

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

MANUFACTURING SERVICE RATE--SCHEDULE MSC

(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 15,000 kW but not more than 25,000 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 \$14.93 per kW per month of the customer's onpeak billing demand, plus \$3.30 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$14.93 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 \$8.30 per kW per month of the customer's onpeak billing demand, plus \$3.30 per kW per month of the amount, if any, by which the customer's offpeak billing demand exceeds its onpeak billing demand, plus \$8.30 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 \$3.30 per kW per month of the customer's offpeak billing demand, plus \$8.30 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	5.367¢ per kWh per month for all onpeak kWh, plus 2.076¢ 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 0.335¢ 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 -1.143¢ 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	2.501¢ per kWh per month for all onpeak kWh, plus 2.076¢ 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 0.335¢ 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 -1.143¢ 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	2.076¢ per kWh per month for the first 425 hours use of maximum metered demand, plus 0.335¢ per kWh per month for the next 195 hours use of maximum metered demand, plus -1.143¢ 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, 2.076¢ 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

MANUFACTURING SERVICE RATE--SCHEDULE MSD

(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 25,000 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 \$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 \$8.19 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 \$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

Transition Period \$3.19 per kW per month of the customer's offpeak billing demand, plus \$8.19 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	5.212¢ per kWh per month for all onpeak kWh, plus 1.924¢ 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 0.181¢ 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 -1.297¢ 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	2.330¢ per kWh per month for all onpeak kWh, plus 1.924¢ 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 0.181¢ 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 -1.297¢ 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	1.924¢ per kWh per month for the first 425 hours use of maximum metered demand, plus 0.181¢ per kWh per month for the next 195 hours use of maximum metered demand, plus -1.297¢ 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, 1.924¢ 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

SEASONAL DEMAND AND ENERGY GENERAL POWER RATE--SCHEDULE SGSB

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where a customer's currently effective contract demand is greater than 5,000 kW but not more than 15,000 kW.

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.

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: \$20.19 per kW per month of the customer's billing demand, plus

\$20.19 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Winter Period: \$14.31 per kW per month of the customer's billing demand, plus

\$14.31 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Transition Period: \$9.89 per kW per month of the customer's billing demand, plus

\$9.89 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Energy Charge:

Summer Period: 2.291¢ per kWh per month

Winter Period: 1.909¢ per kWh per month

Transition Period: 1.825¢ 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.

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

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 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.

After having received service for at least one year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the General Power Rate--Schedule GSB. In such case the term of the power contract shall remain the same and the onpeak contract demand for service under the General Power Rate--Schedule GSB 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

SEASONAL DEMAND AND ENERGY

GENERAL POWER RATE--SCHEDULE SGSC

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where a customer's currently effective contract demand is greater than 15,000 kW but not more than 25,000 kW.

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.

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 \$20.19 per kW per month of the customer's billing demand, plus

\$20.19 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Winter Period \$14.31 per kW per month of the customer's billing demand, plus

\$14.31 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Transition Period \$9.89 per kW per month of the customer's billing demand, plus

\$9.89 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Energy Charge:

Summer Period 2.302¢ per kWh per month

Winter Period 1.913¢ per kWh per month

Transition Period 1.830¢ 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.

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

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 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.

After having received service for at least one year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the General Power Rate--Schedule GSC. In such case the term of the power contract shall remain the same and the onpeak contract demand for service under the General Power Rate--Schedule GSC 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

SEASONAL DEMAND AND ENERGY GENERAL POWER RATE--SCHEDULE SGSD

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where a customer's currently effective contract demand is greater than 25,000 kW.

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.

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	\$22.88 per kW per month of the customer's billing demand, plus \$22.88 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period	\$16.99 per kW per month of the customer's billing demand, plus \$16.99 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period	\$12.58 per kW per month of the customer's billing demand, plus \$12.58 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Energy Charge:	
Summer Period	1.646¢ per kWh per month
Winter Period	1.306¢ per kWh per month
Transition Period	1.232¢ 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.

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

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 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.

After having received service for at least one year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the General Power Rate--Schedule GSD. In such case the term of the power contract shall remain the same and the onpeak contract demand for service under the General Power Rate--Schedule GSD 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

SEASONAL DEMAND AND ENERGY MANUFACTURING SERVICE RATE--SCHEDULE SMSB

(April 2011)

Availability

This rate shall apply to the 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 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. 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.

