and Food Service	72
Other Services	81
Public Administration	92

Provided however that a Plant where the major use of electricity is for activities within an excluded NAICS code may participate in the program if the Customer and Plant under the following conditions:

- a. The Plant's sub-sector industry multiplier and Customer Average Wage exceed the Valley average;
- b. The Customer provides documentation demonstrating economic development support and/or incentives being provided by state and/or local economic development partners; and
- c. TVA's VII Committee determines that the customer meets the above requirements, other VII qualification criteria, and programmatic intent.

A.2.8 Financial Review. A Qualifying Customer must be determined by TVA to be financially sound. In order to facilitate TVA's evaluation of a Customer's financial condition, a Customer will provide: (i) a copy of Customer's three most recent annual reports containing consolidated financial statements and its most recent quarterly report containing consolidated financial statements; and (ii) such different or additional financial information as TVA may from time to time request for TVA's use in evaluating Customer's financial condition. The statements to be provided by Customer shall be prepared in accordance with generally accepted accounting principles.

A Customer may provide the statements requested in subsection (i) above for a parent entity of Customer, if Customer-level statements are not available. Such a Customer must certify that Customer is a wholly owned subsidiary of the parent entity and

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Customer's financial information is consolidated within the financial statements of the parent entity.

TVA will consider a Customer financially unsound and ineligible for the VII program under the following conditions:

- (a) Customer or Customer's parent entity is reorganizing or winding down in bankruptcy as of the date it submits a VII-E Award Application;
- (b) Customer's risk levels exceed allowable levels as solely determined by TVA; or
- (c) Customer fails to provide adequate power contract performance assurance as required by TVA.

A.2.9 Meter Data. A Qualifying Plant must have metering in place capable of recording Plant half-hourly interval data during Peak Hours and other Plant power use data necessary to calculate the VII Metrics. A Qualifying Customer must have arrangements in place with TVA and/or Customer's Distributor to provide for the collection, processing (if any), and transmission to TVA of all Plant Meter Data and corresponding VII Metrics.

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Attachment 3
Worksheets

Load Factor

1. Annual Plant total metered energy: _____ kWh
2. Highest Plant 30-minute average demand for the year: _____ kW
3. Multiply line 2 by 8760 hours* = _____ kWh
4. Divide line 1 by the result from line 3 = _____%

Coincident Load Factor

1. Annual Plant total metered energy: _____ kWh
2. Divide line 1 by 8760 hours* = _____ kW
3. Average demand during Peak Hours: _____ kW
4. Divide the result from line 2 by the amount from line 3 = _____%

*For Leap Years, use 8784 hours.

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405 College Street
P. O. Box 40
Lafayette, TN 37083-0040

Tri-County
Electric
Membership Corporation
www.tcemc.org

Telephone: (615) 666-2111
Toll Free: 1-800-369-2111
Fax: (615) 688-2141

September 14, 2010

**Mr. Ernest W. Peterson, Jr., PE
General Manager/Customer Service/Kentucky
Tennessee Valley Authority
6045 Russellville Road
Bowling Green, Kentucky 42101-7319**

RE: TV – 52337A Supp. No. 87

Dear Ernie:

Per your letter dated August 30, 2010 please find enclosed the executed original regarding the above referenced Agreement.

As stated in your letter we have retained one copy for our files.

If I may be of additional assistance, please do not hesitate to contact me at X100.

Sincerely,



**PAUL THOMPSON
Executive Vice President
and General Manager**

**lk
Enclosure**



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

August 30, 2010

TV-52337A
Supp No. 87

Mr. Paul Thompson, General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083

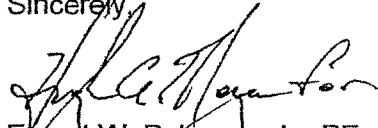
Dear Paul:

This responds to the request by Tri-County Electric Membership Corporation (TCEMC) to revise the 6.5% fixed loss factor to estimate its monthly distribution loss charges payable on each wholesale power invoice to the Tennessee Valley Authority (TVA).

Accordingly, effective with the September 2010 wholesale billing month, TCEMC will make such monthly distribution loss payments by applying a 5.0% fixed loss factor each month to the wholesale end-use charges (on Schedule 1 of the invoice). TCEMC may request to revise this percentage from time to time to better approximate the actual level of distribution losses on TCEMC's system. The normal annual loss true-up calculations (which now occur at the end of the June billing period) will continue to be used to determine actual distribution losses for the annual period.

If this letter correctly represents our understanding, please sign and date each of the two duplicate originals enclosed. Please retain one copy for your files and return one copy to me.

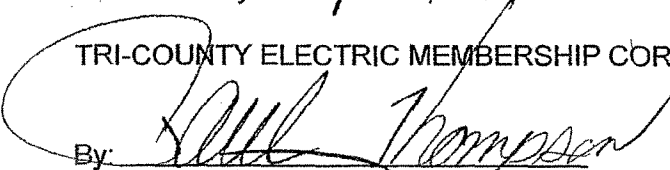
Sincerely,


Ernest W. Peterson, Jr., PE
General Manager
Customer Service
Kentucky

Accepted and agreed to as of
the 14th day of Sept., 2010,

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

By:


(Title) Exec. V.P. & Gen. Mgr



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

August 30, 2010

TV-52337A
Supp No. 87

*9/14/2010
Laura,
Please file
Thanks,
LAW*

Mr. Paul Thompson, General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083

Dear Paul:

This responds to the request by Tri-County Electric Membership Corporation (TCEMC) to revise the 6.5% fixed loss factor to estimate its monthly distribution loss charges payable on each wholesale power invoice to the Tennessee Valley Authority (TVA).

Accordingly, effective with the September 2010 wholesale billing month, TCEMC will make such monthly distribution loss payments by applying a 5.0% fixed loss factor each month to the wholesale end-use charges (on Schedule 1 of the invoice). TCEMC may request to revise this percentage from time to time to better approximate the actual level of distribution losses on TCEMC's system. The normal annual loss true-up calculations (which now occur at the end of the June billing period) will continue to be used to determine actual distribution losses for the annual period.

If this letter correctly represents our understanding, please sign and date each of the two duplicate originals enclosed. Please retain one copy for your files and return one copy to me.

Sincerely,

Ernest W. Petersen, Jr.
Ernest W. Petersen, Jr., PE
General Manager
Customer Service
Kentucky

Accepted and agreed to as of
the _____ day of _____, 2010

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

By: _____
(Title)



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

October 4, 2010

Mr. Paul Thompson
Executive Vice President/General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

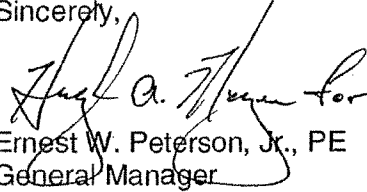
Dear Paul:

**TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION -- EXECUTED SDE/TD HUD
FALL PILOT AGREEMENT -- TV-52337A, SUPP. NO. 88**

Enclosed is one fully executed original of the SDE/TD HUD Fall Pilot Agreement,
TV-52337A, Supp. No. 88, dated August 30, 2010, for your files.

If you have questions or concerns regarding this document, please call Hugh Meyer
(270-846-7042).


Sincerely,


Ernest W. Peterson, Jr., PE
General Manager
Customer Service
Kentucky


Enclosure

10/06/2010

Laura,

Please  copy

& file.

Thanks,


10/07/10
JK

Jim, Tammy

AGREEMENT
Between
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION
And
TENNESSEE VALLEY AUTHORITY

Date: 8/30/10

TV-52337A, Supp. No. 88

THIS AGREEMENT, made and entered into between TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), a cooperative corporation created and existing under and by virtue of the laws of the State of Tennessee, and TENNESSEE VALLEY AUTHORITY (TVA), a corporation created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended (TVA Act);

WITNESSETH:

WHEREAS, TVA and Distributor have entered into a contract dated July 18, 1979, as amended (Power Contract), under which Distributor purchases its entire requirements for electric power and energy from TVA for resale; and

WHEREAS, TVA and Distributor wish to cooperate in making Time Differentiated Hours Use of Demand (TD HUD) rates and Pilot Seasonal Demand and Energy (SDE) rates available as alternatives to General Power or Manufacturing Service rates for qualifying customers of Distributor for a 12-month period; and

WHEREAS, the parties wish to supplement and amend the Power Contract to provide for the application of the TD HUD rates and SDE rates to Distributor's customers that elect such alternative rates;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, and subject to the provisions of the TVA Act, the parties agree as follows:

SECTION 1 – TERM OF AGREEMENT

This agreement shall become effective as of the date first above written and will continue until the expiration or termination of each Company Agreement provided for in section 2 below.

SECTION 2 – COMPANY AGREEMENTS

For each customer (Company) to which Distributor supplies power under TD HUD rates or SDE rates, as they may be modified, changed, replaced, or adjusted from time to time, Distributor shall enter into an appropriate agreement (Company Agreement) amending Company's power supply contract with Distributor in the respects necessary to provide for Company to be billed at TD HUD rates or SDE rates, whichever is applicable, in lieu of the otherwise applicable General Power or Manufacturing Service rate schedule. All such Company Agreements shall be for a term of 12 months and shall

become effective no earlier than October 1, 2010, and no later than March 1, 2011. The parties recognize and agree that Distributor shall supply power under TD HUD rates and SDE rates only to those customers that satisfy the "Availability" requirements of the applicable rate schedule specified in section 3 of this agreement.

If, under previous arrangements with TVA, Distributor has entered into an agreement with a Company (Previous Agreement) providing for the Company to be billed under TD HUD rates, said Previous Agreement may be extended or renewed for a 12-month term, effective upon its expiration.

SECTION 3 - PILOT RATE SCHEDULES

The following schedules (attached as Exhibit A and referred to collectively as "Pilot Schedules" and individually as "Pilot Schedule"):

- (a) Time Differentiated Hours Use Of Demand General Power Rate-- Schedule TDGSB,
- (b) Time Differentiated Hours Use Of Demand General Power Rate-- Schedule TDGSC,
- (c) Time Differentiated Hours Use Of Demand General Power Rate-- Schedule TDGSD,
- (d) Time Differentiated Hours Use Of Demand Manufacturing Service Rate-- Schedule TDMSB,
- (e) Time Differentiated Hours Use Of Demand Manufacturing Service Rate-- Schedule TDMSC,
- (f) Time Differentiated Hours Use Of Demand Manufacturing Service Rate-- Schedule TDMSD,
- (g) Pilot Seasonal Demand and Energy General Power Rate--Schedule PSGSB,
- (h) Pilot Seasonal Demand and Energy General Power Rate--Schedule PSGSC,
- (i) Pilot Seasonal Demand and Energy General Power Rate--Schedule PSGSD,
- (j) Pilot Seasonal Demand and Energy Manufacturing Service Rate-- Schedule PSMSB,
- (k) Pilot Seasonal Demand and Energy Manufacturing Service Rate-- Schedule PSMSC,
- (l) Pilot Seasonal Demand and Energy Manufacturing Service Rate-- Schedule PSMSD,

are made a part of this agreement and of the Schedule of Rates and Charges to the Power Contract. Further, the Supplemental Adjustment Addendum applicable to the TDHUD rates and the Supplemental Adjustment Addendum applicable to the SDE rates (attached collectively as Exhibit B) are made part of this agreement and of the Adjustment Addendum to Schedule of Rates and Charges for Distributor dated October 1, 2009 (Adjustment Addendum). Notwithstanding anything appearing in the Power Contract to the contrary, during the term of this agreement, Distributor shall bill each Company for power and energy made available to the Company in accordance with the Pilot Schedule applicable to that Company (together with the currently effective Adjustment Addendum as supplemented to cover the Pilot Schedules), as such Pilot Schedule may be further adjusted, changed, modified, or replaced from time to time.

SECTION 4 - WHOLESALE BILLING

4.1 Riders to Wholesale Rate Schedule. Wholesale Power Rate--Schedule WS, in the Schedule of Rates and Charges to the Power Contract (Schedule WS), is hereby amended by (a) adding to the "Demand and Energy Charges" of Schedule WS the charges for the Pilot Schedules listed in the Riders to said Schedule WS (Riders) attached to this agreement collectively as Exhibit C, and (b) revising the section headed "Adjustments" in said Schedule WS as described in the Rider applicable to the TDHUD rates. The Riders are made a part of this agreement and of Schedule WS.

4.2 Wholesale Charges. In calculating the wholesale bill each month for Distributor, the charges set out in the attached Riders (together with the currently effective Adjustment Addendum as supplemented to cover the Pilot Schedules) will be applied to demand and energy amounts resold by Distributor under each Pilot Schedule.

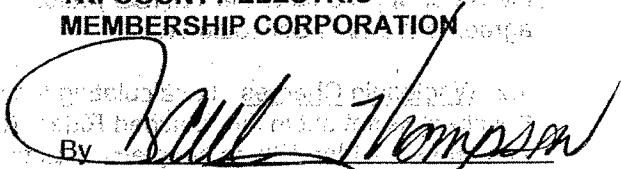
SECTION 5 - BILLING DATA

5.1 TVA Billing Analysis. It is recognized and agreed that TVA shall perform monthly meter-reading services and billing data analysis (Billing Analysis) with respect to the amounts of power and energy supplied by Distributor to each Company. Accordingly, each month TVA shall, as soon as practicable after the scheduled meter-reading date for each Company, furnish to Distributor the information regarding the amounts of power and energy taken by each Company and such other information as may be necessary for Distributor to calculate each Company's monthly bill and to meet its obligations under 5.2 below.

5.2 Billing Data Supplied by Distributor. To facilitate TVA's preparation of the bill to Distributor for power and energy made available under the Power Contract, each month Distributor shall furnish to TVA a copy of Distributor's bill to each Company for power and energy made available under the applicable Pilot Schedule when it is rendered and such other information related to each Company's power and energy takings as TVA may require.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives as of the day and year first above written.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title: **Exec. V.P. & Gen. Mgr.**

TENNESSEE VALLEY AUTHORITY

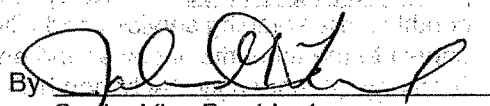
By 
Title: **Senior Vice President
Commercial Operations and Pricing**

Exhibit A

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

TIME DIFFERENTIATED HOURS USE OF DEMAND GENERAL POWER RATE--SCHEDULE TDGSB

(October 2010)

Availability

This rate shall be available for firm electric power requirements where the customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 1,000 kW but not more than 15,000 kW and where this rate schedule is elected as an alternative to service under Schedules GSA, GSB, TGSA, or TGSB for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011; provided that the other conditions of this section are met.

For customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

A customer may not be on this rate schedule and participate in any demand response program which is designated by TVA as inconsistent with service under this schedule. A customer may not be on this rate schedule and participate in the small manufacturing credit program. A customer may not be on this rate schedule and participate in TVA's Enhanced Growth Credit (EGC) Program unless it agrees to a modification of its EGC agreement to provide for the EGC credits to be capped according to applicable guidelines. A customer may not be on this rate schedule and participate in TVA's 5 Minute Response (5 MR) or 60 Minute Response (60 MR) Interruptible Programs unless it agrees to a modification of its 5 MR or 60 MR Agreement to provide for the 5 MR or 60 MR credit amounts to be shaped according to applicable guidelines.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period	\$11.85 per kW per month of the customer's onpeak billing demand, plus \$3.15 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$11.85 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Winter Period	\$6.88 per kW per month of the customer's onpeak billing demand, plus \$3.15 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$6.88 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period	\$3.15 per kW of offpeak billing demand per month, plus \$6.88 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	6.411¢ per kWh per month for all onpeak kWh, plus 3.807¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Winter Period	4.281¢ per kWh per month for all onpeak kWh, plus 3.807¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Transition Period	3.807¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all kWh

Offpeak Hours Use of Demand Adjustment:

The above offpeak energy charges for the Summer Period and the Winter Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

The above energy charge for a Transition Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

0.195¢ per kWh for the first 425 hours use of maximum metered demand

-1.101¢ per kWh for the next 195 hours use of maximum metered demand

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges, and the adjustment amounts provided for in the Offpeak Hours Use of Demand Adjustment shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by TVA. In the event TVA determines that changed Seasonal Periods are

appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed periods, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each year that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

For the Transition Period, all hours shall be offpeak hours.

Determination of Onpeak and Offpeak Demands,

Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to

the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". It is recognized that no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

The contract requirement of the schedule (GSA, GSB, TGSA, or TGSB) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSA, GSB, TGSA or TGSB. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments to its power contract with Distributor, may receive service under Schedule GSA, GSB, TGSA, or TGSB for any required contract term then remaining; provided, however, that the contract demand for any such service under Schedule GSA or GSB shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

**TIME DIFFERENTIATED HOURS USE OF DEMAND
GENERAL POWER RATE--SCHEDULE TDGSC**

(October 2010)

Availability

This rate shall be available for firm electric power requirements where the customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW and where this rate schedule is elected as an alternative to service under Schedule GSC or Schedule TGSC for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011; provided that the other conditions of this section are met.

For customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

A customer may not be on this rate schedule and participate in any demand response program which is designated by TVA as inconsistent with service under this schedule. A customer may not be on this rate schedule and participate in TVA's Enhanced Growth Credit (EGC) Program unless it agrees to a modification of its EGC agreement to provide for the EGC credits to be capped according to applicable guidelines. A customer may not be on this rate schedule and participate in TVA's 5 Minute Response (5 MR) or 60 Minute Response (60 MR) Interruptible Programs unless it agrees to a modification of its 5 MR or 60 MR Agreement to provide for the 5 MR or 60 MR credit amounts to be shaped according to applicable guidelines.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period	\$11.85 per kW per month of the customer's onpeak billing demand, plus \$3.15 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$11.85 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Winter Period	\$6.88 per kW per month of the customer's onpeak billing demand, plus \$3.15 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$6.88 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period	\$3.15 per kW of offpeak billing demand per month, plus \$6.88 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	6.160¢ per kWh per month for all onpeak kWh, plus 3.624¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Winter Period	4.082¢ per kWh per month for all onpeak kWh, plus 3.624¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Transition Period	3.624¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all kWh

Offpeak Hours Use of Demand Adjustment:

The above offpeak energy charges for the Summer Period and the Winter Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

The above energy charge for a Transition Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

0.195¢ per kWh for the first 425 hours use of maximum metered demand

-1.101¢ per kWh for the next 195 hours use of maximum metered demand

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges, and the adjustment amounts provided for in the Offpeak Hours Use of Demand Adjustment shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule

are subject to change by TVA. In the event TVA determines that changed Seasonal Periods are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed periods, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each year that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

For the Transition Period, all hours shall be offpeak hours.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing

demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". It is recognized that no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

The contract requirement of the schedule (GSC or TGSC) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSC or TGSC. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments to its power contract with Distributor, may receive service under Schedule GSC or TGSC for any required contract term then remaining; provided, however, that the contract demand for any such service under Schedule GSC shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

TIME DIFFERENTIATED HOURS USE OF DEMAND GENERAL POWER RATE--SCHEDULE TDGSD

(October 2010)

Availability

This rate shall be available for firm electric power requirements where the customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 25,000 kW and where this rate schedule is elected as an alternative to service under Schedule GSD or Schedule TGSD for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011; provided that the other conditions of this section are met.

For customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

A customer may not be on this rate schedule and participate in any demand response program which is designated by TVA as inconsistent with service under this schedule. A customer may not be on this rate schedule and participate in TVA's Enhanced Growth Credit (EGC) Program unless it agrees to a modification of its EGC agreement to provide for the EGC credits to be capped according to applicable guidelines. A customer may not be on this rate schedule and participate in TVA's 5 Minute Response (5 MR) or 60 Minute Response (60 MR) Interruptible Programs unless it agrees to a modification of its 5 MR or 60 MR Agreement to provide for the 5 MR or 60 MR credit amounts to be shaped according to applicable guidelines.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period	\$11.24 per kW per month of the customer's onpeak billing demand, plus \$2.54 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$11.24 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Winter Period	\$6.27 per kW per month of the customer's onpeak billing demand, plus \$2.54 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$6.27 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period	\$2.54 per kW of offpeak billing demand per month, plus \$6.27 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	6.053¢ per kWh per month for all onpeak kWh, plus 3.443¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Winter Period	3.915¢ per kWh per month for all onpeak kWh, plus 3.443¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Transition Period	3.443¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all kWh

Offpeak Hours Use of Demand Adjustment:

The above offpeak energy charges for the Summer Period and the Winter Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

The above energy charge for a Transition Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

0.195¢ per kWh for the first 425 hours use of maximum metered demand

-1.101¢ per kWh for the next 195 hours use of maximum metered demand

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges, and the adjustment amounts provided for in the Offpeak Hours Use of Demand Adjustment shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule

are subject to change by TVA. In the event TVA determines that changed Seasonal Periods are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed periods, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each year that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

For the Transition Period, all hours shall be offpeak hours.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak

billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". It is recognized that no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

The contract requirement of the schedule (GSD or TGSD) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSD or TGSD. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments to its power contract with Distributor, may receive service under Schedule GSD or TGSD for any required contract term then remaining; provided, however, that the contract demand for any such service under Schedule GSD shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

**TIME DIFFERENTIATED HOURS USE OF DEMAND
MANUFACTURING SERVICE RATE--SCHEDULE TDMSB**

(October 2010)

Availability

This rate shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 1,000 kW but not more than 15,000 kW, (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have a currently effective onpeak or offpeak contract demand greater than 5,000 kW, and shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service, and (c) this rate schedule is elected as an alternative to service under Schedules GSA, MSB, TGSA, or TMSB for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011; provided that the other conditions of this section are met. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

For customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

A customer may not be on this rate schedule and participate in any demand response program which is designated by TVA as inconsistent with service under this schedule. A customer may not be on this rate schedule and participate in the small manufacturing credit program. A customer may not be on this rate schedule and participate in TVA's Enhanced Growth Credit (EGC) Program unless it agrees to a modification of its EGC agreement to provide for the EGC credits to be capped according to applicable guidelines. A customer may not be on this rate schedule and participate in TVA's 5 Minute Response (5 MR) or 60 Minute Response (60 MR) Interruptible Programs unless it agrees to a modification of its 5 MR or 60 MR Agreement to provide for the 5 MR or 60 MR credit amounts to be shaped according to applicable guidelines.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$11.86 per kW per month of the customer's onpeak billing demand, plus \$3.16 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$11.86 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Winter Period	\$6.89 per kW per month of the customer's onpeak billing demand, plus \$3.16 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$6.89 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Transition Period	\$3.16 per kW of offpeak billing demand per month, plus \$6.89 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	5.356¢ per kWh per month for all onpeak kWh, plus 2.778¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Winter Period	3.270¢ per kWh per month for all onpeak kWh, plus 2.778¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Transition Period	2.778¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all kWh

Offpeak Hours Use of Demand Adjustment:

The above offpeak energy charges for the Summer Period and the Winter Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

0.195¢ per kWh for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

The above energy charge for a Transition Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

0.195¢ per kWh for the first 425 hours use of maximum metered demand

-1.101¢ per kWh for the next 195 hours use of maximum metered demand

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges, and the adjustment amounts provided for in the Offpeak Hours Use of Demand Adjustment shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by TVA. In the event TVA determines that changed Seasonal Periods are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed periods, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each year that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

For the Transition Period, all hours shall be offpeak hours.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month

shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". It is recognized that no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

The contract requirement of the schedule (GSA, MSB, TGSA, or TMSB) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSA, MSB, TGSA, or TMSB. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments to its power contract with Distributor, may receive service under Schedule GSA, MSB, TGSA, or TMSB for any required contract term then remaining; provided, however, that the contract demand for any such service under Schedule GSA or MSB shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

TIME DIFFERENTIATED HOURS USE OF DEMAND MANUFACTURING SERVICE RATE--SCHEDULE TDMSC

(October 2010)

Availability

This rate shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW, (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service, and (c) this rate schedule is elected as an alternative to service under Schedule MSC or TMSC for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011; provided that the other conditions of this section are met. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

For customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

A customer may not be on this rate schedule and participate in any demand response program which is designated by TVA as inconsistent with service under this schedule. A customer may not be on

this rate schedule and participate in TVA's Enhanced Growth Credit (EGC) Program unless it agrees to a modification of its EGC agreement to provide for the EGC credits to be capped according to applicable guidelines. A customer may not be on this rate schedule and participate in TVA's 5 Minute Response (5 MR) or 60 Minute Response (60 MR) Interruptible Programs unless it agrees to a modification of its 5 MR or 60 MR Agreement to provide for the 5 MR or 60 MR credit amounts to be shaped according to applicable guidelines.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$11.35 per kW per month of the customer's onpeak billing demand, plus \$2.65 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$11.35 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Winter Period	\$6.38 per kW per month of the customer's onpeak billing demand, plus \$2.65 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$6.38 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period	\$2.65 per kW of offpeak billing demand per month, plus \$6.38 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	5.414¢ per kWh per month for all onpeak kWh, plus 2.770¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Winter Period	3.280¢ per kWh per month for all onpeak kWh, plus 2.770¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Transition Period	2.770¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all kWh

Offpeak Hours Use of Demand Adjustment:

The above offpeak energy charges for the Summer Period and the Winter Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

The above energy charge for a Transition Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges, and the adjustment amounts provided for in the Offpeak Hours Use of Demand Adjustment shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by TVA. In the event TVA determines that changed Seasonal Periods are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed periods, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each year that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

For the Transition Period, all hours shall be offpeak hours.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month

shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". It is recognized that no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

The contract requirement of the schedule (MSC or TMSC) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule MSC or TMSC. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments to its power contract with Distributor, may receive service under Schedule MSC or TMSC for any required contract term then remaining; provided, however, that the contract demand for any such service under Schedule MSC shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION
TIME DIFFERENTIATED HOURS USE OF DEMAND
MANUFACTURING SERVICE RATE--SCHEDULE TDMSD
(October 2010)

Availability

This rate shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 25,000 kW, (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service, and (c) this rate schedule is elected as an alternative to service under Schedule MSD or TMSD for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011; provided that the other conditions of this section are met. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

For customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

A customer may not be on this rate schedule and participate in any demand response program which is designated by TVA as inconsistent with service under this schedule. A customer may not be on

this rate schedule and participate in TVA's Enhanced Growth Credit (EGC) Program unless it agrees to a modification of its EGC agreement to provide for the EGC credits to be capped according to applicable guidelines. A customer may not be on this rate schedule and participate in TVA's 5 Minute Response (5 MR) or 60 Minute Response (60 MR) Interruptible Programs unless it agrees to a modification of its 5 MR or 60 MR Agreement to provide for the 5 MR or 60 MR credit amounts to be shaped according to applicable guidelines.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$11.24 per kW per month of the customer's onpeak billing demand, plus \$2.54 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$11.24 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Winter Period	\$6.27 per kW per month of the customer's onpeak billing demand, plus \$2.54 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$6.27 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period	\$2.54 per kW of offpeak billing demand per month, plus \$6.27 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	5.297¢ per kWh per month for all onpeak kWh, plus 2.655¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Winter Period	3.152¢ per kWh per month for all onpeak kWh, plus 2.655¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all offpeak kWh
Transition Period	2.655¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all kWh

Offpeak Hours Use of Demand Adjustment:

The above offpeak energy charges for the Summer Period and the Winter Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

The above energy charge for a Transition Period shall be increased or decreased in accordance with the hours use of maximum metered demand as follows:

- 0.195¢ per kWh for the first 425 hours use of maximum metered demand
- 1.101¢ per kWh for the next 195 hours use of maximum metered demand
- 2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges, and the adjustment amounts provided for in the Offpeak Hours Use of Demand Adjustment shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.)

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by TVA. In the event TVA determines that changed Seasonal Periods are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed periods, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each year that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

For the Transition Period, all hours shall be offpeak hours.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month

shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". It is recognized that no Offpeak Hours Use of Demand Adjustment would apply to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

The contract requirement of the schedule (MSD or TMSD) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule MSD or TMSD. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to

adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments to its power contract with Distributor, may receive service under Schedule MSD or TMSD for any required contract term then remaining; provided, however, that the contract demand for any such service under Schedule MSD shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

PILOT SEASONAL DEMAND AND ENERGY GENERAL POWER RATE--SCHEDULE PSGSB

(October 2010)

Availability

This rate shall be available for firm electric power requirements where the customer's currently effective contract demand is greater than 5,000 kW but not more than 15,000 kW and where this rate schedule is elected as an alternative to service under Schedules GSB or TGSB for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$15.26 per kW per month of the customer's billing demand, plus \$15.26 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period	\$10.90 per kW per month of the customer's billing demand, plus \$10.90 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period	\$7.61 per kW per month of the customer's billing demand, plus \$7.61 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Energy Charge:	
Summer Period	3.119¢ per kWh per month
Winter Period	2.835¢ per kWh per month
Transition Period	2.773¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers served under this rate schedule. The metered demand for any month shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and such amount shall be used as the billing demand, except that the billing demand for any month shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applied to the customer's billing demand, and (3) the base energy charge, as adjusted, applied to the customer's energy takings.

Distributor may require minimum bills higher than those stated above.

Contract Requirement

The contract requirement of the schedule (GSB or TGSB) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSB or TGSB. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under Schedule GSB or TGSB for any required contract term then remaining; provided, however, that the onpeak contract demand for any such service under Schedule TGSB shall not be less than the contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

PILOT SEASONAL DEMAND AND ENERGY GENERAL POWER RATE--SCHEDULE PSGSC

(October 2010)

Availability

This rate shall be available for firm electric power requirements where the customer's currently effective contract demand is greater than 15,000 kW but not more than 25,000 kW and where this rate schedule is elected as an alternative to service under Schedules GSC or TGSC for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$15.26 per kW per month of the customer's billing demand, plus \$15.26 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period	\$10.90 per kW per month of the customer's billing demand, plus \$10.90 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period	\$7.61 per kW per month of the customer's billing demand, plus \$7.61 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Energy Charge:	
Summer Period	3.127¢ per kWh per month
Winter Period	2.838¢ per kWh per month
Transition Period	2.777¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers served under this rate schedule. The metered demand for any month shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and such amount shall be used as the billing demand, except that the billing demand for any month shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applied to the customer's billing demand, and (3) the base energy charge, as adjusted, applied to the customer's energy takings.

Distributor may require minimum bills higher than those stated above.

Contract Requirement

The contract requirement of the schedule (GSC or TGSC) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSC or TGSC. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under Schedule GSC or TGSC for any required contract term then remaining; provided, however, that the onpeak contract demand for any such service under Schedule TGSC shall not be less than the contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

PILOT SEASONAL DEMAND AND ENERGY GENERAL POWER RATE--SCHEDULE PSGSD

(October 2010)

Availability

This rate shall be available for firm electric power requirements where the customer's currently effective contract demand is greater than 25,000 kW and where this rate schedule is elected as an alternative to service under Schedules GSD or TGSD for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period:	\$17.11 per kW per month of the customer's billing demand, plus \$17.11 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period:	\$12.73 per kW per month of the customer's billing demand, plus \$12.73 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period:	\$9.45 per kW per month of the customer's billing demand, plus \$9.45 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Energy Charge:	
Summer Period:	2.640¢ per kWh per month
Winter Period:	2.388¢ per kWh per month
Transition Period:	2.332¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers served under this rate schedule. The metered demand for any month shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and such amount shall be used as the billing demand, except that the billing demand for any month shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applied to the customer's billing demand, and (3) the base energy charge, as adjusted, applied to the customer's energy takings.

Distributor may require minimum bills higher than those stated above.

Contract Requirement

The contract requirement of the schedule (GSD or TGSD) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule GSD or TGSD. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under Schedule GSD or TGSD for any required contract term then remaining; provided, however, that the onpeak contract demand for any such service under Schedule TGSD shall not be less than the contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION
PILOT SEASONAL DEMAND AND ENERGY
MANUFACTURING SERVICE RATE--SCHEDULE PSMSB
(October 2010)

Availability

This rate shall be available for firm electric power requirements where (a) a customer's currently effective contract demand is greater than 5,000 kW but not more than 15,000 kW, (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service, and (c) this rate schedule is elected as an alternative to service under Schedules MSB or TMSB for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$1,500 per delivery point per month
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$13.26 per kW per month of the customer's billing demand, plus \$13.26 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period	\$8.89 per kW per month of the customer's billing demand, plus \$8.89 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period	\$5.60 per kW per month of the customer's billing demand, plus \$5.60 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Energy Charge:	
Summer Period	2.589¢ per kWh per month
Winter Period	2.268¢ per kWh per month
Transition Period	2.194¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers served under this rate schedule. The metered demand for any month shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and such amount shall be used as the billing demand, except that the billing demand for any month shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applied to the customer's billing demand, and (3) the base energy charge, as adjusted, applied to the customer's energy takings.

Distributor may require minimum bills higher than those stated above.

Contract Requirement

The contract requirement of the schedule (MSB or TMSB) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule MSB or TMSB. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under Schedule MSB or TMSB for any required contract term then remaining; provided, however, that the onpeak contract demand for any such service under Schedule TMSB shall not be less than the contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

MSB

MSB (Medium Service Billing) is a rate schedule for customers with a contract demand of 100 to 1000 kW. It is designed for customers who use a single delivery point and a single voltage. The rate schedule includes a base rate and a demand charge based on the customer's peak demand during the billing period.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

PILOT SEASONAL DEMAND AND ENERGY MANUFACTURING SERVICE RATE--SCHEDULE PSMSC

(October 2010)

Availability

This rate shall be available for firm electric power requirements where (a) a customer's currently effective contract demand is greater than 15,000 kW but not more than 25,000 kW, (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service, and (c) this rate schedule is elected as an alternative to service under Schedules MSC or TMSA for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period	\$12.75 per kW per month of the customer's billing demand, plus \$12.75 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period	\$8.38 per kW per month of the customer's billing demand, plus \$8.38 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period	\$5.09 per kW per month of the customer's billing demand, plus \$5.09 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Energy Charge:

Summer Period	2.569¢ per kWh per month
Winter Period	2.268¢ per kWh per month
Transition Period	2.196¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers served under this rate schedule. The metered demand for any month shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and such amount shall be used as the billing demand, except that the billing demand for any month shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applied to the customer's billing demand, and (3) the base energy charge, as adjusted, applied to the customer's energy takings.

Distributor may require minimum bills higher than those stated above.

Contract Requirement

The contract requirement of the schedule (MSC or TMSC) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule MSC or TMSC. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under Schedule MSC or TMSC for any required contract term then remaining; provided, however, that the onpeak contract demand for any such service under Schedule TMSC shall not be less than the contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

PILOT SEASONAL DEMAND AND ENERGY MANUFACTURING SERVICE RATE--SCHEDULE PSMSD

(October 2010)

Availability

This rate shall be available for firm electric power requirements where (a) a customer's currently effective contract demand is greater than 25,000 kW, (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service, and (c) this rate schedule is elected as an alternative to service under Schedules MSD or TMSD for a 12-month period beginning no earlier than October 1, 2010, and no later than March 1, 2011. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$14.64 per kW per month of the customer's billing demand, plus
\$14.64 per kW per month of the amount, if any, by which the customer's
billing demand exceeds its contract demand

Winter Period \$10.28 per kW per month of the customer's billing demand, plus
\$10.28 per kW per month of the amount, if any, by which the customer's
billing demand exceeds its contract demand

Transition Period \$6.99 per kW per month of the customer's billing demand, plus
\$6.99 per kW per month of the amount, if any, by which the customer's
billing demand exceeds its contract demand

Energy Charge:

Summer Period 2.076¢ per kWh per month

Winter Period 1.836¢ per kWh per month

Transition Period 1.778¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 2 or Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers served under this rate schedule. The metered demand for any month shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and such amount shall be used as the billing demand, except that the billing demand for any month shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applied to the customer's billing demand, and (3) the base energy charge, as adjusted, applied to the customer's energy takings.

Distributor may require minimum bills higher than those stated above.

Contract Requirement

The contract requirement of the schedule (MSD or TMSD) for which this rate schedule is selected as an alternative shall continue to apply, both during the time this alternative rate schedule is in effect under that contract and afterwards. In addition, at the time that this rate schedule becomes effective for billing, there must be at least one year remaining on the contract required by such Schedule MSD or TMSD. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

At the end of the period of service under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under Schedule MSD or TMSD for any required contract term then remaining; provided, however, that the onpeak contract demand for any such service under Schedule TMSD shall not be less than the contract demand in effect when service was taken under this rate schedule.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

Exhibit B

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

SUPPLEMENTAL ADJUSTMENT ADDENDUM

The following adjustments shall be deemed to be a part of the Adjustment Addendum to Schedule of Rates and Charges for Distributor dated October 1, 2009. As provided for by the previous Adjustment Addendum dated October 1, 2003 (Environmental Adjustment), the amounts listed under each column (1) are designated, subject to any future Rate Adjustment or Rate Change, to remain in effect for ten (10) years from the effective date of said Environmental Adjustment.