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 \$17.49 per kW per month of the customer's billing demand, plus

\$17.49 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Winter Period \$11.61 per kW per month of the customer's billing demand, plus

\$11.61 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Transition Period \$7.19 per kW per month of the customer's billing demand, plus

\$7.19 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand

Energy Charge:

Summer Period 1.578¢ per kWh per month

Winter Period 1.146¢ per kWh per month

Transition Period 1.046¢ 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.

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

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 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.

After having received service for at least one year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the Manufacturing Service Rate--Schedule MSB. In such case the term of the power contract shall remain the same and the onpeak contract demand for service under the Manufacturing Service Rate--Schedule MSB 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

SEASONAL DEMAND AND ENERGY MANUFACTURING SERVICE RATE--SCHEDULE SMSC

(April 2011)

Availability

This rate shall apply to the 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 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. 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.

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 \$16.98 per kW per month of the customer's billing demand, plus
\$16.98 per kW per month of the amount, if any, by which the customer's
billing demand exceeds its contract demand

Winter Period \$11.10 per kW per month of the customer's billing demand, plus
\$11.10 per kW per month of the amount, if any, by which the customer's
billing demand exceeds its contract demand

Transition Period \$6.68 per kW per month of the customer's billing demand, plus
\$6.68 per kW per month of the amount, if any, by which the customer's
billing demand exceeds its contract demand

Energy Charge:

Summer Period 1.550¢ per kWh per month

Winter Period 1.145¢ per kWh per month

Transition Period 1.049¢ 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.

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

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 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.

After having received service for at least one year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the Manufacturing Service Rate--Schedule MSC. In such case the term of the power contract shall remain the same and the onpeak contract demand for service under the Manufacturing Service Rate--Schedule MSC 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

SEASONAL DEMAND AND ENERGY MANUFACTURING SERVICE RATE--SCHEDULE SMSD

(April 2011)

Availability

This rate shall apply to the firm electric power requirements where (a) a customer's currently effective contract demand is greater than 25,000 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. 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.

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	\$19.57 per kW per month of the customer's billing demand, plus \$19.57 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Winter Period	\$13.69 per kW per month of the customer's billing demand, plus \$13.69 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Transition Period	\$9.27 per kW per month of the customer's billing demand, plus \$9.27 per kW per month of the amount, if any, by which the customer's billing demand exceeds its contract demand
Energy Charge:	
Summer Period	0.888¢ per kWh per month
Winter Period	0.564¢ per kWh per month
Transition Period	0.486¢ 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.

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

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 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.

After having received service for at least one year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, may receive service under the Manufacturing Service Rate--Schedule MSD. In such case the term of the power contract shall remain the same and the onpeak contract demand for service under the Manufacturing Service Rate--Schedule MSD 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.

COPY

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

Thursday, February 24, 2011

**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. 91
Rate Change Agreement**

Dear Ernie:

Per your written request dated February 7, 2011 please find enclosed the executed two (2) originals regarding the above referenced Agreement.

Please return one fully executed original after final execution by TVA.

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**

COPY



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

February 7, 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 -- RATE CHANGE
AGREEMENT -- TV-52337A, SUPP. NO. 91.**

Enclosed are two duplicate originals of the Rate Change Agreement, TV-52337A, Supp. No. 91.

Upon execution of the Agreement by the authorized representative of Tri-County Electric Membership Corporation, please return the two originals to me for further handling. After final execution by TVA, one fully executed original will be returned to you for your file.

If you have questions or concerns regarding this document, please call me (270-846-7041) or Hugh Meyer (270-846-7042).

Sincerely,

A handwritten signature in black ink, appearing to read 'Ernest W. Peterson, Jr.', written over a horizontal line.

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

Enclosures

Faxed Pages 1 - 8 to Ken Witcher 02/24/2011.

L. Kirby



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

10/13/2011
Laura,
Please file.