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
TIME DIFFERENTIATED HOURS USE OF DEMAND SERVICE						
General Power Service						
<u>Schedule TDGSB</u>						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54 + \$3.55		Add	\$0.56 + \$3.66	
Excess Offpeak	Add	\$0.11 + \$0.70		Add	\$0.11 + \$0.72	
Winter Period						
Onpeak	Add	\$0.29 + \$1.92		Add	\$0.30 + \$1.98	
Excess Offpeak	Add	\$0.11 + \$0.70		Add	\$0.11 + \$0.72	
Transition Period	Add	\$0.11 + \$0.70		Add	\$0.11 + \$0.72	
Energy Charge						
Summer Period						
Onpeak	Add	0.329¢ + 2.140¢ + A _q		Add	0.339¢ + 2.204¢ + (1.03 x A _q)	
Offpeak	Add	0.195¢ + 1.270¢ + A _q		Add	0.201¢ + 1.308¢ + (1.03 x A _q)	
Winter Period						
Onpeak	Add	0.220¢ + 1.428¢ + A _q		Add	0.227¢ + 1.471¢ + (1.03 x A _q)	
Offpeak	Add	0.195¢ + 1.270¢ + A _q		Add	0.201¢ + 1.308¢ + (1.03 x A _q)	
Transition Period	Add	0.195¢ + 1.270¢ + A _q		Add	0.201¢ + 1.308¢ + (1.03 x A _q)	
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢ + 0.068¢		Add	0.010¢ + 0.068¢	
Next 195 hours	Add	-0.058¢ + -0.379¢		Add	-0.058¢ + -0.379¢	
Additional kWh	Add	-0.116¢ + -0.757¢		Add	-0.116¢ + -0.757¢	
Transition Period						
First 425 hours	Add	0.010¢ + 0.068¢		Add	0.010¢ + 0.068¢	
Next 195 hours	Add	-0.058¢ + -0.379¢		Add	-0.058¢ + -0.379¢	
Additional kWh	Add	-0.116¢ + -0.757¢		Add	-0.116¢ + -0.757¢	

	Wholesale Power			Resale Schedules		
	Rate - Schedule WS					
	(1)	(2)	(3)	(1)	(2)	(3)
<u>Schedule TDGSC</u>						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56 + \$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Winter Period						
Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30 + \$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Transition Period	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Energy Charge						
Summer Period						
Onpeak	Add	0.316¢	+	2.056¢ + A _q	Add	0.325¢ + 2.118¢ + (1.03 x A _q)
Offpeak	Add	0.186¢	+	1.210¢ + A _q	Add	0.192¢ + 1.246¢ + (1.03 x A _q)
Winter Period						
Onpeak	Add	0.210¢	+	1.363¢ + A _q	Add	0.216¢ + 1.404¢ + (1.03 x A _q)
Offpeak	Add	0.186¢	+	1.210¢ + A _q	Add	0.192¢ + 1.246¢ + (1.03 x A _q)
Transition Period	Add	0.186¢	+	1.210¢ + A _q	Add	0.192¢ + 1.246¢ + (1.03 x A _q)
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢ + 0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢ + -0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢ + -0.757¢
Transition Period						
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢ + 0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢ + -0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢ + -0.757¢
<u>Schedule TDGSD</u>						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56 + \$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Winter Period						
Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30 + \$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Transition Period	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Energy Charge						
Summer Period						
Onpeak	Add	0.310¢	+	2.022¢ + A _q	Add	0.319¢ + 2.083¢ + (1.03 x A _q)
Offpeak	Add	0.176¢	+	1.151¢ + A _q	Add	0.181¢ + 1.186¢ + (1.03 x A _q)
Winter Period						
Onpeak	Add	0.201¢	+	1.308¢ + A _q	Add	0.207¢ + 1.347¢ + (1.03 x A _q)
Offpeak	Add	0.176¢	+	1.151¢ + A _q	Add	0.181¢ + 1.186¢ + (1.03 x A _q)
Transition Period	Add	0.176¢	+	1.151¢ + A _q	Add	0.181¢ + 1.186¢ + (1.03 x A _q)

		Wholesale Power			Resale Schedules			
		Rate - Schedule WS						
		(1)	(2)	(3)	(1)	(2)	(3)	
Offpeak Hours Use of Demand Adjustment								
Summer Period and Winter Period								
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢	+	0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢	+	-0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢	+	-0.757¢
Transition Period								
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢	+	0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢	+	-0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢	+	-0.757¢

Manufacturing Service

Schedule TDMSB

Demand Charge

Summer Period

Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56	+	\$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11	+	\$0.72

Winter Period

Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30	+	\$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11	+	\$0.72

Transition Period

Add	\$0.11	+	\$0.70	Add	\$0.11	+	\$0.72
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Energy Charge

Summer Period

Onpeak	Add	0.276¢	+	1.787¢	+	A _q	Add	0.284¢	+	1.841¢	+	(1.03 x A _q)
Offpeak	Add	0.143¢	+	0.927¢	+	A _q	Add	0.147¢	+	0.955¢	+	(1.03 x A _q)

Winter Period

Onpeak	Add	0.168¢	+	1.091¢	+	A _q	Add	0.173¢	+	1.124¢	+	(1.03 x A _q)
Offpeak	Add	0.143¢	+	0.927¢	+	A _q	Add	0.147¢	+	0.955¢	+	(1.03 x A _q)

Transition Period

Add	0.143¢	+	0.927¢	+	A _q	Add	0.147¢	+	0.955¢	+	(1.03 x A _q)
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Offpeak Hours Use of Demand Adjustment

Summer Period and Winter Period

First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢	+	0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢	+	-0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢	+	-0.757¢

Transition Period

First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢	+	0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢	+	-0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢	+	-0.757¢

Schedule TDMSC

Demand Charge

Summer Period

Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56	+	\$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11	+	\$0.72

Winter Period

Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30	+	\$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11	+	\$0.72

Transition Period

Add	\$0.11	+	\$0.70	Add	\$0.11	+	\$0.72
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	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
Energy Charge						
Summer Period						
Onpeak	Add	0.279¢ + 1.806¢ + A _q		Add	0.287¢ + 1.860¢ + (1.03 x A _q)	
Offpeak	Add	0.143¢ + 0.924¢ + A _q		Add	0.147¢ + 0.952¢ + (1.03 x A _q)	
Winter Period						
Onpeak	Add	0.169¢ + 1.094¢ + A _q		Add	0.174¢ + 1.127¢ + (1.03 x A _q)	
Offpeak	Add	0.143¢ + 0.924¢ + A _q		Add	0.147¢ + 0.952¢ + (1.03 x A _q)	
Transition Period	Add	0.143¢ + 0.924¢ + A _q		Add	0.147¢ + 0.952¢ + (1.03 x A _q)	
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢ + 0.068¢		Add	0.010¢ + 0.068¢	
Next 195 hours	Add	-0.058¢ + -0.379¢		Add	-0.058¢ + -0.379¢	
Additional kWh	Add	-0.116¢ + -0.757¢		Add	-0.116¢ + -0.757¢	
Transition Period						
First 425 hours	Add	0.010¢ + 0.068¢		Add	0.010¢ + 0.068¢	
Next 195 hours	Add	-0.058¢ + -0.379¢		Add	-0.058¢ + -0.379¢	
Additional kWh	Add	-0.116¢ + -0.757¢		Add	-0.116¢ + -0.757¢	
Schedule TDMSD						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54 + \$3.55		Add	\$0.56 + \$3.66	
Excess Offpeak	Add	\$0.11 + \$0.70		Add	\$0.11 + \$0.72	
Winter Period						
Onpeak	Add	\$0.29 + \$1.92		Add	\$0.30 + \$1.98	
Excess Offpeak	Add	\$0.11 + \$0.70		Add	\$0.11 + \$0.72	
Transition Period	Add	\$0.11 + \$0.70		Add	\$0.11 + \$0.72	
Energy Charge						
Summer Period						
Onpeak	Add	0.271¢ + 1.768¢ + A _q		Add	0.279¢ + 1.821¢ + (1.03 x A _q)	
Offpeak	Add	0.136¢ + 0.886¢ + A _q		Add	0.140¢ + 0.913¢ + (1.03 x A _q)	
Winter Period						
Onpeak	Add	0.161¢ + 1.052¢ + A _q		Add	0.166¢ + 1.084¢ + (1.03 x A _q)	
Offpeak	Add	0.136¢ + 0.886¢ + A _q		Add	0.140¢ + 0.913¢ + (1.03 x A _q)	
Transition Period	Add	0.136¢ + 0.886¢ + A _q		Add	0.140¢ + 0.913¢ + (1.03 x A _q)	
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢ + 0.068¢		Add	0.010¢ + 0.068¢	
Next 195 hours	Add	-0.058¢ + -0.379¢		Add	-0.058¢ + -0.379¢	
Additional kWh	Add	-0.116¢ + -0.757¢		Add	-0.116¢ + -0.757¢	
Transition Period						
First 425 hours	Add	0.010¢ + 0.068¢		Add	0.010¢ + 0.068¢	
Next 195 hours	Add	-0.058¢ + -0.379¢		Add	-0.058¢ + -0.379¢	
Additional kWh	Add	-0.116¢ + -0.757¢		Add	-0.116¢ + -0.757¢	

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

SUPPLEMENTAL ADJUSTMENT ADDENDUM

The following adjustments shall be deemed to be a part of the Adjustment Addendum to Schedule of Rates and Charges for Distributor dated October 1, 2009. As provided for by the previous Adjustment Addendum dated October 1, 2003 (Environmental Adjustment), the amounts listed under each column (1) are designated, subject to any future Rate Adjustment or Rate Change, to remain in effect for ten (10) years from the effective date of said Environmental Adjustment.

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
PILOT SEASONAL DEMAND AND ENERGY SERVICE						
<u>General Power Service</u>						
<u>Schedule PSGSB</u>						
Demand Charge						
Summer Period	Add	\$0.82	+ \$4.78	Add	\$0.84	+ \$4.92
Winter Period	Add	\$0.57	+ \$3.31	Add	\$0.59	+ \$3.41
Transition Period	Add	\$0.38	+ \$2.21	Add	\$0.39	+ \$2.28
Energy Charge						
Summer Period	Add	0.180¢	+ 1.047¢ + A _q	Add	0.185¢	+ 1.078¢ + (1.03 x A _q)
Winter Period	Add	0.164¢	+ 0.952¢ + A _q	Add	0.169¢	+ 0.981¢ + (1.03 x A _q)
Transition Period	Add	0.160¢	+ 0.931¢ + A _q	Add	0.165¢	+ 0.959¢ + (1.03 x A _q)
<u>Schedule PSGSC</u>						
Demand Charge						
Summer Period	Add	\$0.82	+ \$4.78	Add	\$0.84	+ \$4.92
Winter Period	Add	\$0.57	+ \$3.31	Add	\$0.59	+ \$3.41
Transition Period	Add	\$0.38	+ \$2.21	Add	\$0.39	+ \$2.28
Energy Charge						
Summer Period	Add	0.181¢	+ 1.050¢ + A _q	Add	0.186¢	+ 1.082¢ + (1.03 x A _q)
Winter Period	Add	0.164¢	+ 0.953¢ + A _q	Add	0.169¢	+ 0.982¢ + (1.03 x A _q)
Transition Period	Add	0.161¢	+ 0.932¢ + A _q	Add	0.166¢	+ 0.960¢ + (1.03 x A _q)
<u>Schedule PSGSD</u>						
Demand Charge						
Summer Period	Add	\$0.96	+ \$5.61	Add	\$0.99	+ \$5.78
Winter Period	Add	\$0.71	+ \$4.14	Add	\$0.73	+ \$4.26
Transition Period	Add	\$0.52	+ \$3.04	Add	\$0.54	+ \$3.13
Energy Charge						
Summer Period	Add	0.152¢	+ 0.886¢ + A _q	Add	0.157¢	+ 0.913¢ + (1.03 x A _q)
Winter Period	Add	0.138¢	+ 0.801¢ + A _q	Add	0.142¢	+ 0.825¢ + (1.03 x A _q)
Transition Period	Add	0.134¢	+ 0.783¢ + A _q	Add	0.138¢	+ 0.806¢ + (1.03 x A _q)

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
<u>Manufacturing Service</u>						
<u>Schedule PSMSB</u>						
Demand Charge						
Summer Period	Add	\$0.71	+	\$4.11	Add	\$0.73 + \$4.23
Winter Period	Add	\$0.46	+	\$2.64	Add	\$0.47 + \$2.72
Transition Period	Add	\$0.27	+	\$1.54	Add	\$0.28 + \$1.59
Energy Charge						
Summer Period	Add	0.150¢	+	0.869¢	+	A _q Add 0.154¢ + 0.895¢ + (1.03 x A _q)
Winter Period	Add	0.132¢	+	0.762¢	+	A _q Add 0.136¢ + 0.785¢ + (1.03 x A _q)
Transition Period	Add	0.127¢	+	0.737¢	+	A _q Add 0.131¢ + 0.759¢ + (1.03 x A _q)
<u>Schedule PSMSC</u>						
Demand Charge						
Summer Period	Add	\$0.71	+	\$4.11	Add	\$0.73 + \$4.23
Winter Period	Add	\$0.46	+	\$2.64	Add	\$0.47 + \$2.72
Transition Period	Add	\$0.27	+	\$1.54	Add	\$0.28 + \$1.59
Energy Charge						
Summer Period	Add	0.149¢	+	0.862¢	+	A _q Add 0.153¢ + 0.888¢ + (1.03 x A _q)
Winter Period	Add	0.132¢	+	0.761¢	+	A _q Add 0.136¢ + 0.784¢ + (1.03 x A _q)
Transition Period	Add	0.127¢	+	0.737¢	+	A _q Add 0.131¢ + 0.759¢ + (1.03 x A _q)
<u>Schedule PSMSD</u>						
Demand Charge						
Summer Period	Add	\$0.82	+	\$4.78	Add	\$0.84 + \$4.92
Winter Period	Add	\$0.57	+	\$3.31	Add	\$0.59 + \$3.41
Transition Period	Add	\$0.38	+	\$2.21	Add	\$0.39 + \$2.28
Energy Charge						
Summer Period	Add	0.120¢	+	0.697¢	+	A _q Add 0.124¢ + 0.718¢ + (1.03 x A _q)
Winter Period	Add	0.106¢	+	0.616¢	+	A _q Add 0.109¢ + 0.634¢ + (1.03 x A _q)
Transition Period	Add	0.103¢	+	0.597¢	+	A _q Add 0.106¢ + 0.615¢ + (1.03 x A _q)

Exhibit C

**RIDER TO WHOLESALE POWER RATE--SCHEDULE WS
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION**

Wholesale Power Rate--Schedule WS is hereby amended by (a) adding the following under "Demand and Energy Charges" as a reference to additional resale schedules applicable to TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION and (b) revising the section headed "Adjustments" in said Schedule WS as further described below.

TIME DIFFERENTIATED HOURS USE OF DEMAND SERVICE

General Power Service

Schedule TDGSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$10.52 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$5.70 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$2.08 per kW of metered offpeak demand per month
Energy Charge:	
Summer Period	6.224¢ per kWh per month for all metered onpeak kWh 3.696¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Winter Period	4.156¢ per kWh per month for all metered onpeak kWh 3.696¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Transition Period	3.696¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered kWh
Offpeak Hours Use of Demand Adjustment:	
Summer Period and Winter Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand -1.101¢ per kWh for the next 195 hours use of maximum metered demand -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

Schedule TDGSC

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$10.52 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$5.70 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$2.08 per kW of metered offpeak demand per month
Energy Charge:	
Summer Period	5.981¢ per kWh per month for all metered onpeak kWh 3.518¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Winter Period	3.963¢ per kWh per month for all metered onpeak kWh 3.518¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Transition Period	3.518¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered kWh

Offpeak Hours Use of Demand Adjustment:

Summer Period and Winter Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand -1.101¢ per kWh for the next 195 hours use of maximum metered demand -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

Schedule TDGSD

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$10.52 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$5.70 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$2.08 per kW of metered offpeak demand per month

Energy Charge:

Summer Period	5.877¢ per kWh per month for all metered onpeak kWh 3.343¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Winter Period	3.801¢ per kWh per month for all metered onpeak kWh 3.343¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Transition Period	3.343¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered kWh

Offpeak Hours Use of Demand Adjustment:

Summer Period and Winter Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand -1.101¢ per kWh for the next 195 hours use of maximum metered demand -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

Manufacturing Service

Schedule TDM SB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$10.52 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$5.70 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$2.08 per kW of metered offpeak demand per month
Energy Charge:	
Summer Period	5.200¢ per kWh per month for all metered onpeak kWh 2.697¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Winter Period	3.175¢ per kWh per month for all metered onpeak kWh 2.697¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh

Transition Period	2.697¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered kWh
Offpeak Hours Use of Demand Adjustment:	
Summer Period and Winter Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied -1.101¢ per kWh for the next 195 hours use of maximum metered demand -2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours
Schedule TDMSC	
Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$10.52 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$5.70 per kW of metered onpeak demand per month \$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$2.08 per kW of metered offpeak demand per month
Energy Charge:	
Summer Period	5.256¢ per kWh per month for all metered onpeak kWh 2.689¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Winter Period	3.184¢ per kWh per month for all metered onpeak kWh 2.689¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh
Transition Period	2.689¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered kWh
Offpeak Hours Use of Demand Adjustment:	
Summer Period and Winter Period	0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 0.195¢ per kWh for up to 425 hours use of maximum metered demand

-1.101¢ per kWh for the next 195 hours use of maximum metered demand

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

Schedule TDMSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$10.52 per kW of metered onpeak demand per month
\$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Winter Period \$5.70 per kW of metered onpeak demand per month
\$2.08 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Transition Period \$2.08 per kW of metered offpeak demand per month

Energy Charge:

Summer Period 5.143¢ per kWh per month for all metered onpeak kWh
2.578¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh

Winter Period 3.060¢ per kWh per month for all metered onpeak kWh
2.578¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered offpeak kWh

Transition Period 2.578¢ per kWh (adjusted for hours use of maximum metered demand as provided below) per month for all metered kWh

Offpeak Hours Use

of Demand Adjustment:

Summer Period and Winter Period 0.195¢ per kWh for up to 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-1.101¢ per kWh for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 0.195¢ per kWh for up to 425 hours use of maximum metered demand

-1.101¢ per kWh for the next 195 hours use of maximum metered demand

-2.202¢ per kWh for the hours use of maximum metered demand in excess of 620 hours

Adjustments

Schedule WS is further amended by replacing item 3 in the section headed "Adjustments" with the following:

3. In any case in which a bill involving a metered demand less than the billing demand is applicable to a customer of Distributor with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer an amount computed as provided below. When such bill involves a customer served under a standard schedule, the amount added shall be computed by multiplying (except as provided in the last paragraph of this section) 50 percent of the amount by which the customer's billing demand exceeds the metered demand times the appropriate base demand charge, as adjusted, of this rate schedule. When such bill involves a customer served under a time-of-day rate schedule or a Time Differentiated Hours Use of Demand rate schedule, the amount added shall be (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's onpeak billing demand and to its excess of offpeak billing demand over onpeak billing demand exceeds (b) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's metered onpeak demand and to its excess of metered offpeak demand over metered onpeak demand.

For any customer of Distributor served under a Time Differentiated Hours Use of Demand rate schedule, in any case in which a bill involving metered offpeak energy less than the billed offpeak energy is applicable to such a customer with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer an amount which shall be (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's billed offpeak energy exceeds (b) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's metered offpeak energy.

For purposes of applying these adjustments with respect to customers with contract demands in excess of 25,000 kW, all references to the term "50 percent" in the preceding paragraphs shall be replaced with the term "75 percent."

**RIDER TO WHOLESALE POWER RATE--SCHEDULE WS
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION**

Wholesale Power Rate--Schedule WS is hereby amended by adding the following under "Demand and Energy Charges" as a reference to additional resale schedules applicable to TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION.

PILOT SEASONAL DEMAND AND ENERGY SERVICE

General Power Service

Schedule PSGSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$13.83 per kW of metered demand per month
Winter Period	\$9.59 per kW of metered demand per month
Transition Period	\$6.40 per kW of metered demand per month
Energy Charge:	
Summer Period	3.028¢ per kWh per month
Winter Period	2.752¢ per kWh per month
Transition Period	2.692¢ per kWh per month

Schedule PSGSC

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$13.83 per kW of metered demand per month
Winter Period	\$9.59 per kW of metered demand per month
Transition Period	\$6.40 per kW of metered demand per month
Energy Charge:	
Summer Period	3.036¢ per kWh per month
Winter Period	2.755¢ per kWh per month
Transition Period	2.696¢ per kWh per month

Schedule PSGSD

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$16.22 per kW of metered demand per month
Winter Period	\$11.97 per kW of metered demand per month
Transition Period	\$8.79 per kW of metered demand per month
Energy Charge:	
Summer Period	2.563¢ per kWh per month
Winter Period	2.318¢ per kWh per month
Transition Period	2.264¢ per kWh per month

Manufacturing Service

Schedule PSM5B

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$11.88 per kW of metered demand per month
Winter Period \$7.64 per kW of metered demand per month
Transition Period \$4.45 per kW of metered demand per month

Energy Charge:
Summer Period 2.514¢ per kWh per month
Winter Period 2.202¢ per kWh per month
Transition Period 2.130¢ per kWh per month

Schedule PSM5C

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$11.88 per kW of metered demand per month
Winter Period \$7.64 per kW of metered demand per month
Transition Period \$4.45 per kW of metered demand per month

Energy Charge:
Summer Period 2.494¢ per kWh per month
Winter Period 2.202¢ per kWh per month
Transition Period 2.132¢ per kWh per month

Schedule PSM5D

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$13.83 per kW of metered demand per month
Winter Period \$9.59 per kW of metered demand per month
Transition Period \$6.40 per kW of metered demand per month

Energy Charge:
Summer Period 2.016¢ per kWh per month
Winter Period 1.783¢ per kWh per month
Transition Period 1.726¢ per kWh per month

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

SUPPLEMENTAL ADJUSTMENT ADDENDUM

The following adjustments shall be deemed to be a part of the Adjustment Addendum to Schedule of Rates and Charges for Distributor dated October 1, 2010. As provided for by the previous Adjustment Addendum dated October 1, 2003 (Environmental Adjustment), the amounts listed under each column (1) are designated, subject to any future Rate Adjustment or Rate Change, to remain in effect for ten (10) years from the effective date of said Environmental Adjustment.