Thanks,
Sally

October 12, 2011

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

Dear Paul:

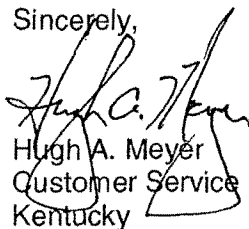
**TRI-COUNTY EMC -- FULLY EXECUTED RESALE RATE SCHEDULE
SUBSTITUTION AGREEMENT -- TV-52337A, SUPP. NO. 92**

Enclosed is one fully executed original of the Resale Rate Schedule Substitution Agreement, TV-52337A, Supp. No. 92, dated October 1, 2011, providing for the substitution of:

Schedule LS (October 2011) for Schedule LS (April 2011)

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

October 1, 2011

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 schedule specified in (a) below, a copy of which is attached, for the resale rate schedule specified in (b) below, which, as adjusted, is 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 October 2011 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 schedule specified in (a) below.

- (a) New resale rate schedule:
Outdoor Lighting Rate--Schedule LS (October 2011)

- (b) Existing resale rate schedule:
Outdoor Lighting Rate--Schedule LS (April 2011)


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

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

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

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

TENNESSEE VALLEY AUTHORITY

By 
Senior Vice President
Commercial Operations and Pricing

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(October 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
Induction	85	7,225	36	\$10.75
	100	8,500	42	\$12.25

(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.

Standardized Rates

Code	Rate	Category	Description
1000	0.00	General	Standard
1001	0.00	General	Standard
1002	0.00	General	Standard
1003	0.00	General	Standard
1004	0.00	General	Standard
1005	0.00	General	Standard
1006	0.00	General	Standard
1007	0.00	General	Standard
1008	0.00	General	Standard
1009	0.00	General	Standard
1010	0.00	General	Standard
1011	0.00	General	Standard
1012	0.00	General	Standard
1013	0.00	General	Standard
1014	0.00	General	Standard
1015	0.00	General	Standard
1016	0.00	General	Standard
1017	0.00	General	Standard
1018	0.00	General	Standard
1019	0.00	General	Standard
1020	0.00	General	Standard

These rates are subject to change without notice. The rates are for standard service only. Special service rates are available upon request. The rates are for standard service only. Special service rates are available upon request.

Standardized Rates

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.

Standardized Rates

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.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(October 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
Induction	85	7,225	36	\$10.75
	100	8,500	42	\$12.25

(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.

TENNESSEE VALLEY AUTHORITY
ADJUSTMENT ADDENDUM
TO
SCHEDULE OF RATES AND CHARGES
FOR

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

Effective October 1, 2011

The following table lists the adjustments applicable to the designated rate schedules. All adjustments shall be applicable to bills rendered from meter readings taken for TVA and Distributor's monthly billing cycles scheduled to begin on or after the effective date of this Adjustment Addendum. 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.

	<u>Wholesale Power Rate Schedule</u>		
	(1)	(2)	(3)
STANDARD SERVICE:			
<u>Schedule WS-TOU</u>			
Demand Charges			
Summer	Add \$0.50	+	\$0.29
Winter	Add \$0.50	+	\$0.26
Transition	Add \$0.50	+	\$0.26
Energy Charges			
Summer	Add 0.186¢	+	0.107¢ + A _m
Winter	Add 0.186¢	+	0.099¢ + A _m
Transition	Add 0.186¢	+	0.095¢ + A _m
<u>Schedule WS-DE</u>			
Demand Charges			
Summer	Add \$0.50	+	\$0.29
Winter	Add \$0.50	+	\$0.26
Transition	Add \$0.50	+	\$0.26
Energy Charges			
Summer	Add 0.186¢	+	0.100¢ + A _m
Winter	Add 0.186¢	+	0.100¢ + A _m
Transition	Add 0.186¢	+	0.100¢ + A _m

*Applicable also to the third component of the demand charge
**Applicable also the second component of the demand charge
***Applicable also to minimum offpeak energy
****Applicable also to the third component of the demand-charge and the second component of the Transition demand charge

STANDARD SERVICE

Resale Schedules

(1) (2) (3)

Residential Service

Schedule RS

Energy Charge

Summer

Add 0.307¢ + 0.177¢ + (1.08628 x A_m)

Winter

Add 0.307¢ + 0.177¢ + (1.08628 x A_m)

Transition

Add 0.307¢ + 0.175¢ + (1.08628 x A_m)

General Power Service

Schedule GSA

Part 1

Energy Charge

Summer

Add 0.355¢ + 0.190¢ + (1.06653 x A_m)

Winter

Add 0.355¢ + 0.189¢ + (1.06653 x A_m)

Transition

Add 0.355¢ + 0.187¢ + (1.06653 x A_m)

Part 2

Demand Charge

Summer

Excess over 50 kW

Add \$0.48 + \$0.29

Winter

Excess over 50 kW

Add \$0.48 + \$0.27

Transition

Excess over 50 kW

Add \$0.48 + \$0.27

Energy Charge

Summer

First 15,000 kWh

Add 0.198¢ + 0.189¢ + (1.06653 x A_m)

Additional kWh

Add 0.194¢ + 0.096¢ + (1.04396 x A_m)

Winter

First 15,000 kWh

Add 0.198¢ + 0.189¢ + (1.06653 x A_m)

Additional kWh

Add 0.194¢ + 0.096¢ + (1.04396 x A_m)

Transition

First 15,000 kWh

Add 0.198¢ + 0.189¢ + (1.06653 x A_m)

Additional kWh

Add 0.194¢ + 0.096¢ + (1.04396 x A_m)

Part 3

Demand Charge

Summer

First 1,000 kW

Add \$0.61 + \$0.29

Excess over 1,000 kW *

Add \$0.61 + \$0.36

Winter

First 1,000 kW

Add \$0.61 + \$0.27

Excess over 1,000 kW *

Add \$0.61 + \$0.34

Transition

First 1,000 kW

Add \$0.61 + \$0.27

Excess over 1,000 kW *

Add \$0.61 + \$0.34

Energy Charge

Summer

Add 0.199¢ + 0.096¢ + (1.04396 x A_m)

Winter

Add 0.199¢ + 0.096¢ + (1.04396 x A_m)

Transition

Add 0.199¢ + 0.096¢ + (1.04396 x A_m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Outdoor Lighting Service

Schedule LS Part A and B

Energy Charge					
Summer	Add	0.207¢	+	0.081¢	+ (1.08628 x A _m)
Winter	Add	0.207¢	+	0.080¢	+ (1.08628 x A _m)
Transition	Add	0.207¢	+	0.078¢	+ (1.08628 x A _m)

Drainage Pumping Station

Schedule DPS

Energy Charge					
Summer	Add	N/A	+	N/A	+ (N/A x A _m)
Winter	Add	N/A	+	N/A	+ (N/A x A _m)
Transition	Add	N/A	+	N/A	+ (N/A x A _m)

Residential Service

Schedule TRS

Energy Charge					
Summer					
Onpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Offpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Winter					
Onpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Offpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Transition					
All Offpeak	Add	N/A	+	N/A	+ (N/A x A _m)

General Power Service

Schedule TGSA

Part 1

Energy Charge					
Summer					
Onpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Offpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Winter					
Onpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Offpeak	Add	N/A	+	N/A	+ (N/A x A _m)
Transition					
All Offpeak	Add	N/A	+	N/A	+ (N/A x A _m)

Part 2

Demand Charge					
Summer					
Excess over 50 kW	Add	N/A	+	N/A	
Winter					
Excess over 50 kW	Add	N/A	+	N/A	
Transition					
Excess over 50 kW	Add	N/A	+	N/A	

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Energy Charge						
Summer						
Onpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Winter						
Onpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Transition						
All Offpeak	Add	N/A	+	N/A	+	(N/A x A _m)

Part 3

Demand Charge						
Summer						
First 1,000 kW	Add	N/A	+	N/A		
Excess over 1,000 kW *	Add	N/A	+	N/A		
Winter						
First 1,000 kW	Add	N/A	+	N/A		
Excess over 1,000 kW *	Add	N/A	+	N/A		
Transition						
First 1,000 kW	Add	N/A	+	N/A		
Excess over 1,000 kW *	Add	N/A	+	N/A		

Energy Charge						
Summer						
Onpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Winter						
Onpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak	Add	N/A	+	N/A	+	(N/A x A _m)
Transition						
All Offpeak	Add	N/A	+	N/A	+	(N/A x A _m)