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
PILOT SEASONAL DEMAND AND ENERGY SERVICE						
<u>General Power Service</u>						
<u>Schedule PSGSB</u>						
Demand Charge						
Summer Period	Add	\$0.82	+ \$4.78	Add	\$0.84	+ \$4.92
Winter Period	Add	\$0.57	+ \$3.31	Add	\$0.59	+ \$3.41
Transition Period	Add	\$0.38	+ \$2.21	Add	\$0.39	+ \$2.28
Energy Charge						
Summer Period	Add	0.180¢	+ 1.047¢ + A _q	Add	0.185¢	+ 1.078¢ + (1.03 x A _q)
Winter Period	Add	0.164¢	+ 0.952¢ + A _q	Add	0.169¢	+ 0.981¢ + (1.03 x A _q)
Transition Period	Add	0.160¢	+ 0.931¢ + A _q	Add	0.165¢	+ 0.959¢ + (1.03 x A _q)
<u>Schedule PSGSC</u>						
Demand Charge						
Summer Period	Add	\$0.82	+ \$4.78	Add	\$0.84	+ \$4.92
Winter Period	Add	\$0.57	+ \$3.31	Add	\$0.59	+ \$3.41
Transition Period	Add	\$0.38	+ \$2.21	Add	\$0.39	+ \$2.28
Energy Charge						
Summer Period	Add	0.181¢	+ 1.050¢ + A _q	Add	0.186¢	+ 1.082¢ + (1.03 x A _q)
Winter Period	Add	0.164¢	+ 0.953¢ + A _q	Add	0.169¢	+ 0.982¢ + (1.03 x A _q)
Transition Period	Add	0.161¢	+ 0.932¢ + A _q	Add	0.166¢	+ 0.960¢ + (1.03 x A _q)
<u>Schedule PSGSD</u>						
Demand Charge						
Summer Period	Add	\$0.96	+ \$5.61	Add	\$0.99	+ \$5.78
Winter Period	Add	\$0.71	+ \$4.14	Add	\$0.73	+ \$4.26
Transition Period	Add	\$0.52	+ \$3.04	Add	\$0.54	+ \$3.13
Energy Charge						
Summer Period	Add	0.152¢	+ 0.886¢ + A _q	Add	0.157¢	+ 0.913¢ + (1.03 x A _q)
Winter Period	Add	0.138¢	+ 0.801¢ + A _q	Add	0.142¢	+ 0.825¢ + (1.03 x A _q)
Transition Period	Add	0.134¢	+ 0.783¢ + A _q	Add	0.138¢	+ 0.806¢ + (1.03 x A _q)

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
<u>Manufacturing Service</u>						
<u>Schedule PSMSB</u>						
Demand Charge						
Summer Period	Add	\$0.71	+	\$4.11	Add	\$0.73 + \$4.23
Winter Period	Add	\$0.46	+	\$2.64	Add	\$0.47 + \$2.72
Transition Period	Add	\$0.27	+	\$1.54	Add	\$0.28 + \$1.59
Energy Charge						
Summer Period	Add	0.150¢	+	0.869¢ + A _q	Add	0.154¢ + 0.895¢ + (1.03 x A _q)
Winter Period	Add	0.132¢	+	0.762¢ + A _q	Add	0.136¢ + 0.785¢ + (1.03 x A _q)
Transition Period	Add	0.127¢	+	0.737¢ + A _q	Add	0.131¢ + 0.759¢ + (1.03 x A _q)
<u>Schedule PSMSC</u>						
Demand Charge						
Summer Period	Add	\$0.71	+	\$4.11	Add	\$0.73 + \$4.23
Winter Period	Add	\$0.46	+	\$2.64	Add	\$0.47 + \$2.72
Transition Period	Add	\$0.27	+	\$1.54	Add	\$0.28 + \$1.59
Energy Charge						
Summer Period	Add	0.149¢	+	0.862¢ + A _q	Add	0.153¢ + 0.888¢ + (1.03 x A _q)
Winter Period	Add	0.132¢	+	0.761¢ + A _q	Add	0.136¢ + 0.784¢ + (1.03 x A _q)
Transition Period	Add	0.127¢	+	0.737¢ + A _q	Add	0.131¢ + 0.759¢ + (1.03 x A _q)
<u>Schedule PSMDS</u>						
Demand Charge						
Summer Period	Add	\$0.82	+	\$4.78	Add	\$0.84 + \$4.92
Winter Period	Add	\$0.57	+	\$3.31	Add	\$0.59 + \$3.41
Transition Period	Add	\$0.38	+	\$2.21	Add	\$0.39 + \$2.28
Energy Charge						
Summer Period	Add	0.120¢	+	0.697¢ + A _q	Add	0.124¢ + 0.718¢ + (1.03 x A _q)
Winter Period	Add	0.106¢	+	0.616¢ + A _q	Add	0.109¢ + 0.634¢ + (1.03 x A _q)
Transition Period	Add	0.103¢	+	0.597¢ + A _q	Add	0.106¢ + 0.615¢ + (1.03 x A _q)

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

SUPPLEMENTAL ADJUSTMENT ADDENDUM

The following adjustments shall be deemed to be a part of the Adjustment Addendum to Schedule of Rates and Charges for Distributor dated October 1, 2010. As provided for by the previous Adjustment Addendum dated October 1, 2003 (Environmental Adjustment), the amounts listed under each column (1) are designated, subject to any future Rate Adjustment or Rate Change, to remain in effect for ten (10) years from the effective date of said Environmental Adjustment.

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
TIME DIFFERENTIATED HOURS USE OF DEMAND SERVICE						
<u>General Power Service</u>						
<u>Schedule TDGSB</u>						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56 + \$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Winter Period						
Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30 + \$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Transition Period	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Energy Charge						
Summer Period						
Onpeak	Add	0.329¢	+	2.140¢	+	A _q
Offpeak	Add	0.195¢	+	1.270¢	+	A _q
Winter Period						
Onpeak	Add	0.220¢	+	1.428¢	+	A _q
Offpeak	Add	0.195¢	+	1.270¢	+	A _q
Transition Period	Add	0.195¢	+	1.270¢	+	A _q
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢ + 0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢ + -0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢ + -0.757¢
Transition Period						
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢ + 0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢ + -0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢ + -0.757¢

	Wholesale Power Rate - Schedule WS			Resale Schedules		
	(1)	(2)	(3)	(1)	(2)	(3)
<u>Schedule TDGSC</u>						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56 + \$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Winter Period						
Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30 + \$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Transition Period	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Energy Charge						
Summer Period						
Onpeak	Add	0.316¢	+	2.056¢ + A _q	Add	0.325¢ + 2.118¢ + (1.03 x A _q)
Offpeak	Add	0.186¢	+	1.210¢ + A _q	Add	0.192¢ + 1.246¢ + (1.03 x A _q)
Winter Period						
Onpeak	Add	0.210¢	+	1.363¢ + A _q	Add	0.216¢ + 1.404¢ + (1.03 x A _q)
Offpeak	Add	0.186¢	+	1.210¢ + A _q	Add	0.192¢ + 1.246¢ + (1.03 x A _q)
Transition Period	Add	0.186¢	+	1.210¢ + A _q	Add	0.192¢ + 1.246¢ + (1.03 x A _q)
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢ + 0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢ + -0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢ + -0.757¢
Transition Period						
First 425 hours	Add	0.010¢	+	0.068¢	Add	0.010¢ + 0.068¢
Next 195 hours	Add	-0.058¢	+	-0.379¢	Add	-0.058¢ + -0.379¢
Additional kWh	Add	-0.116¢	+	-0.757¢	Add	-0.116¢ + -0.757¢
<u>Schedule TDGSD</u>						
Demand Charge						
Summer Period						
Onpeak	Add	\$0.54	+	\$3.55	Add	\$0.56 + \$3.66
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Winter Period						
Onpeak	Add	\$0.29	+	\$1.92	Add	\$0.30 + \$1.98
Excess Offpeak	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Transition Period	Add	\$0.11	+	\$0.70	Add	\$0.11 + \$0.72
Energy Charge						
Summer Period						
Onpeak	Add	0.310¢	+	2.022¢ + A _q	Add	0.319¢ + 2.083¢ + (1.03 x A _q)
Offpeak	Add	0.176¢	+	1.151¢ + A _q	Add	0.181¢ + 1.186¢ + (1.03 x A _q)
Winter Period						
Onpeak	Add	0.201¢	+	1.308¢ + A _q	Add	0.207¢ + 1.347¢ + (1.03 x A _q)
Offpeak	Add	0.176¢	+	1.151¢ + A _q	Add	0.181¢ + 1.186¢ + (1.03 x A _q)
Transition Period	Add	0.176¢	+	1.151¢ + A _q	Add	0.181¢ + 1.186¢ + (1.03 x A _q)

	Wholesale Power			Resale Schedules		
	Rate - Schedule WS					
	(1)	(2)	(3)	(1)	(2)	(3)
Offpeak Hours Use of Demand Adjustment						
Summer Period and Winter Period						
First 425 hours	Add	0.010¢ +	0.068¢	Add	0.010¢ +	0.068¢
Next 195 hours	Add	-0.058¢ +	-0.379¢	Add	-0.058¢ +	-0.379¢
Additional kWh	Add	-0.116¢ +	-0.757¢	Add	-0.116¢ +	-0.757¢
Transition Period						
First 425 hours	Add	0.010¢ +	0.068¢	Add	0.010¢ +	0.068¢
Next 195 hours	Add	-0.058¢ +	-0.379¢	Add	-0.058¢ +	-0.379¢
Additional kWh	Add	-0.116¢ +	-0.757¢	Add	-0.116¢ +	-0.757¢

Manufacturing Service

Schedule TDMSB

Demand Charge

Summer Period

Onpeak

Add \$0.54 + \$3.55

Add \$0.56 + \$3.66

Excess Offpeak

Add \$0.11 + \$0.70

Add \$0.11 + \$0.72

Winter Period

Onpeak

Add \$0.29 + \$1.92

Add \$0.30 + \$1.98

Excess Offpeak

Add \$0.11 + \$0.70

Add \$0.11 + \$0.72

Transition Period

Add \$0.11 + \$0.70

Add \$0.11 + \$0.72

Energy Charge

Summer Period

Onpeak

Add 0.276¢ + 1.787¢ + A_q

Add 0.284¢ + 1.841¢ + (1.03 x A_q)

Offpeak

Add 0.143¢ + 0.927¢ + A_q

Add 0.147¢ + 0.955¢ + (1.03 x A_q)

Winter Period

Onpeak

Add 0.168¢ + 1.091¢ + A_q

Add 0.173¢ + 1.124¢ + (1.03 x A_q)

Offpeak

Add 0.143¢ + 0.927¢ + A_q

Add 0.147¢ + 0.955¢ + (1.03 x A_q)

Transition Period

Add 0.143¢ + 0.927¢ + A_q

Add 0.147¢ + 0.955¢ + (1.03 x A_q)

Offpeak Hours Use of Demand Adjustment

Summer Period and Winter Period

First 425 hours

Add 0.010¢ + 0.068¢

Add 0.010¢ + 0.068¢

Next 195 hours

Add -0.058¢ + -0.379¢

Add -0.058¢ + -0.379¢

Additional kWh

Add -0.116¢ + -0.757¢

Add -0.116¢ + -0.757¢

Transition Period

First 425 hours

Add 0.010¢ + 0.068¢

Add 0.010¢ + 0.068¢

Next 195 hours

Add -0.058¢ + -0.379¢

Add -0.058¢ + -0.379¢

Additional kWh

Add -0.116¢ + -0.757¢

Add -0.116¢ + -0.757¢

Schedule TDMSC

Demand Charge

Summer Period

Onpeak

Add \$0.54 + \$3.55

Add \$0.56 + \$3.66

Excess Offpeak

Add \$0.11 + \$0.70

Add \$0.11 + \$0.72

Winter Period

Onpeak

Add \$0.29 + \$1.92

Add \$0.30 + \$1.98

Excess Offpeak

Add \$0.11 + \$0.70

Add \$0.11 + \$0.72

Transition Period

Add \$0.11 + \$0.70

Add \$0.11 + \$0.72

	Wholesale Power Rate - Schedule WS			Resale Schedules				
	(1)	(2)	(3)	(1)	(2)	(3)		
Energy Charge								
Summer Period								
Onpeak	Add	0.279¢ +	1.806¢ +	A _q	Add	0.287¢ +	1.860¢ +	(1.03 x A _q)
Offpeak	Add	0.143¢ +	0.924¢ +	A _q	Add	0.147¢ +	0.952¢ +	(1.03 x A _q)
Winter Period								
Onpeak	Add	0.169¢ +	1.094¢ +	A _q	Add	0.174¢ +	1.127¢ +	(1.03 x A _q)
Offpeak	Add	0.143¢ +	0.924¢ +	A _q	Add	0.147¢ +	0.952¢ +	(1.03 x A _q)
Transition Period	Add	0.143¢ +	0.924¢ +	A _q	Add	0.147¢ +	0.952¢ +	(1.03 x A _q)
Offpeak Hours Use of Demand Adjustment								
Summer Period and Winter Period								
First 425 hours	Add	0.010¢ +	0.068¢		Add	0.010¢ +	0.068¢	
Next 195 hours	Add	-0.058¢ +	-0.379¢		Add	-0.058¢ +	-0.379¢	
Additional kWh	Add	-0.116¢ +	-0.757¢		Add	-0.116¢ +	-0.757¢	
Transition Period								
First 425 hours	Add	0.010¢ +	0.068¢		Add	0.010¢ +	0.068¢	
Next 195 hours	Add	-0.058¢ +	-0.379¢		Add	-0.058¢ +	-0.379¢	
Additional kWh	Add	-0.116¢ +	-0.757¢		Add	-0.116¢ +	-0.757¢	
Schedule TDMSD								
Demand Charge								
Summer Period								
Onpeak	Add	\$0.54 +	\$3.55		Add	\$0.56 +	\$3.66	
Excess Offpeak	Add	\$0.11 +	\$0.70		Add	\$0.11 +	\$0.72	
Winter Period								
Onpeak	Add	\$0.29 +	\$1.92		Add	\$0.30 +	\$1.98	
Excess Offpeak	Add	\$0.11 +	\$0.70		Add	\$0.11 +	\$0.72	
Transition Period	Add	\$0.11 +	\$0.70		Add	\$0.11 +	\$0.72	
Energy Charge								
Summer Period								
Onpeak	Add	0.271¢ +	1.768¢ +	A _q	Add	0.279¢ +	1.821¢ +	(1.03 x A _q)
Offpeak	Add	0.136¢ +	0.886¢ +	A _q	Add	0.140¢ +	0.913¢ +	(1.03 x A _q)
Winter Period								
Onpeak	Add	0.161¢ +	1.052¢ +	A _q	Add	0.166¢ +	1.084¢ +	(1.03 x A _q)
Offpeak	Add	0.136¢ +	0.886¢ +	A _q	Add	0.140¢ +	0.913¢ +	(1.03 x A _q)
Transition Period	Add	0.136¢ +	0.886¢ +	A _q	Add	0.140¢ +	0.913¢ +	(1.03 x A _q)
Offpeak Hours Use of Demand Adjustment								
Summer Period and Winter Period								
First 425 hours	Add	0.010¢ +	0.068¢		Add	0.010¢ +	0.068¢	
Next 195 hours	Add	-0.058¢ +	-0.379¢		Add	-0.058¢ +	-0.379¢	
Additional kWh	Add	-0.116¢ +	-0.757¢		Add	-0.116¢ +	-0.757¢	
Transition Period								
First 425 hours	Add	0.010¢ +	0.068¢		Add	0.010¢ +	0.068¢	
Next 195 hours	Add	-0.058¢ +	-0.379¢		Add	-0.058¢ +	-0.379¢	
Additional kWh	Add	-0.116¢ +	-0.757¢		Add	-0.116¢ +	-0.757¢	

405 College Street
P. O. Box 40
Lafayette, TN 37083-0040

Tri-County
Electric
Membership Corporation
www.tcemc.org

COPY
Telephone: (615) 666-2111
Toll Free: 1-800-369-2111
Fax: (615) 688-2141

August 26, 2010

Mr. Ernest W. Peterson, Jr., PE
General Manager/Customer Service/Kentucky
Tennessee Valley Authority
6045 Russellville Road
Bowling Green, Kentucky 42101-7319

RE: Pilot SDE & Pilot TD HUD Agreements for October 2010
(TV-52337A)

Dear Ernie:

Per your letter dated August 12, 2010 please find enclosed two (2) partially executed duplicate originals re the above referenced Agreement.

As stated in your letter a fully executed original will be returned for our files.

If I may be of additional assistance, please do not hesitate to contact me at X100.

Sincerely,



PAUL THOMPSON
Executive Vice President
and General Manager

lk
Enclosures



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

August 12, 2010

Mr. Paul Thompson
Executive Vice President & General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

Dear Paul:

PILOT SDE & PILOT TD HUD AGREEMENTS FOR OCTOBER 2010 (TV-52337A)

Enclosed are two duplicate originals of a package of documents addressing the optional PILOT SDE and TD HUD rates that will be available effective October 2010. This package includes duplicate originals of the following:

- a) Contract amendment allowing Tri-County EMC to offer SDE or TD HUD Pilot rates
- b) General and manufacturing service rate schedules for B,C,D customers under SDE
- c) General and manufacturing service rate schedules for B,C,D customers under TD HUD
- d) Supplemental Adjustment Addendums for both SDE and TD HUD
- e) Wholesale Riders for both SDE and TD HUD

Please note that these pilot rates are subject to TVA Board review and approval at the TVA Board of Directors meeting on August 20, 2010. To expedite implementation of these rates, we encourage you to consider adding these rates for your large power customers subject to that approval. These pilots will allow for B,C,D customers to begin the new rates in October 2010 instead of waiting until the rate change effective April 2011.

Upon execution of these agreements and attachments by the authorized representative of Tri-County EMC, please return two partially executed originals of these packages to me for further handling. After final execution by TVA, one package of fully executed originals will be returned to you for your file.

If you have questions or concerns regarding this document, please call Hugh Meyer (270-846-7042).