TOU SERVICE

Wholesale Power Rate Schedule

Resale Schedules

		(1)	(2)	(3)		(1)	(2)	(3)
General Power Service								
<u>Schedule TDGSA</u>								
Demand Charge								
Summer Period								
Onpeak *	Add	\$0.54	+	\$0.43	Add	N/A	+	N/A
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A
Winter Period								
Onpeak ****	Add	\$0.29	+	\$0.23	Add	N/A	+	N/A
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A
Transition Period	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A
Energy Charge								
Summer Period								
Onpeak	Add	0.329¢	+	0.208¢ + A _m	Add	N/A	+	N/A + (N/A x A _m)
Offpeak								
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	N/A	+	N/A + (N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	N/A	+	N/A + (N/A x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	N/A	+	N/A + (N/A x A _m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Winter Period										
Onpeak	Add	0.220¢	+	0.119¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak										
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Transition Period										
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Schedule GSB

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	\$0.56	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	\$0.30	+	\$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Transition Period	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08
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Energy Charge

Summer Period

Onpeak	Add	0.329¢	+	0.208¢ + A _m	Add	0.339¢	+	0.214¢	+	(1.03000 x A _m)
Offpeak										
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	0.211¢	+	0.110¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	0.143¢	+	0.055¢	+	(1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	0.084¢	+	0.007¢	+	(1.03000 x A _m)

Winter Period

Onpeak	Add	0.220¢	+	0.119¢ + A _m	Add	0.227¢	+	0.122¢	+	(1.03000 x A _m)
Offpeak										
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	0.211¢	+	0.110¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	0.143¢	+	0.055¢	+	(1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	0.084¢	+	0.007¢	+	(1.03000 x A _m)

Transition Period

First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	0.211¢	+	0.110¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	0.143¢	+	0.055¢	+	(1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	0.084¢	+	0.007¢	+	(1.03000 x A _m)

Schedule GSC

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	\$0.56	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	\$0.30	+	\$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Transition Period	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08
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*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Energy Charge					
Summer Period					
Onpeak	Add	0.316¢	+	0.197¢ + A _m	Add 0.325¢ + 0.203¢ + (1.03000 x A _m)
Offpeak					
First 425 hours ***	Add	0.196¢	+	0.099¢ + A _m	Add 0.202¢ + 0.103¢ + (1.03000 x A _m)
Next 195 hours	Add	0.130¢	+	0.045¢ + A _m	Add 0.134¢ + 0.047¢ + (1.03000 x A _m)
Additional kWh	Add	0.073¢	+	-0.001¢ + A _m	Add 0.075¢ + -0.001¢ + (1.03000 x A _m)
Winter Period					
Onpeak	Add	0.210¢	+	0.110¢ + A _m	Add 0.216¢ + 0.114¢ + (1.03000 x A _m)
Offpeak					
First 425 hours ***	Add	0.196¢	+	0.099¢ + A _m	Add 0.202¢ + 0.103¢ + (1.03000 x A _m)
Next 195 hours	Add	0.130¢	+	0.045¢ + A _m	Add 0.134¢ + 0.047¢ + (1.03000 x A _m)
Additional kWh	Add	0.073¢	+	-0.001¢ + A _m	Add 0.075¢ + -0.001¢ + (1.03000 x A _m)
Transition Period					
First 425 hours ***	Add	0.196¢	+	0.099¢ + A _m	Add 0.202¢ + 0.103¢ + (1.03000 x A _m)
Next 195 hours	Add	0.130¢	+	0.045¢ + A _m	Add 0.134¢ + 0.047¢ + (1.03000 x A _m)
Additional kWh	Add	0.073¢	+	-0.001¢ + A _m	Add 0.075¢ + -0.001¢ + (1.03000 x A _m)