Sincerely,

Ernest W Peterson, Jr., PE
General Manager
Customer Service
Kentucky

Enclosures

8/26/2010
Laura
Please copy for our files & mail the originals to Ernie.
08/26/2010
JK
Thanks Paul

AMENDATORY AGREEMENT
Between
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION
And
TENNESSEE VALLEY AUTHORITY

Date: February 11, 2011

TV-52337A, Supp. No. 89

THIS AGREEMENT, made and entered into by and between TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), a cooperative corporation created and existing under and by virtue of the laws of the State of Tennessee, and TENNESSEE VALLEY AUTHORITY (TVA), a corporation created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended (TVA Act);

WITNESSETH:

WHEREAS, Distributor and TVA have entered into a contract dated July 18, 1979 as amended (Power Contract), under which Distributor purchases its entire requirements for electric power and energy from TVA for resale; and

WHEREAS, Distributor and TVA have entered into a contract dated December 7, 2001 (ESDP Agreement), under which Distributor participates in the Enhanced Security Deposit Program (Enhanced Program); and

WHEREAS, TVA has given Distributor notice that effective March 1, 2011, the ESDP Agreement will terminate; and

WHEREAS, notwithstanding such notice of termination and in lieu of the ESDP Agreement terminating pursuant to it, the parties wish to supplement and amend the ESDP Agreement to provide for the ESDP Agreement to remain in effect to the limited extent described below in this agreement;

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements set forth below, and subject to the TVA Act, the parties mutually agree as follows:

SECTION 1 - ESDP AGREEMENT AMENDED

Effective March 1, 2011, the provisions of the ESDP Agreement shall terminate except with respect to Distributor's Enhanced Program Insured Accounts in effect on that date (Existing Accounts). Continued coverage for said Existing Accounts shall otherwise remain subject to all terms and conditions of the ESDP Agreement as it is amended and supplemented by the provisions of section 2 through 7 below.

SECTION 2 - NEW ACCOUNTS

It is expressly recognized and agreed that effective March 1, 2011, the provisions of Article III of the ESDP Agreement, providing for the nomination of new accounts, shall be of no further force and effect. Accordingly, on and after that date, no new accounts may be enrolled for coverage under the ESDP Agreement.

SECTION 3 - EARLY TERMINATION

Section 6.2 of the ESDP Agreement is replaced by the following:

Either party may terminate this agreement at any time upon sixty (60) days' written notice.

SECTION 4 - PREMIUM CONTRIBUTION FOR EXISTING ACCOUNTS

Effective October 1, 2011, for the TVA Fiscal Year that begins on that date and for subsequent TVA Fiscal Years, Distributor shall be responsible for twenty percent (20%) of the total annual cost of the premiums for coverage for its Existing Accounts (Premium Contribution). TVA shall annually invoice Distributor for the Premium Contribution by adding the amount due to Distributor's power invoice each December.

It is expressly recognized and agreed that Distributor, at its election, may require its Existing Accounts to pay or reimburse Distributor for the portion of the Premium Contribution attributable to each such account.

SECTION 5 - ANNUAL EXISTING ACCOUNTS CERTIFICATION

By October 1, 2011, and by October 1 each year thereafter, Distributor shall complete and submit to TVA the form designated by TVA for the purpose of confirming the Existing Accounts that Distributor wishes to continue to have covered under the ESDP Agreement.

SECTION 6 - WHOLESALE PORTION CALCULATION AFTER APRIL 2011 RATE CHANGE

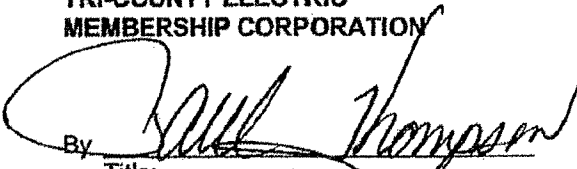
It is expressly recognized that after the April 2011 Rate Change, TVA will no longer have the requisite data necessary to calculate the Wholesale Portion of its retail bill for certain Existing Accounts. Accordingly, for any months after March 31, 2011, for which the Wholesale Portion must be calculated under sections 5.3.2, 5.5, and 5.6.2 of the ESDP Agreement, TVA will require and Distributor shall provide (except as provided in the following sentence) full hourly interval load data (kW and kWh) for each such Existing Account (in a format acceptable to TVA) in order for TVA to be able to calculate such Existing Account's contribution to the wholesale bill. If Distributor does not have the capability to provide such hourly data, such Wholesale Portion will be deemed to be 90 percent of the retail demand and energy charges.

SECTION 7 - ESDP AGREEMENT AFFIRMED

Except as expressly set out above, nothing in this agreement shall affect the other terms of the ESDP Agreement.

IN WITNESS WHEREOF, the parties to this agreement have caused it to be executed by their duly authorized representatives, as of the day and year first above written.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title: Exec. V.P. & Gen. Mgr.

TENNESSEE VALLEY AUTHORITY

By 
Executive Vice President
Customer Relations



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

3/15/2011

Laura,

Please copy
file.

Thanks,
Paul

03/15/11

J. Beecham

March 11, 2011

Mr. Paul Thompson
Executive Vice President/General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

Dear Paul:

TRI-COUNTY EMC -- EXECUTED LETTER AGREEMENT PROVIDING REIMBURSEMENT FOR PROJECT WORK AT POWERCOM INDUSTRIAL SITE AND HARTSVILLE NUCLEAR PLANT SITE -- TV-52337A, SUPP. NO. 90, MAXIMO NO. 208956

Enclosed is one fully executed original of subject agreement covering arrangements for Tri-County EMC to modify power supply facilities at PowerCom and Hartsville sites.

If you have questions or concerns, please call me (270-846-7042).

Sincerely,

Hugh A. Meyer
Customer Service Engineer
Kentucky

Enclosures



Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402-2801

February 9, 2011

TV-52337A, Supp. No. 90
Maximo No. 208956

Mr. Paul Thompson, Executive Vice President & General Manager
Tri-County Electric Membership Corporation
Post Office Box 40
Lafayette, Tennessee 37083-0040

Dear Mr. Thompson:

This letter agreement confirms the arrangements between Tri-County Electric Membership Corporation (Distributor) and Tennessee Valley Authority (TVA) relative to the parties' cooperation in a project to modify power supply facilities at the PowerCom Industrial site (PowerCom Site) and the Hartsville Nuclear Plant site (Hartsville Site) located near Hartsville, Tennessee. In conjunction with the project, TVA has scheduled an outage of TVA's Hartsville Nuclear Construction 69-kV Substation. During the outage, Distributor shall install certain facilities to provide an alternate power supply source (Alternate Source) to certain customers of Distributor (Distributor Loads) located at the PowerCom Site and to certain buildings used by TVA (TVA Loads) at the Hartsville Site, all of which are served through TVA's Hartsville Nuclear Construction 69-kV Substation.

Accordingly, it is understood and agreed that:

1. Distributor shall:

- (a) provide and install one 2500 kVA, 13-4-kV autotransformer to serve the Distributor Loads and the TVA Loads from Distributor's existing 13-kV line located on the PowerCom Site,
- (b) provide and install one 4-kV gang operated air break (GOAB) switch (4-kV Switch) on the existing 4-kV distribution circuit between the Distributor Loads and the TVA Loads, and
- (c) provide and install one 4-kV metering installation (4-kV Meter Installation) to measure power and energy supplied to the TVA Loads from the Alternate Source.

In any month when power is supplied to the TVA Loads from the Alternate Source, Distributor shall provide TVA meter data from the 4-kV Meter Installation for the purpose of determining the power and energy taken by the TVA Loads. Said meter

Mr. Paul Thompson
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February 9, 2011

data shall be subtracted from TVA's wholesale meter readings at the Hartsville 161-kV delivery point of power and energy to Distributor.

2. Distributor shall perform its work under this agreement in accordance with plans satisfactory to TVA and on a schedule to be developed by representatives of TVA and Distributor. The target completion date for Distributor's work is April 15, 2011.
3. After Distributor's work is completed, Distributor shall submit an invoice to TVA and TVA shall, consistent with the Billing and Payment Terms (enclosed and made a part of this agreement), reimburse Distributor for the actual cost incurred by Distributor for its work. For convenience only, Distributor has estimated the actual cost of this work to be \$77,500.
4. This agreement may be amended only by a writing signed by the parties.
5. This agreement becomes effective as of the Effective Date specified below and remains in effect until all obligations of the parties under this agreement have been fulfilled.

If this letter correctly reflects our understanding on this matter, please have a duly authorized representative of Distributor execute the two enclosed originals and return them to the TVA Bowling Green Customer Service Center. Upon execution by TVA, a fully executed original will be returned to you.

Sincerely,



Clayton L. Clem
Vice President
Electric System Projects

Accepted and agreed to as of
the 1st day of March, 2011 (Effective Date).

TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION

By 

Title: Executive Vice President and General Manager

Accepted and agreed to as of
the 10th day of February, 2011.

BILLING AND PAYMENT TERMS

(Payments by TVA)

(11/16/2009 version)

SECTION 1 - DEFINITION OF TERMS

"TVA" means the Tennessee Valley Authority.

"Reimbursable Contract" means the agreement or contract to which these Billing and Payment Terms are made a part as an attachment or exhibit.

"Billing Party" means the party owed any amount due under the Reimbursable Contract in accordance with these Billing and Payment Terms.

"Billed Party" means the party obligated to pay any amount due under the Reimbursable Contract in accordance with these Billing and Payment Terms. (The same party to the Reimbursable Contract may be the Billing Party or the Billed Party or both.)

"Payment Due Date" means the date by which payment is due the Billing Party as defined in Section 2 below.

"Deliverables" means the work or services performed, or property or equipment furnished, by the Billing Party under the Reimbursable Contract for the ownership benefit of the Billed Party.

SECTION 2 - INVOICING AND PAYMENT DUE DATE

The Billing Party shall submit an invoice to the Billed Party for the amount due. When TVA is the Billed Party, invoices shall be submitted to TVA Accounts Payable, P.O. Box 15500, Knoxville, Tennessee 37901, or may be submitted electronically to TVA Accounts Payable at accountspayable@tva.gov. When TVA is not the Billed Party, the invoice may be submitted in electronic form, if permitted under the Reimbursable Contract. For accounting reference purposes, the invoice shall be numbered and dated and shall include (a) the contract number assigned under Section 11 (**Assignment of Contract Number**) below and (b) reasonably sufficient detail or supporting documentation to permit the Billed Party to verify the appropriateness or accuracy of the amount owed. Unless a later due date is specified in the Reimbursable Contract, the Payment Due Date shall be 30 days from the date of receipt of the invoice. Payment by TVA will be made by electronic fund transfer (after the Billing Party completes a TVA Electronic Vendor Payment Form).

SECTION 3 - INTEREST ON UNDERPAYMENTS OR OVERPAYMENTS

If the Billed Party fails to pay the amount due by the Payment Due Date, the Billed Party shall pay interest on the unpaid amount based on the maximum rate under the United States Prompt Payment Act, (31 U.S.C. §§ 3901-3907) as published in the Federal Register and adjusted periodically (currently semi-annually). Interest shall accrue from the Payment Due Date until the date the Billing Party receives

payment. Failure to pay within 90 days after the Payment Due Date shall constitute a material breach of the Reimbursable Contract. If the Billed Party overpays (such as, due to erroneous or inaccurate invoicing by the Billing Party or due to refund of an excess deposit payment), the Billing Party shall promptly refund the amount overpaid.

SECTION 4 - DELAY OR SUSPENSION OF WORK DUE TO PAYMENT FAILURE

If the Billed Party fails to pay the amount due by the Payment Due Date, the Billing Party shall have the right to delay or suspend the work or services being performed until after such payment failure has been satisfactorily resolved. Nothing herein contained shall be construed as relieving the Billed Party of the obligation to pay the Billing Party for the work completed as of the date such work or services are delayed or suspended.

SECTION 5 - PAYMENT DISPUTE

The Billed Party may dispute the payment of all or a portion of the amount due in an invoice if the Billed Party has a reasonable basis to demonstrate that such amount is inappropriate or questionable. In that case, the Billed Party shall promptly advise the Billing Party in writing of the reasons for disputing all or a portion of the invoiced amount. Upon receipt of the Billed Party's written statement of reasons, the dispute resolution provisions of Section 12 below shall apply. If as a result of the dispute resolution, one party is required to pay the other for the amount overpaid or underpaid, such amount shall include interest calculated in accordance with Section 3 (**Interest on Underpayments or Overpayments**) above.

SECTION 6 - OFFSET

Each party reserves the right to offset any amount owed to the other party against any amount owed by the other party.

SECTION 7 - WARRANTIES AND LIMITATION OF LIABILITY

Unless otherwise provided in the Reimbursable Contract, the Billing Party warrants the Deliverables to be in conformance with generally accepted professional standards prevailing at the time of delivery. Any Deliverables not in accordance with such standards shall be corrected at no cost to the Billed Party as long as such nonconformance is reported in writing within one year from the date of delivery. The Billing Party expressly disclaims any other warranties, including implied warranties of merchantability or fitness for any particular use or purpose, as to any Deliverables provided hereunder.

SECTION 8 - TIME OF COMPLETION AND FORCE MAJEURE

Any delays in or failure of performance by the Billing Party or its contractors shall not constitute default hereunder if and to the extent such delays or failures of performance are caused by occurrences beyond the reasonable control of Billing Party or its contractors, and Billing Party shall not be liable for any loss or damage due to or arising out of any such delays or failure of performance. Such occurrences include, but are not limited to, acts of God or the public enemy, fires,

epidemics, quarantines, strikes, freight embargoes or delays in transportation, priorities or other acts or orders of Governmental authority, or unforeseeable severe weather or floods, or any causes, whether or not of the same class or kind of those specifically above named, which are not within the control of Billing Party or its contractors.

SECTION 9 - ACCESS TO BILLING RECORDS AND CONFIDENTIALITY

Upon written request by the Billed Party, the Billing Party shall provide access during normal working hours to its records as necessary to permit the Billed Party to verify the accuracy or appropriateness of the invoice. The Billed Party shall keep the information examined confidential. If a billing dispute is submitted to dispute resolution as set out in Section 12 below, the Billing Party agrees to provide the pertinent records or information to counsel and independent experts of the Billed Party and those attempting to resolve the dispute, provided such third parties agree to keep such records or information confidential. Nothing in this Section shall be construed as in any way impairing the ability pursuant to statutory authority of the Office of the Inspector General of TVA or of any other Federal agency having auditing jurisdiction over TVA to examine the records of the Billing Party to the extent relating to any amount billed TVA by the Billing Party.

SECTION 10 - ENTIRE CONTRACT

The Reimbursable Contract and all exhibits or attachments thereto (including these Billing and Payment Terms) shall constitute the entire agreement between the parties. In the event of any conflict between the provisions of the Reimbursable Contract and these Billing and Payment Terms, the Reimbursable Contract shall prevail.

SECTION 11 - ASSIGNMENT OF CONTRACT NUMBER

The Reimbursable Contract will have a contract number assigned by TVA for all parties to use as a reference as part of the invoicing and payment processes.

SECTION 12 - DISPUTE RESOLUTION

If a billing amount dispute arises out of or relates to the Reimbursable Contract, including these Billing and Payment Terms, or the breach thereof, the parties agree to use their best efforts to resolve such a dispute informally at the lowest possible levels of decisionmaking. Such a dispute not resolved at the working level should be referred to higher levels of management of both parties for consideration, as necessary. If said dispute cannot be so settled, the parties further agree to develop and use consensual alternative dispute resolution processes, such as facilitation and mediation to try in good faith to settle said dispute, before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties may, for example, try to resolve the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules.

SECTION 13 - RESTRICTION OF BENEFITS

No member of or delegate to Congress or Resident Commissioner, or any officer, employee, special Government employee, or agent of TVA shall be admitted to any share or part of the Reimbursable Contract or to any benefit that may arise from it unless the agreement be made with a corporation for its general benefit. The other party to the Reimbursable Contract shall not offer or give, directly or indirectly, to any officer, employee, special Government employee, or agent of TVA any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value, except as provided in 5 C.F.R. part 2635 (as amended, supplemented, or replaced). Breach of this provision shall constitute a material breach of the Reimbursable Contract.

SECTION 14 - CONFORMANCE WITH WORK SCOPE AND COST ESTIMATE

It is recognized that depending on the nature or extent of the work involved, the Reimbursable Contract may include a detailed work scope and a cost estimate (or cost limitation) for work subject to reimbursement based on actual costs incurred. In that case, the Billing Party shall use its best efforts to perform the work within the specified work scope and cost estimate. If at any time the Billing Party becomes aware that the actual costs will likely exceed the cost estimate by 15 percent or more, the Billing Party shall use its best efforts to obtain concurrence or resolution with the Billed Party regarding such cost estimate overrun. This shall include notification of the Billed Party in writing of the cost estimate overrun together with a revised cost estimate and an explanation for the cost estimate overrun so as to provide the Billed Party an opportunity for input and/or consultation. For work or services in excess of the work scope, unless mutually agreed by the parties in advance (such as in the form of an amendment to the Reimbursable Contract), the Billing Party shall not be obligated to perform such work or services, and the Billed Party shall not be obligated to pay for such work or services. The Billing Party may elect to suspend the work in question until it has obtained concurrence or resolution with the Billed Party regarding work in excess of the work scope and/or cost estimate.



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7319

3/15/2011

Laura,

Please file.

Thanks
Laura

March 11, 2011

Mr. Paul Thompson
Executive Vice President/General Manager
Tri-County Electric Membership Corporation
405 College Street
Lafayette, Tennessee 37083

Dear Paul:

**TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION -- EXECUTED RATE
CHANGE AGREEMENT -- TV-52337A, SUPP. NO. 91, DATED APRIL 1, 2011**

Enclosed is one fully executed original of the Rate Change Agreement, TV-52337A, Supp. No. 91, dated April 1, 2011, covering arrangements pertaining to wholesale rate schedules, resale rate schedules, renewal of the Manufacturing Credit Program, and reporting requirements.

If you have questions concerning this document or any material therein, please contact me at 270-846-7042.

Sincerely,

Hugh A. Meyer
Customer Service Engineer
Kentucky

Enclosures

AGREEMENT
Between
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION
And
TENNESSEE VALLEY AUTHORITY

Effective Date: April 1, 2011

TV-52337A, Supp. No. 91

THIS AGREEMENT, made and entered into between TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), a cooperative corporation created and existing under and by virtue of the laws of the State of Tennessee, and TENNESSEE VALLEY AUTHORITY (TVA); a corporation created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended (TVA Act);

WITNESSETH:

WHEREAS, TVA and Distributor have entered into a contract dated July 18, 1979, as amended (Power Contract), under which Distributor purchases its entire requirements for electric power and energy from TVA for resale; and

WHEREAS, the parties wish to amend the Power Contract in the respects necessary to place into effect changed wholesale and resale schedules and in certain other respects;

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements set forth below, and subject to the TVA Act, the parties mutually agree as follows:

SECTION 1 - WHOLESALE RATE SCHEDULE SUBSTITUTION

1.1 Implementation of Time-Of-Use Wholesale Rate. The Schedule of Rates and Charges attached to and made a part of the Power Contract contains a wholesale rate schedule (Existing Wholesale Schedule). A substitute wholesale schedule, designated Schedule WS-TOU (Changed Wholesale Schedule WS-TOU), dated April 2011, is attached hereto. The Existing Wholesale Schedule shall remain in full force and effect for all bills rendered from wholesale meter readings scheduled to be taken before April 2, 2011, and the Changed Wholesale Schedule shall become effective in accordance with the provisions thereof for all bills rendered from wholesale meter readings scheduled to be taken on and after April 2, 2011. Commencing with the first application of the Changed Wholesale Schedule WS-TOU, all references in the Power Contract to the Existing Wholesale Schedule shall be deemed to refer to the Changed Wholesale Schedule WS-TOU.

1.2 Demand and Energy Wholesale Rate Option Available Until October 2012.

1.2.1 Schedules WS-DE and WS-DE Modified. An optional wholesale schedule, designated as Schedule WS-DE (Optional Wholesale Schedule WS-DE), dated April 2011-September 2012, is attached hereto. As used in 1.2.3 below, "Optional Wholesale Schedule WS-DE Modified" shall mean a modified version of said attached optional schedule in which the Standard Service energy charges of the schedule are replaced by the Standard Service energy charges of Changed Wholesale Schedule WS-TOU (but not including the Standard Service TOU Amounts).

1.2.2 Initial Option to Elect Schedule WS-DE. Notwithstanding 1.1 above, by providing written notice to TVA no later than December 31, 2010, Distributor may elect to put into place Optional Wholesale Schedule WS-DE. In such case, the Optional Wholesale Schedule WS-DE shall become effective in accordance with the provisions thereof for all bills rendered from wholesale meter readings scheduled to be taken on and after April 2, 2011.

1.2.3 Subsequent Election of Schedule WS-DE Modified. After April 2, 2011, Distributor may elect Optional Wholesale Schedule WS-DE Modified by providing at least 45 days' written notice for said Schedule WS-DE Modified to become effective for all bills rendered from wholesale meter readings scheduled to be taken on or after the second day of a month specified in such notice.

1.2.4 Term of Optional Schedule Election. If an optional schedule is elected and put into effect under 1.2.2 or 1.2.3 above, said elected optional schedule will remain in effect for all bills rendered from wholesale meter readings scheduled to be taken before October 2, 2012; provided, however, that Distributor may cancel that election upon at least 45 days' written notice to TVA to become effective for all bills rendered from wholesale meter readings scheduled to be taken on or after the second day of a month specified in such notice. During the period when such an optional schedule is in effect, all references in the Power Contract to the Existing Wholesale Schedule shall be deemed to refer to such optional schedule. Changed Wholesale Schedule WS-TOU shall become effective as provided in 1.1 above for all bills rendered from wholesale meter readings scheduled to be taken on and after the earlier of (a) the second day of a month specified in any cancellation notice given under the proviso to the first sentence of this subsection 1.2.4 or (b) October 2, 2012.

1.3 Rates Applicable to Summer Period 2011.

Notwithstanding the Standard Service rates in Schedules WS-TOU and WS-DE, during the Summer Period of 2011 only, (i) the Demand Charge is hereby agreed to be \$8.30 per kW of Billing Demand per month (plus any applicable adjustment addendum Demand Charges) and (ii) the Non-Fuel Energy Charge is hereby agreed to be 3.076 ¢ per kWh per month (plus any applicable adjustment addendum Energy Charges and any TOU Amount applicable for Schedule WS-TOU).

SECTION 2 - RESALE RATE SCHEDULE SUBSTITUTION

2.1 Changed Resale Schedules. The Schedule of Rates and Charges attached to and made a part of the Power Contract contains various resale rate schedules (Existing Resale Schedules). Substitute resale schedules, designated Schedules RS, GSA, GSB, GSC, GSD, LS, MSB, MSC, MSD, SGSB, SGSC, SGSD, SMSB, SMSC, and SMSD (Changed Resale Schedules), all dated April 2011, are attached to this agreement.

2.2 Resale Effective Date. The Existing Resale Schedules shall remain in full force and effect for all bills rendered from resale meter readings taken for revenue months of Distributor prior to Distributor's April 2011 revenue month, and the respective Changed Resale Schedules shall become effective in accordance with the provisions thereof for all bills rendered from resale meter readings taken for revenue months of Distributor beginning with the April 2011 revenue month. Beginning with Distributor's April 2011 revenue month, Distributor shall provide electric service to all customers at and in accordance with the rates, charges, and provisions of the appropriate Changed Resale Schedule and the provisions of the Power Contract as supplemented and amended by this agreement.

The table below lists the Existing Resale Schedules and the corresponding Changed Resale Schedules that will replace each one of them in accordance with this section 2.

Existing Resale Schedule (Where applicable)		Changed Resale Schedule (Where applicable)
RS	corresponds to	RS
GSA	corresponds to	GSA
GSA, Part 3	corresponds to	TDGSA or TDMSA if SIC qualified (optional)
GSB	corresponds to	GSB
GSB	corresponds to	SGSB (optional)
GSC	corresponds to	GSC
GSC	corresponds to	SGSC (optional)
GSD	corresponds to	GSD
GSD	corresponds to	SGSD (optional)
MSB	corresponds to	MSB
MSB	corresponds to	SMSB (optional)
MSC	corresponds to	MSC
MSC	corresponds to	SMSC (optional)
MSD	corresponds to	MSD
MSD	corresponds to	SMSD (optional)
PSGSB	corresponds to	SGSB
PSGSC	corresponds to	SGSC
PSGSD	corresponds to	SGSD
PSMSB	corresponds to	SMSB
PSMSC	corresponds to	SMSC
PSMSD	corresponds to	SMSD
TRS	corresponds to	TRS
TGSA	corresponds to	TGSA

TGSA, Part 3	corresponds to	TDGSA or TDMSA if SIC qualified (optional)
TGSB	corresponds to	GSB
TGSC	corresponds to	GSC
TGSD	corresponds to	GSD
TMSB	corresponds to	MSB
TMSC	corresponds to	MSC
TMSD	corresponds to	MSD
LS	corresponds to	LS
TDGSB	corresponds to	TDGSA (optional for customers with contract demands greater than 1,000 kW but not more than 5,000 kW)
TDGSB	corresponds to	GSB
TDGSC	corresponds to	GSC
TDGSD	corresponds to	GSD
TDMSB	corresponds to	TDMSA (optional for customers with contract demands greater than 1,000 kW but not more than 5,000 kW)
TDMSB	corresponds to	MSB
TDMSC	corresponds to	MSC
TDMSD	corresponds to	MSD

SECTION 3 - SMALL MANUFACTURING CREDITS

3.1 Previous Agreement. It is expressly recognized that certain manufacturing credits (Small Manufacturing Credits) are provided for under the agreement numbered TV-52337A, Supp. No. 37, and dated June 1, 1994, as amended (Manufacturing Credit Agreement). Notwithstanding the rate change reflected in this agreement, the Manufacturing Credit Agreement shall continue in effect and shall be deemed amended as provided below in this section 3.

3.2 Changed Resale Schedules. Beginning with Distributor's April 2011 revenue month, the Manufacturing Credit Agreement shall be deemed amended in the respects necessary to provide that customers served under Part 3 of the applicable Changed Resale Schedule GSA or TGSA shall be deemed to be Expanded Eligible Accounts eligible for Expanded Credits. It is expressly recognized that customers served under Schedules TDGSA and TDMSA are not eligible for such credits.

The Manufacturing Credit Agreement shall be deemed further amended to provide that, if the applicable TGSA resale schedule does not provide for different demand charges for a customer's onpeak and offpeak billing demand, in lieu of the credit amounts specified for the metered demands of customers taking time-of-day service, the credits amounts specified or the metered demands of customers taking standard service shall apply.

3.3 Wholesale Credits. Beginning with the April 2011 billing month, the Manufacturing Credit Agreement shall be amended in the respects necessary to provide that:

- (a) Except as otherwise provided below, each month TVA's wholesale bill to Distributor shall include a wholesale credit (Estimated Small Manufacturing Credit) for that month equal to the total amount of credits applied to each Eligible Account by Distributor in the preceding month and reported in Distributor's ESS Report to TVA (as provided in section 5 below).
- (b) The wholesale bill will then be adjusted to reflect the difference between the actual amount of credits applied to each Eligible Account by Distributor in the preceding month and the Estimated Small Manufacturing Credit applied to Distributor's wholesale bill for the preceding month.
- (c) If TVA does not receive Distributor's ESS Report at least 10 calendar days prior to the wholesale billing date, Distributor shall not receive an Estimated Small Manufacturing Credit on that month's wholesale bill. Instead, upon receipt of Distributor's ESS Report, the wholesale bill for the following month will include a credit equal to the actual amount of credits applied to each Eligible Account and reported to TVA for that month.

3.4 Application Forms. The Manufacturing Credit Agreement is amended to provide that Distributor shall keep on file a copy of each completed application form for audit purposes. This responsibility to maintain application forms and TVA's ability to audit shall replace any requirement of TVA approval of completed application forms in the existing Manufacturing Credit Agreement.

SECTION 4 - ENHANCED GROWTH CREDIT PROGRAM

Under an agreement numbered TV-52337A, Supp. No. 39 and dated May 5, 1994, as amended (EGCP Agreement), TVA and Distributor are participating in an Enhanced Growth Credit (EGC) Program to encourage the fuller and better balanced development of the resources of the region by applying credits against the electric bills of certain eligible new and expanding general power customers of Distributor.

Beginning with the April 2011 billing month, the EGCP Agreement shall be amended in the respects necessary to provide that:

- (a) Except as otherwise provided below, each month TVA's wholesale bill to Distributor shall include a wholesale credit (Estimated Enhanced Growth Credit) for that month equal to 110 percent of the total Retail Credits applied by Distributor in the preceding month and reported in Distributor's ESS Report to TVA (as provided in section 5 below).
- (b) The wholesale bill will then be adjusted to reflect the difference between 110 percent of the actual amount of Retail Credits applied by Distributor in the preceding month and the Estimated Enhanced Growth Credit applied to Distributor's wholesale bill for the preceding month.

(c) If TVA does not receive Distributor's ESS Report at least 10 calendar days prior to the wholesale billing date, Distributor shall not receive an Estimated Enhanced Growth Credit on that month's wholesale bill. Instead, upon receipt of Distributor's ESS Report, the wholesale bill for the following month will include a credit equal to 110 percent of the actual amount of Retail Credits applied by Distributor and reported to TVA for that month.

SECTION 5 - REPORTING

It is recognized that the monthly statistical information to be furnished to TVA under the Terms and Conditions of the Power Contract is currently provided by Distributor in a monthly Electric Sales Statistics (ESS) Report. Beginning with Distributor's April 2011 revenue month, Distributor shall include in its ESS Report monthly data showing:

- (a) for each Eligible Account under the Manufacturing Credit Agreement, the amounts billed to each customer for firm power and energy and the amount of the credit applied during that revenue month, together with such other information as may be reasonably required by TVA under the Manufacturing Credit Agreement;
- (b) for each customer participating in the EGC Program (i) the amount of any Retail Credit for the month and (ii) the billing data used to calculate that Retail Credit, together with such other information as may be reasonably required by TVA under the EGCP Agreement;
- (c) the amount of any Hydro Allocation Adjustment applied in accordance with Adjustment 2 of the Changed Wholesale Schedule or the Optional Wholesale Schedule and the billing data used to calculate such adjustment;
- (d) the generation output and applicable credits from each individual type of Qualifying System at each Site, as required under the Generation Partners pilot;
- (e) the number of Participants enrolled in the Green Power Switch Program, the number of energy blocks purchased by Participants, and the total Green Power Switch Charges determined under the Green Power Switch Agreement, numbered TV-52337A, Supp. No. 74, and dated October 26, 2005;
- (f) the amounts of any PCA and the billing data for each rate class used to calculate such amounts.

The information furnished under this section 5 shall be provided in accordance with TVA's ESS Reporting Guidelines, as they may be modified, changed, or replaced by TVA from time to time.

SECTION 6 - NOTICES OF ADJUSTMENT OR CHANGE OF RATES

Notwithstanding the section entitled "Adjustment and Change of Wholesale Rate and Resale Rates" in the Schedule of Terms and Conditions attached to and made part of the Power Contract, (a) any Adjustment Addendum providing for adjustments to the charges of the Schedule of Rates and Charges shall be deemed properly published and (b) any notice required to place into effect any changes in the Schedule of Rates and

Charges shall be deemed properly given if provided electronically either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose.

SECTION 7 - TERM

Except as otherwise specifically provided herein, this agreement shall become effective as of the Effective Date first above written, and shall continue in effect until expiration of the Power Contract, or any renewal, extension, or replacement thereof.

SECTION 8 - ADJUSTMENT ADDENDUM COST RECOVERY

It is expressly recognized:

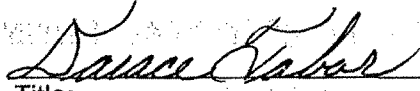
- (a) that the schedules attached to this agreement do not include any charges to recover TVA's fuel costs or any charges to cover the costs currently being recovered by the Environmental Adjustment amounts currently provided for in the Adjustment Addendum, and
- (b) that accordingly all fuel cost recovery (including the current Fuel Cost Adjustment and current base fuel charges) and the costs currently being recovered by the Environmental Adjustment amounts will be addressed through an Adjustment Addendum.

SECTION 9 - POWER CONTRACT AFFIRMED

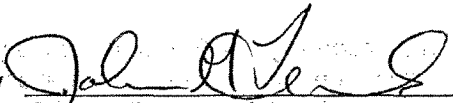
Except as expressly set out above, nothing in this agreement shall affect the other terms of the Power Contract.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives, as of the day and year first above written.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title:

TENNESSEE VALLEY AUTHORITY

By 
Senior Vice President
Commercial Operations and Pricing

Large Customers under the Standard Billing Arrangement shall be metered in accordance with TVA furnished or approved guidelines or specifications. Distributor shall provide to TVA, in accordance with TVA furnished or approved guidelines or specifications, unrestricted remote access to the metering data at all times, as well as physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA. Further, for each Large Customer, Distributor shall furnish TVA with such contract information as TVA reasonably requests for purposes of performing monthly billing analysis for each such customer. In the event that TVA is not given such access to all such metering data, or is not provided such contract information, all power and energy taken hereunder shall be billed in accordance with the Alternate Billing Arrangement.

STANDARD SERVICE

Demand Charge:	Summer Period	\$ 8.83 per kW of Billing Demand per month
	Winter Period	\$ 8.04 per kW of Billing Demand per month
	Transition Period	\$ 8.04 per kW of Billing Demand per month
Non-Fuel Energy Charge:	Summer Period	3.076¢ per kWh per month
	Winter Period	3.076¢ per kWh per month
	Transition Period	3.076¢ per kWh per month

TOU SERVICE

General Power Service

Schedule GSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$14.00 per kW of metered onpeak demand per month \$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$7.56 per kW of metered onpeak demand per month \$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$2.71 per kW of metered offpeak demand per month
Non-Fuel Energy Charge:	
Summer Period	6.512¢ per kWh per month for all metered onpeak kWh 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	3.733¢ per kWh per month for all metered onpeak kWh 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand
 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand
 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule GSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$14.00 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Winter Period \$ 7.56 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Transition Period \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period 6.186¢ per kWh per month for all metered onpeak kWh
 3.132¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 1.439¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.004¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
 Winter Period 3.475¢ per kWh per month for all metered onpeak kWh
 3.132¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 1.439¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.004¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
 Transition Period 3.132¢ per kWh per month for the first 425 hours use of maximum metered demand
 1.439¢ per kWh per month for the next 195 hours use of maximum metered demand
 0.004¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule GSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$14.00 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Winter Period \$ 7.56 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Transition Period \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period
6.048¢ per kWh per month for all metered onpeak kWh
2.899¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.207¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
-0.230¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period
3.258¢ per kWh per month for all metered onpeak kWh
2.899¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.207¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
-0.230¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period
2.899¢ per kWh per month for the first 425 hours use of maximum metered demand
1.207¢ per kWh per month for the next 195 hours use of maximum metered demand
-0.230¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule TDGSA

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period: \$14.00 per kW of metered onpeak demand per month
\$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Winter Period: \$7.56 per kW of metered onpeak demand per month
\$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Transition Period: \$2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period
6.512¢ per kWh per month for all metered onpeak kWh
3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period
3.733¢ per kWh per month for all metered onpeak kWh
3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand
 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand
 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Manufacturing Service

Schedule MSB

Administrative Charge: \$350 per delivery point per month
 Demand Charge:
 Summer Period \$14.00 per kW of metered onpeak demand per month
 \$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Winter Period \$7.56 per kW of metered onpeak demand per month
 \$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Transition Period \$2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period 5.136¢ per kWh per month for all metered onpeak kWh
 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
 Winter Period 2.415¢ per kWh per month for all metered onpeak kWh
 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
 Transition Period 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule MSC

Administrative Charge: \$350 per delivery point per month
 Demand Charge:
 Summer Period \$14.00 per kW of metered onpeak demand per month
 \$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Winter Period \$7.56 per kW of metered onpeak demand per month
 \$2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Transition Period \$2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period	5.211¢ per kWh per month for all metered onpeak kWh 2.016¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.325¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.110¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	2.428¢ per kWh per month for all metered onpeak kWh 2.016¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.325¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.110¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	2.016¢ per kWh per month for the first 425 hours use of maximum metered demand 0.325¢ per kWh per month for the next 195 hours use of maximum metered demand -1.110¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule MSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period	\$14.00 per kW of metered onpeak demand per month \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$ 7.56 per kW of metered onpeak demand per month \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period	5.060¢ per kWh per month for all metered onpeak kWh 1.868¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.176¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.259¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	2.262¢ per kWh per month for all metered onpeak kWh 1.868¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.176¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.259¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 1.868¢ per kWh per month for the first 425 hours use of maximum metered demand
 0.176¢ per kWh per month for the next 195 hours use of maximum metered demand
 -1.259¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule TDMSA

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$14.00 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Winter Period \$ 7.56 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
 Transition Period \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period 5.136¢ per kWh per month for all metered onpeak kWh
 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
 Winter Period 2.415¢ per kWh per month for all metered onpeak kWh
 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
 Transition Period 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

SEASONAL DEMAND AND ENERGY SERVICE

General Power Service

Schedule SGSB

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$18.61 per kW of metered demand per month
 Winter Period \$12.90 per kW of metered demand per month
 Transition Period \$ 8.61 per kW of metered demand per month

Non-Fuel Energy Charge:
Summer Period 2.224¢ per kWh per month
Winter Period 1.853¢ per kWh per month
Transition Period 1.772¢ per kWh per month

Schedule SGSC

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$18.61 per kW of metered demand per month
Winter Period \$12.90 per kW of metered demand per month
Transition Period \$8.61 per kW of metered demand per month
Non-Fuel Energy Charge:
Summer Period 2.235¢ per kWh per month
Winter Period 1.857¢ per kWh per month
Transition Period 1.777¢ per kWh per month

Schedule SGSD

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$21.83 per kW of metered demand per month
Winter Period \$16.11 per kW of metered demand per month
Transition Period \$11.83 per kW of metered demand per month
Non-Fuel Energy Charge:
Summer Period 1.598¢ per kWh per month
Winter Period 1.268¢ per kWh per month
Transition Period 1.196¢ per kWh per month

Manufacturing Service

Schedule SMSB

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$15.99 per kW of metered demand per month
Winter Period \$10.28 per kW of metered demand per month
Transition Period \$5.99 per kW of metered demand per month
Non-Fuel Energy Charge:
Summer Period 1.532¢ per kWh per month
Winter Period 1.113¢ per kWh per month
Transition Period 1.016¢ per kWh per month

Schedule SMSC

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$15.99 per kW of metered demand per month
Winter Period \$10.28 per kW of metered demand per month
Transition Period \$5.99 per kW of metered demand per month
Non-Fuel Energy Charge:
Summer Period 1.505¢ per kWh per month
Winter Period 1.112¢ per kWh per month
Transition Period 1.018¢ per kWh per month

Schedule SMSD

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$18.61 per kW of metered demand per month
Winter Period	\$12.90 per kW of metered demand per month
Transition Period	\$ 8.61 per kW of metered demand per month
Non-Fuel Energy Charge:	
Summer Period	0.862¢ per kWh per month
Winter Period	0.548¢ per kWh per month
Transition Period	0.472¢ per kWh per month

Adjustments

1. The base demand and energy charges in this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

2. Distributor's bill for each month shall be adjusted by applying the net of the following calculations: (1) subtract 0.297¢ per kWh for the energy resold by Distributor in the previous month to customers entitled to service under residential rate schedules, (2) subtract \$1.60 per customer for each such customer, (3) add 0.279¢ per kWh for the energy resold by Distributor in the previous month to other customers whose contract demands do not exceed 5,000 kW, but excluding any customers served under schedules TDGSA and TDMSA, and (4) where Distributor is billed under the Alternate Billing Arrangement, add 45¢ per kW and 0.096¢ per kWh for the power and energy resold by Distributor in the previous month (i) to other customers whose contract demands exceed 5,000 kW and (ii) other customers served under schedules TDGSA and TDMSA. The dollar and cent amounts used in determining the adjustment applied under the preceding sentence (hereafter referred to as the "Hydro Allocation Adjustment") shall remain constant for 12 consecutive months from October 1 of each year.

Effective October 1 of each year, the dollar and cent amounts used in determining the Hydro Allocation Adjustment shall be recomputed to take account of changed sales and customer account data and applied accordingly. In performing such computations, the latest 12-month period ending June 30 shall be used for purposes of determining the amounts used in (1), (3), and (4) above and the number of customers entitled to be served under Distributor's residential rate schedules at the end of such 12-month period shall be used for purposes of determining the amount used in (2) above.

Each month Distributor shall report, in a form specified by TVA, the kWh amounts of energy used in determining components (1), (3), and (4) above and the number of customers used in determining component (2) above for purposes of computing the Hydro Allocation Adjustment for the upcoming month. To the extent that such data is not so reported on a timely manner, the Hydro Allocation Adjustment shall be computed from estimates determined by TVA.

3. In any case in which a bill involving a metered demand less than the billing demand is applicable to a customer of Distributor with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer an amount computed as provided below. When such a bill involves a customer served under a resale schedule that provides for a different onpeak and offpeak billing demand, the amount added shall be (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's onpeak billing demand and to its excess of offpeak billing demand over onpeak billing demand exceeds (b) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's metered onpeak demand and to its excess of metered offpeak demand over metered onpeak demand. When such a bill

involves a customer served under a resale schedule that does not provide for a different onpeak and offpeak billing demand, the amount shall be computed by multiplying (except as provided in the last paragraph of this section) 50 percent of the amount by which the customer's billing demand exceeds the metered demand times the appropriate base demand charge, as adjusted, of this rate schedule.

In any case in which a bill involving metered offpeak energy less than the billed offpeak energy is applicable to such a customer with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer an amount which shall be (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's billed offpeak energy exceeds (b) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's metered offpeak energy.

For purposes of applying these adjustments with respect to customers with contract demands in excess of 25,000 kW, all references to the term "50 percent" in the preceding paragraphs shall be replaced with the term "75 percent."

4. It is recognized that the TOU Service and Seasonal Demand and Energy Service demand and energy charges listed above contain debit and credit components designed, together with the components (1) – (4) of Adjustment No. 2 above, to reflect the value of the hydro generation benefits allocated by TVA to residential customers. The dollar and cent amounts listed above in Adjustment No. 2 and the base TOU Service and Seasonal Demand and Energy Service demand and energy charges listed above may be increased or decreased by TVA from time to time to appropriately reflect changes in the value of the hydro generation benefits allocated by TVA to residential customers.

In addition, said charges and components may be adjusted by TVA from time to time for the purpose of ensuring that (a) TVA does not pay out more in credits for sales to residential consumers than it receives in debits for sales to other consumers and (b) TVA does not receive more in debits for sales to other consumers than it pays out in credits for sales to residential consumers.

In the event of an adjustment under either paragraph of this Adjustment No. 4, TVA shall make corresponding adjustments in all of Distributor's resale schedules.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery to Distributor at less than 161 kV, there shall be added to Distributor's bill a facilities rental charge. This charge shall be 36¢ per kW per month, except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. For each delivery point, such charge shall be applied to the highest average demand during any 60-consecutive-minute period (beginning on the clock hour) for each month of the preceding 12-consecutive-month period of the load measured in kW (Delivery Point Demand). The facilities rental charge shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts in cents per kW may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing for delivery at voltage levels below 161 kV.

Reactive Demand Charges

For each delivery point to Distributor, if the reactive demand (in kVAR) is lagging during the 60-consecutive-minute period of the month in which the Delivery Point Demand occurs, there shall be added to Distributor's bill for the following month a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of the Delivery Point Demand. If the reactive demand (in kVAR) at a delivery point is leading during the 60-consecutive-minute period (beginning on the clock hour) of the month in

which Distributor's lowest measured demand (excluding any measured demands which are less than 25 percent of the Delivery Point Demand) occurs, there shall be added to Distributor's bill for the following month a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts in cents per kVAR may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing reactive power.

Determination of Seasonal Periods

Summer Period shall mean the months of June, July, August, and September. Winter Period shall mean the months of December, January, February, and March. The Transition Period shall mean the months of April, May, October, and November.

Determination of Standard Service Demand and Energy Billing Amounts

For every 60-consecutive-minute period (beginning on the clock hour) of the month, the average of the loads measured in kW for each customer served under the TOU Service and Seasonal Demand and Energy Service subsections above shall be subtracted from the average loads measured in kW at all delivery points. The highest difference computed in accordance with the previous sentence will be the Billing Demand for Standard Service provided for any month.

The Standard Service Energy for any month shall be the kWh amount equal to the total energy measured in kWh at all delivery points less the sum of the energy amounts used in calculating charges for that month under said TOU Service and Seasonal Demand and Energy Service subsections.

Minimum Bill

The monthly bill under this rate schedule, exclusive of any applicable facilities rental charges and any reactive charges, shall not be less than the higher of (a) the base delivery point charge or (b) 35 percent of the highest bill to Distributor, exclusive of any applicable facilities rental charge and any reactive charges, rendered under this rate schedule in the preceding 36-consecutive-month period.

RIDER TO WHOLESALE POWER RATE--SCHEDULE WS-DE

Wholesale Power Rate--Schedule WS-DE, to which this rider is attached, is hereby amended by adding the following section:

Distribution Loss Adjustment

It is recognized that under the provisions of the section entitled "Distribution Loss Charge" of the wholesale schedule designated Wholesale Power Rate--Schedule WS, dated October 2003, an Annual Loss Adjustment has been applied to Distributors wholesale bill each year to reflect distribution losses incurred during the preceding 12-month period. Notwithstanding anything appearing in said section, as soon as practicable after Distributor's wholesale billing date for March 2011, a loss adjustment will be applied to Distributor's wholesale bill to appropriately reflect distribution losses actually incurred during the period from the end of the period of the last determination of the Annual Loss Adjustment to such date.

If (1) Distributor's wholesale billing date is not on the first day of the calendar month prior to April 1, 2011, and (2) Distributor changes its wholesale billing date to the first day of the calendar month on April 1, 2011, for purposes of calculating the final Distribution Loss Adjustment provided for above, Distributor may choose one of the two reporting options described below:

- (a) Distributor may report the energy resold from the end of the period of Distributor's last Annual Loss Adjustment through Distributor's last wholesale billing date before April 1, 2011; or
- (b) Distributor may report the sum of (i) energy resold from the end of the period of Distributor's last Annual Loss Adjustment through Distributor's last wholesale billing date, plus (ii) an estimate of the additional energy resold from Distributor's last wholesale billing date to April 1, 2011. To facilitate Distributor's estimate under (ii), TVA will provide wholesale meter data for the additional period.

The Distribution Loss Adjustment will then be calculated based on the difference between (a) the energy takings of Distributor measured at each delivery point to Distributor from the end of the period of Distributor's last Annual Loss Adjustment to April 1, 2011, and (b) the amount of energy reported by Distributor under (a) or (b) above.

Large Customers under the Standard Billing Arrangement shall be metered in accordance with TVA furnished or approved guidelines or specifications. Distributor shall provide to TVA, in accordance with TVA furnished or approved guidelines or specifications, unrestricted remote access to the metering data at all times, as well as physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA. Further, for each Large Customer, Distributor shall furnish TVA with such contract information as TVA reasonably requests for purposes of performing monthly billing analysis for each such customer. In the event that TVA is not given such access to all such metering data, or is not provided such contract information, all power and energy taken hereunder shall be billed in accordance with the Alternate Billing Arrangement.

STANDARD SERVICE

Demand Charge:	Summer Period	\$8.83 per kW of Billing Demand per month
	Winter Period	\$8.04 per kW of Billing Demand per month
	Transition Period	\$8.04 per kW of Billing Demand per month
Non-Fuel Energy Charge:	Summer Period	3.301¢ per kWh per month (as adjusted by TOU Amount below)
	Winter Period	3.020¢ per kWh per month (as adjusted by TOU Amount below)
	Transition Period	2.908¢ per kWh per month

TOU Amounts to be added to Non-Fuel Energy Charge:

Summer Period	
Onpeak:	0.750¢ per kWh per month
Offpeak:	-0.350¢ per kWh per month
Winter Period	
Onpeak:	0.400¢ per kWh per month
Offpeak:	-0.100¢ per kWh per month

The above TOU Amounts shall not be subject to adjustment under Adjustment 1 below.

TOU SERVICE

General Power Service

Schedule GSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$14.00 per kW of metered onpeak demand per month \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$ 7.56 per kW of metered onpeak demand per month \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$ 2.71 per kW of metered offpeak demand per month
Non-Fuel Energy Charge:	
Summer Period	6.512¢ per kWh per month for all metered onpeak kWh 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period 3.733¢ per kWh per month for all metered onpeak kWh
 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand
 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand
 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule GSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period: \$14.00 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Winter Period: \$ 7.56 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Transition Period: \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period: 6.186¢ per kWh per month for all metered onpeak kWh
 3.132¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 1.439¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.004¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period: 3.475¢ per kWh per month for all metered onpeak kWh
 3.132¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 1.439¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.004¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period: 3.132¢ per kWh per month for the first 425 hours use of maximum metered demand
 1.439¢ per kWh per month for the next 195 hours use of maximum metered demand
 0.004¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule GSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

- Summer Period: \$14.00 per kW of metered onpeak demand per month
\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
- Winter Period: \$ 7.56 per kW of metered onpeak demand per month
\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
- Transition Period: \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

- Summer Period: 6.048¢ per kWh per month for all metered onpeak kWh
2.899¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.207¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
-0.230¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
- Winter Period: 3.258¢ per kWh per month for all metered onpeak kWh
2.899¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.207¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
-0.230¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
- Transition Period: 2.899¢ per kWh per month for the first 425 hours use of maximum metered demand
1.207¢ per kWh per month for the next 195 hours use of maximum metered demand
-0.230¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule TDGSA

Administrative Charge: \$350 per delivery point per month

Demand Charge:

- Summer Period: \$14.00 per kW of metered onpeak demand per month
\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
- Winter Period: \$ 7.56 per kW of metered onpeak demand per month
\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
- Transition Period: \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

- Summer Period: 6.512¢ per kWh per month for all metered onpeak kWh
3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period 3.733¢ per kWh per month for all metered onpeak kWh
 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 3.370¢ per kWh per month for the first 425 hours use of maximum metered demand
 1.678¢ per kWh per month for the next 195 hours use of maximum metered demand
 0.243¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Manufacturing Service

Schedule MSB

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$14.00 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Winter Period \$ 7.56 per kW of metered onpeak demand per month
 \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Transition Period \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period 5.136¢ per kWh per month for all metered onpeak kWh
 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period 2.415¢ per kWh per month for all metered onpeak kWh
 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand
 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand
 -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule MSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period: \$14.00 per kW of metered onpeak demand per month

\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Winter Period: \$ 7.56 per kW of metered onpeak demand per month

\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Transition Period: \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period: 5.211¢ per kWh per month for all metered onpeak kWh

2.016¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

0.325¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-1.110¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Winter Period: 2.428¢ per kWh per month for all metered onpeak kWh

2.016¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

0.325¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

-1.110¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy

Transition Period: 2.016¢ per kWh per month for the first 425 hours use of maximum metered demand

0.325¢ per kWh per month for the next 195 hours use of maximum metered demand

-1.110¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule MSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period: \$14.00 per kW of metered onpeak demand per month

\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Winter Period: \$ 7.56 per kW of metered onpeak demand per month

\$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand

Transition Period: \$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period: 5.060¢ per kWh per month for all metered onpeak kWh

1.868¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

0.176¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy

	-1.259¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	2.262¢ per kWh per month for all metered onpeak kWh 1.868¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.176¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.259¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	1.868¢ per kWh per month for the first 425 hours use of maximum metered demand 0.176¢ per kWh per month for the next 195 hours use of maximum metered demand -1.259¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

Schedule TDMSA

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$14.00 per kW of metered onpeak demand per month \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Winter Period	\$ 7.56 per kW of metered onpeak demand per month \$ 2.71 per kW per month of the amount, if any, by which metered offpeak demand exceeds metered onpeak demand
Transition Period	\$ 2.71 per kW of metered offpeak demand per month

Non-Fuel Energy Charge:

Summer Period	5.136¢ per kWh per month for all metered onpeak kWh 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	2.415¢ per kWh per month for all metered onpeak kWh 2.029¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	2.029¢ per kWh per month for the first 425 hours use of maximum metered demand 0.338¢ per kWh per month for the next 195 hours use of maximum metered demand -1.098¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

SEASONAL DEMAND AND ENERGY SERVICE

General Power Service

Schedule SGSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$18.61 per kW of metered demand per month
Winter Period	\$12.90 per kW of metered demand per month
Transition Period	\$ 8.61 per kW of metered demand per month

Non-Fuel Energy Charge:

Summer Period	2.224¢ per kWh per month
Winter Period	1.853¢ per kWh per month
Transition Period	1.772¢ per kWh per month

Schedule SGSC

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$18.61 per kW of metered demand per month
Winter Period	\$12.90 per kW of metered demand per month
Transition Period	\$ 8.61 per kW of metered demand per month

Non-Fuel Energy Charge:

Summer Period	2.235¢ per kWh per month
Winter Period	1.857¢ per kWh per month
Transition Period	1.777¢ per kWh per month

Schedule SGSD

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$21.83 per kW of metered demand per month
Winter Period	\$16.11 per kW of metered demand per month
Transition Period	\$11.83 per kW of metered demand per month

Non-Fuel Energy Charge:

Summer Period	1.598¢ per kWh per month
Winter Period	1.268¢ per kWh per month
Transition Period	1.196¢ per kWh per month

Manufacturing Service

Schedule SMSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	\$15.99 per kW of metered demand per month
Winter Period	\$10.28 per kW of metered demand per month
Transition Period	\$ 5.99 per kW of metered demand per month

Non-Fuel Energy Charge:

Summer Period	1.532¢ per kWh per month
Winter Period	1.113¢ per kWh per month
Transition Period	1.016¢ per kWh per month

Schedule SMSC

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$15.99 per kW of metered demand per month
Winter Period \$10.28 per kW of metered demand per month
Transition Period \$ 5.99 per kW of metered demand per month

Non-Fuel Energy Charge:
Summer Period 1.505¢ per kWh per month
Winter Period 1.112¢ per kWh per month
Transition Period 1.018¢ per kWh per month

Schedule SMSD

Administrative Charge: \$350 per delivery point per month
Demand Charge:
Summer Period \$18.61 per kW of metered demand per month
Winter Period \$12.90 per kW of metered demand per month
Transition Period \$ 8.61 per kW of metered demand per month

Non-Fuel Energy Charge:
Summer Period 0.862¢ per kWh per month
Winter Period 0.548¢ per kWh per month
Transition Period 0.472¢ per kWh per month

Adjustments

1. The base demand and energy charges in this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

2. Distributor's bill for each month shall be adjusted by applying the net of the following calculations: (1) subtract 0.297¢ per kWh for the energy resold by Distributor in the previous month to customers entitled to service under residential rate schedules, (2) subtract \$1.60 per customer for each such customer, (3) add 0.279¢ per kWh for the energy resold by Distributor in the previous month to other customers whose contract demands do not exceed 5,000 kW, but excluding any customers served under schedules TDGSA and TDMSA, and (4) where Distributor is billed under the Alternate Billing Arrangement, add 45¢ per kW and 0.096¢ per kWh for the power and energy resold by Distributor in the previous month (i) to other customers whose contract demands exceed 5,000 kW and (ii) other customers served under schedules TDGSA and TDMSA. The dollar and cent amounts used in determining the adjustment applied under the preceding sentence (hereafter referred to as the "Hydro Allocation Adjustment") shall remain constant for 12 consecutive months from October 1 of each year.

Effective October 1 of each year, the dollar and cent amounts used in determining the Hydro Allocation Adjustment shall be recomputed to take account of changed sales and customer account data and applied accordingly. In performing such computations, the latest 12-month period ending June 30 shall be used for purposes of determining the amounts used in (1), (3), and (4) above and the number of customers entitled to be served under Distributor's residential rate schedules at the end of such 12-month period shall be used for purposes of determining the amount used in (2) above.

Each month Distributor shall report, in a form specified by TVA, the kWh amounts of energy used in determining components (1), (3), and (4) above and the number of customers used in determining component (2) above for purposes of computing the Hydro Allocation Adjustment for the upcoming month. To the extent

that such data is not so reported on a timely manner, the Hydro Allocation Adjustment shall be computed from estimates determined by TVA.

3. In any case in which a bill involving a metered demand less than the billing demand is applicable to a customer of Distributor with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer an amount computed as provided below. When such a bill involves a customer served under a resale schedule that provides for a different onpeak and offpeak billing demand, the amount added shall be (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's onpeak billing demand and to its excess of offpeak billing demand over onpeak billing demand exceeds (b) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's metered onpeak demand and to its excess of metered offpeak demand over metered onpeak demand. When such a bill involves a customer served under a resale schedule that does not provide for a different onpeak and offpeak billing demand, the amount shall be computed by multiplying (except as provided in the last paragraph of this section) 50 percent of the amount by which the customer's billing demand exceeds the metered demand times the appropriate base demand charge, as adjusted, of this rate schedule.

In any case in which a bill involving metered offpeak energy less than the billed offpeak energy is applicable to such a customer with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer an amount which shall be (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's billed offpeak energy exceeds (b) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's metered offpeak energy.

For purposes of applying these adjustments with respect to customers with contract demands in excess of 25,000 kW, all references to the term "50 percent" in the preceding paragraphs shall be replaced with the term "75 percent."

4. It is recognized that the TOU Service and Seasonal Demand and Energy Service demand and energy charges listed above contain debit and credit components designed, together with the components (1) - (4) of Adjustment No. 2 above, to reflect the value of the hydro generation benefits allocated by TVA to residential customers. The dollar and cent amounts listed above in Adjustment No. 2 and the base TOU Service and Seasonal Demand and Energy Service demand and energy charges listed above may be increased or decreased by TVA from time to time to appropriately reflect changes in the value of the hydro generation benefits allocated by TVA to residential customers.

In addition, said charges and components may be adjusted by TVA from time to time for the purpose of ensuring that (a) TVA does not pay out more in credits for sales to residential consumers than it receives in debits for sales to other consumers and (b) TVA does not receive more in debits for sales to other consumers than it pays out in credits for sales to residential consumers.

In the event of an adjustment under either paragraph of this Adjustment No. 4, TVA shall make corresponding adjustments in all of Distributor's resale schedules.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery to Distributor at less than 161 kV, there shall be added to Distributor's bill a facilities rental charge. This charge shall be 36¢ per kW per month, except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. For each delivery point, such charge shall be applied to the highest average demand during any 60-consecutive-minute period (beginning on the clock hour) for

each month of the preceding 12-consecutive-month period of the load measured in kW (Delivery Point Demand). The facilities rental charge shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts in cents per kW may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing for delivery at voltage levels below 161 kV.

Reactive Demand Charges

For each delivery point to Distributor, if the reactive demand (in kVAR) is lagging during the 60-consecutive-minute period of the month in which the Delivery Point Demand occurs, there shall be added to Distributor's bill for the following month a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of the Delivery Point Demand. If the reactive demand (in kVAR) at a delivery point is leading during the 60-consecutive-minute period (beginning on the clock hour) of the month in which Distributor's lowest measured demand (excluding any measured demands which are less than 25 percent of the Delivery Point Demand) occurs, there shall be added to Distributor's bill for the following month a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts in cents per kVAR may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing reactive power.

Determination of Seasonal Periods

Summer Period shall mean the months of June, July, August, and September. Winter Period shall mean the months of December, January, February, and March. The Transition Period shall mean the months of April, May, October, and November.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of Standard Service be from 12 p.m. to 8 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each day and all hours of such excepted days shall be offpeak hours. For the Transition Period, all hours shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

Determination of Standard Service Demand and Energy Billing Amounts

For every 60-consecutive-minute period (beginning on the clock hour) of the month, the average of the loads measured in kW for each customer served under the TOU Service and Seasonal Demand and Energy Service subsections above shall be subtracted from the average loads measured in kW at all delivery points. The highest difference computed in accordance with the previous sentence will be the Billing Demand for Standard Service provided for any month.

The Standard Service onpeak energy for any month of a Winter Period or Summer Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points during the Standard Service onpeak hours less the sum of the energy amounts used under said TOU Service and Seasonal Demand and Energy Service subsections in said Standard Service onpeak hours of that month. The Standard Service offpeak energy for any month of a Winter Period or Summer Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points during the Standard Service offpeak hours less the sum of

the energy amounts used under said TOU Service and Seasonal Demand and Energy Service subsections in said Standard Service offpeak hours of that month.

The Standard Service Energy for any month of a Transition Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points less the sum of the energy amounts used in calculating charges for that month under said TOU Service and Seasonal Demand and Energy Service subsections.

Minimum Bill

The monthly bill under this rate schedule, exclusive of any applicable facilities rental charges and any reactive charges, shall not be less than the higher of (a) the base delivery point charge or (b) 35 percent of the highest bill to Distributor, exclusive of any applicable facilities rental charge and any reactive charges, rendered under this rate schedule in the preceding 36-consecutive-month period.

RIDER TO WHOLESALE POWER RATE--SCHEDULE WS-TOU

Wholesale Power Rate--Schedule WS-TOU, to which this rider is attached, is hereby amended by adding the following section:

Distribution Loss Adjustment

It is recognized that under the provisions of the section entitled "Distribution Loss Charge" of the wholesale schedule designated Wholesale Power Rate--Schedule WS, dated October 2003, an Annual Loss Adjustment has been applied to Distributors wholesale bill each year to reflect distribution losses incurred during the preceding 12-month period. Notwithstanding anything appearing in said section, as soon as practicable after Distributor's wholesale billing date for March 2011, a loss adjustment will be applied to Distributor's wholesale bill to appropriately reflect distribution losses actually incurred during the period from the end of the period of the last determination of the Annual Loss Adjustment to such date.

If (1) Distributor's wholesale billing date is not on the first day of the calendar month prior to April 1, 2011, and (2) Distributor changes its wholesale billing date to the first day of the calendar month on April 1, 2011, for purposes of calculating the final Distribution Loss Adjustment provided for above, Distributor may choose one of the two reporting options described below:

- (a) Distributor may report the energy resold from the end of the period of Distributor's last Annual Loss Adjustment through Distributor's last wholesale billing date before April 1, 2011; or
- (b) Distributor may report the sum of (i) energy resold from the end of the period of Distributor's last Annual Loss Adjustment through Distributor's last wholesale billing date, plus (ii) an estimate of the additional energy resold from Distributor's last wholesale billing date to April 1, 2011. To facilitate Distributor's estimate under (ii), TVA will provide wholesale meter data for the additional period.

The Distribution Loss Adjustment will then be calculated based on the difference between (a) the energy takings of Distributor measured at each delivery point to Distributor from the end of the period of Distributor's last Annual Loss Adjustment to April 1, 2011, and (b) the amount of energy reported by Distributor under (a) or (b) above.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

RESIDENTIAL RATE--SCHEDULE RS

(April 2011)

Availability

This rate shall apply only to electric service to a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing therein.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor. Multiphase service shall be supplied in accordance with Distributor's standard policy.

Base Charges

Customer Charge: \$19.60 per month, less

Hydro Allocation Credit: \$1.60 per month

Energy Charge:

Summer Period

5.992¢ per kWh per month

Winter Period

5.980¢ per kWh per month

Transition Period

5.916¢ per kWh per month

Adjustment

The base energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, the base energy charge and the hydro allocation credit shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Minimum Monthly Bill

The base customer charge, as reduced by the hydro allocation credit, constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under Distributor's standard policy because of special circumstances affecting Distributor's cost of rendering service.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSA

(April 2011)

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is 5,000 kW or less) for electric service to commercial, industrial, and governmental customers, and to institutional customers including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor.

Base Charges

1. If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW and (b) the customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:

Customer Charge: \$25.00 per delivery point per month

Energy Charge:

Summer Period: 7.099¢ per kWh per month

Winter Period: 7.087¢ per kWh per month

Transition Period: 7.023¢ per kWh per month

2. If (a) the higher of (i) the customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

Customer Charge: \$50.00 per delivery point per month

Demand Charge:

Summer Period: First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$12.10 per kW

Winter Period: First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$11.31 per kW

Transition Period: First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$11.31 per kW

Energy Charge:

Summer Period First 15,000 kWh per month at 7.180¢ per kWh
Additional kWh per month at 3.305¢ per kWh

Winter Period First 15,000 kWh per month at 7.180¢ per kWh
Additional kWh per month at 3.305¢ per kWh

Transition Period First 15,000 kWh per month at 7.180¢ per kWh
Additional kWh per month at 3.305¢ per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: \$100.00 per delivery point per month

Demand Charge:

Summer Period First 1,000 kW of billing demand per month, at \$10.97 per kW
Excess over 1,000 kW of billing demand per month, at \$12.78 per kW, plus an additional \$12.78 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 1,000 kW or its contract demand.

Winter Period First 1,000 kW of billing demand per month, at \$10.18 per kW
Excess over 1,000 kW of billing demand per month, at \$11.99 per kW, plus an additional \$11.99 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 1,000 kW or its contract demand.

Transition Period First 1,000 kW of billing demand per month, at \$10.18 per kW
Excess over 1,000 kW of billing demand per month, at \$11.99 per kW, plus an additional \$11.99 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 1,000 kW or its contract demand.

Energy Charge:

Summer Period 3.400¢ per kWh per month

Winter Period 3.400¢ per kWh per month

Transition Period 3.400¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 93 percent of the load in kVA plus an additional 2 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under 2 of the Base Charges, the monthly bill shall in no event be less than the sum of (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50 kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

Distributor may require minimum bills higher than those stated above.

Seasonal Service

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to (1) 1.33¢ per kWh per month under 1 of the Base Charges, (2) the sum of 1.33¢ per kWh for the first 15,000 kWh per month and \$4.00 per kW per month of billing demand in excess of 50 kW under 2 of the Base Charges, and (3) \$4.00 per kW per month of billing demand under 3 of the Base Charges. Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 1,000 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract

shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSB

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW; provided that the other conditions of this section are met.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$15.44 per kW per month of the customer's onpeak billing demand, plus \$3.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$15.44 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Winter Period	<p>\$8.81 per kW per month of the customer's onpeak billing demand, plus</p> <p>\$3.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus</p> <p>\$8.81 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher</p>
Transition Period	<p>\$3.81 per kW per month of the customer's offpeak billing demand, plus</p> <p>\$8.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand</p>
Energy Charge:	
Summer Period	<p>6.707¢ per kWh per month for all onpeak kWh, plus</p> <p>3.471¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>1.728¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>0.250¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy</p>
Winter Period	<p>3.845¢ per kWh per month for all onpeak kWh, plus</p> <p>3.471¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>1.728¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>0.250¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy</p>
Transition Period	<p>3.471¢ per kWh per month for the first 425 hours use of maximum metered demand, plus</p> <p>1.728¢ per kWh per month for the next 195 hours use of maximum metered demand, plus</p> <p>0.250¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours</p>

For the Summer Period, Winter Period and Transition Period, 3.471¢ per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be from 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. For the Transition Period, all hours shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts".

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Distributor shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 1 year; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 4 months' notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSC

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW; provided that the other conditions of this section are met.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$15.44 per kW per month of the customer's onpeak billing demand, plus \$3.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$15.44 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period \$8.81 per kW per month of the customer's onpeak billing demand, plus
\$3.81 per kW per month of the amount, if any, by which the customer's
offpeak billing demand exceeds its onpeak billing demand, plus
\$8.81 per kW per month of the amount, if any, by which (1) the
customer's onpeak billing demand exceeds its onpeak contract demand
or (2) the customer's offpeak billing demand exceeds its offpeak contract
demand, whichever is higher

Transition Period \$3.81 per kW per month of the customer's offpeak billing demand, plus
\$8.81 per kW per month of the amount, if any, by which the customer's
offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period 6.372¢ per kWh per month for all onpeak kWh, plus
3.226¢ per kWh per month for the first 425 hours use of maximum
metered demand multiplied by the ratio of offpeak energy to total energy,
plus
1.482¢ per kWh per month for the next 195 hours use of maximum
metered demand multiplied by the ratio of offpeak energy to total energy,
plus
0.004¢ per kWh per month for the hours use of maximum metered
demand in excess of 620 hours multiplied by the ratio of offpeak energy
to total energy

Winter Period 3.579¢ per kWh per month for all onpeak kWh, plus
3.226¢ per kWh per month for the first 425 hours use of maximum
metered demand multiplied by the ratio of offpeak energy to total energy,
plus
1.482¢ per kWh per month for the next 195 hours use of maximum
metered demand multiplied by the ratio of offpeak energy to total energy,
plus
0.004¢ per kWh per month for the hours use of maximum metered
demand in excess of 620 hours multiplied by the ratio of offpeak energy
to total energy

Transition Period 3.226¢ per kWh per month for the first 425 hours use of maximum
metered demand, plus
1.482¢ per kWh per month for the next 195 hours use of maximum
metered demand, plus
0.004¢ per kWh per month for the hours use of maximum metered
demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, 3.226¢ per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be from 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. For the Transition Period, all hours shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts".

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Distributor shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 1 year; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 4 months' notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the

customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSD

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 25,000 kW; provided that the other conditions of this section are met.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$14.82 per kW per month of the customer's onpeak billing demand, plus \$3.19 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$14.82 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period	<p>\$8.19 per kW per month of the customer's onpeak billing demand, plus</p> <p>\$3.19 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus</p> <p>\$8.19 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher</p>
Transition Period	<p>\$3.19 per kW per month of the customer's offpeak billing demand, plus</p> <p>\$8.19 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand</p>
Energy Charge:	
Summer Period	<p>6.229¢ per kWh per month for all onpeak kWh, plus</p> <p>2.986¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>1.243¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>-0.237¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy</p>
Winter Period	<p>3.356¢ per kWh per month for all onpeak kWh, plus</p> <p>2.986¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>1.243¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus</p> <p>-0.237¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy</p>
Transition Period	<p>2.986¢ per kWh per month for the first 425 hours use of maximum metered demand, plus</p> <p>1.243¢ per kWh per month for the next 195 hours use of maximum metered demand, plus</p> <p>-0.237¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours</p>

For the Summer Period, Winter Period and Transition Period, 2.986¢ per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be from 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. For the Transition Period, all hours shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts".

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Distributor shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 5 years; after 10 years of service, any such contract for the renewal or extension of

service may provide for termination upon not less than 16 months' notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(April 2011)

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Service under this schedule is for a term of not less than 1 year.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Adjustment

The energy charge in Part A and Part B of this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, the energy charge in Part A and Part B of this rate schedule shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

PART A--CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND ATHLETIC FIELD LIGHTING INSTALLATIONS

- I. Energy Charge:
- | | |
|-------------------|--------------------------|
| Summer Period | 3.851¢ per kWh per month |
| Winter Period | 3.839¢ per kWh per month |
| Transition Period | 3.775¢ per kWh per month |

II. Facility Charge

The annual facility charge shall be 15 percent of the installed cost to Distributor's electric system of the facilities devoted to street and park lighting service specified in this Part A. Such installed cost shall be recomputed on July 1 of each year, or more often if substantial changes in the facilities are made. Each month, one-twelfth of the then total annual facility charge shall be billed to the customer. If any part of the facilities has not been provided at the electric

system's expense or if the installed cost of any portion thereof is reflected on the books of another municipality or agency or department, the annual facility charge shall be adjusted to reflect properly the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations shall be provided, owned, and maintained by and at the expense of the customer, except as Distributor may agree otherwise in accordance with the provisions of the paragraph next following in this section II. The facilities necessary to provide service to such systems and installations shall be provided by and at the expense of Distributor's electric system, and the annual facility charge provided for first above in this section II shall apply to the installed cost of such facilities.

When so authorized by policy duly adopted by Distributor's governing board, traffic signal systems and athletic field lighting installations may be provided, owned, and maintained by Distributor's electric system for the customer's benefit. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation and shall require payment by the customer of a facility charge sufficient to cover all of Distributor's costs (except reimbursed costs), including appropriate overheads, of providing, owning, and maintaining such system or installation; provided that, for athletic field lighting installations, such facility charge shall in no case be less than 12 percent per year of such costs. Said facility charge shall be in addition to the annual facility charge on the facilities necessary to provide service to such system or installation as provided for in the preceding paragraph. Replacement of lamps and related glassware for traffic signal systems and athletic field lighting installations provided under this paragraph shall be paid for under the provisions of paragraph A in Section IV.

III. Customer Charge - Traffic Signal Systems and Athletic Field Lighting Installations.

Distributor shall apply a uniform monthly customer charge of \$17.50 for service to each traffic signal system or athletic field lighting installation.

IV. Replacement of Lamps and Related Glassware - Street and Park Lighting

Customer shall be billed and shall pay for replacements as provided in paragraph A below, which shall be applied to all service for street and park lighting.

- A. Distributor shall bill the customer monthly for such replacements during each month at Distributor's cost of materials, including appropriate storeroom expense.
- B. Distributor shall bill the customer monthly for one-twelfth of the amount by which Distributor's cost of materials, including appropriate storeroom expense, exceeds the product of 3 mills multiplied by the number of kilowatthours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 5 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

Revenue and Cost Review

Distributor's costs of providing service under Part A of this rate schedule are subject to review at any time and from time to time to determine if Distributor's revenues from the charges being applied are sufficient to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest.) If any such review discloses that revenues are either less or more than sufficient to cover said costs, Distributor shall revise the above facility charges so that revenues will be sufficient to cover said costs. Any such revision of the annual facility charge provided for first above in section II of Part A of this rate schedule shall be by agreement between Distributor and TVA.

PART B--CHARGES FOR OUTDOOR LIGHTING FOR INDIVIDUAL CUSTOMERS

Charges Per Fixture Per Month

(a) <u>Type of Fixture</u>	<u>Lamp Size</u>		<u>Rated kWh</u>	<u>Facility Charge</u>
	<u>(Watts)</u>	<u>(Lumens)</u>		
Mercury Vapor or Incandescent	175	7,650	80	\$4.83
	400	19,100	171	\$7.18
High Pressure Sodium	100	8,550	49	\$7.75
	200	18,900	95	\$12.63
	250	22,500	116	\$11.19
	400	45,000	180	\$11.78
Metal Halide	400	45,000	171	\$10.25
	1,000	125,000	408	\$14.57

(b) Energy Charge: For each lamp size under (a) above,

Summer Period 3.851¢ per kWh per month

Winter Period 3.839¢ per kWh per month

Transition Period 3.775¢ per kWh per month

Additional Facilities

The above charges in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, Distributor may apply an additional monthly charge.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with replacement policies of Distributor without additional charge to the customer.

Special Outdoor Lighting Installations

When so authorized by policy duly adopted by Distributor's governing board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by Distributor's electric system. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of Distributor's costs (except reimbursed costs), including appropriate overheads, or providing, owning, and maintaining such installations, and making lamp replacements.

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

MANUFACTURING SERVICE RATE--SCHEDULE MSB

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214; provided, however, customers qualifying for service under this schedule on the basis of such a NAICS code shall have an average monthly load factor of at least 80 percent during the preceding 12 months; provided further, however, that for the first 12 months of service to a new customer this load factor requirement shall be based on the customer's expected load factor for those 12 months as projected before the customer begins taking service; provided that the other conditions of this section are met. As used in the previous sentence "monthly load factor" shall mean a percentage calculated by dividing the total metered energy for a month by the product of the metered demand for that month and the number of clock hours in that month, exclusive of any hours during which power was unavailable due to an interruption or curtailment of the customer's service and of any hours in which the customer was unable to use power due to a Force Majeure event reasonably beyond the customer's control.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by Distributor under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and the distributor providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge: \$1,500 per delivery point per month

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period \$15.44 per kW per month of the customer's onpeak billing demand, plus \$3.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus

\$15.44 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Winter Period \$8.81 per kW per month of the customer's onpeak billing demand, plus \$3.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus

\$8.81 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period \$3.81 per kW per month of the customer's offpeak billing demand, plus \$8.81 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its offpeak contract demand

Energy Charge:

Summer Period	5.290¢ per kWh per month for all onpeak kWh, plus 2.090¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus 0.348¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus -1.131¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	2.487¢ per kWh per month for all onpeak kWh, plus 2.090¢ per kWh per month for the first 425 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus 0.348¢ per kWh per month for the next 195 hours use of maximum metered demand multiplied by the ratio of offpeak energy to total energy, plus -1.131¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	2.090¢ per kWh per month for the first 425 hours use of maximum metered demand, plus 0.348¢ per kWh per month for the next 195 hours use of maximum metered demand, plus -1.131¢ per kWh per month for the hours use of maximum metered demand in excess of 620 hours

For the Summer Period, Winter Period and Transition Period, 2.090¢ per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. In addition, such charges shall be increased or decreased to correspond to increases or decreases determined by TVA under Adjustment 4 of the wholesale power rate schedule applicable under contractual arrangements between TVA and Distributor.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall be from 1 p.m. to 7 p.m. during the Summer Period and from 4 a.m. to 10 a.m. during the Winter Period. For the Summer Period and the Winter Period, all other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. For the Transition Period, all hours shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours, and Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands. The maximum metered demand for any month shall be the higher of (1) the highest onpeak metered demand in the month or (2) the highest offpeak metered demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the

highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge, (2) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to any excess of offpeak over onpeak billing demand applied to the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts".

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Distributor shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 1 year; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 4 months' notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.