Schedule GSD

Demand Charge					
Summer Period					
Onpeak *	Add	\$0.54	+	\$0.43	Add \$0.56 + \$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add \$0.11 + \$0.08
Winter Period					
Onpeak ****	Add	\$0.29	+	\$0.23	Add \$0.30 + \$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add \$0.11 + \$0.08
Transition Period	Add	\$0.11	+	\$0.07	Add \$0.11 + \$0.08
Energy Charge					
Summer Period					
Onpeak	Add	0.310¢	+	0.193¢ + A _m	Add 0.319¢ + 0.199¢ + (1.03000 x A _m)
Offpeak					
First 425 hours ***	Add	0.186¢	+	0.092¢ + A _m	Add 0.192¢ + 0.095¢ + (1.03000 x A _m)
Next 195 hours	Add	0.120¢	+	0.038¢ + A _m	Add 0.124¢ + 0.039¢ + (1.03000 x A _m)
Additional kWh	Add	0.064¢	+	-0.008¢ + A _m	Add 0.066¢ + -0.008¢ + (1.03000 x A _m)
Winter Period					
Onpeak	Add	0.201¢	+	0.104¢ + A _m	Add 0.207¢ + 0.107¢ + (1.03000 x A _m)
Offpeak					
First 425 hours ***	Add	0.186¢	+	0.092¢ + A _m	Add 0.192¢ + 0.095¢ + (1.03000 x A _m)
Next 195 hours	Add	0.120¢	+	0.038¢ + A _m	Add 0.124¢ + 0.039¢ + (1.03000 x A _m)
Additional kWh	Add	0.064¢	+	-0.008¢ + A _m	Add 0.066¢ + -0.008¢ + (1.03000 x A _m)
Transition Period					
First 425 hours ***	Add	0.186¢	+	0.092¢ + A _m	Add 0.192¢ + 0.095¢ + (1.03000 x A _m)
Next 195 hours	Add	0.120¢	+	0.038¢ + A _m	Add 0.124¢ + 0.039¢ + (1.03000 x A _m)
Additional kWh	Add	0.064¢	+	-0.008¢ + A _m	Add 0.066¢ + -0.008¢ + (1.03000 x A _m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Manufacturing Service

Schedule TDMSA

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	N/A	+	N/A
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	N/A	+	N/A
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A
Transition Period	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A

Energy Charge

Summer Period

Onpeak	Add	0.276¢	+	0.164¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Winter Period

Onpeak	Add	0.168¢	+	0.077¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Transition Period

First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Schedule MSB

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	\$0.56	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	\$0.30	+	\$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08
Transition Period	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Energy Charge

Summer Period

Onpeak	Add	0.276¢	+	0.164¢ + A _m	Add	0.284¢	+	0.169¢	+	(1.03000 x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	0.158¢	+	0.066¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	0.089¢	+	0.011¢	+	(1.03000 x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	0.031¢	+	-0.037¢	+	(1.03000 x A _m)

Winter Period

Onpeak	Add	0.168¢	+	0.077¢ + A _m	Add	0.173¢	+	0.079¢	+	(1.03000 x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	0.158¢	+	0.066¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	0.089¢	+	0.011¢	+	(1.03000 x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	0.031¢	+	-0.037¢	+	(1.03000 x A _m)

*Applicable also to the third component of the demand charge

**Applicable also to the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Transition Period								
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	0.158¢	+	0.066¢ + (1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	0.089¢	+	0.011¢ + (1.03000 x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	0.031¢	+	-0.037¢ + (1.03000 x A _m)

Schedule MSC

Demand Charge

Summer Period

Onpeak *

Add \$0.54 + \$0.43 Add \$0.56 + \$0.45

Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Winter Period

Onpeak ****

Add \$0.29 + \$0.23 Add \$0.30 + \$0.24

Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Transition Period

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Energy Charge

Summer Period

Onpeak

Add 0.279¢ + 0.166¢ + A_m Add 0.287¢ + 0.171¢ + (1.03000 x A_m)

Offpeak

First 425 hours ***

Add 0.153¢ + 0.064¢ + A_m Add 0.158¢ + 0.066¢ + (1.03000 x A_m)

Next 195 hours

Add 0.086¢ + 0.010¢ + A_m Add 0.089¢ + 0.010¢ + (1.03000 x A_m)

Additional kWh

Add 0.029¢ + -0.036¢ + A_m Add 0.030¢ + -0.037¢ + (1.03000 x A_m)

Winter Period

Onpeak

Add 0.169¢ + 0.077¢ + A_m Add 0.174¢ + 0.079¢ + (1.03000 x A_m)

Offpeak

First 425 hours ***

Add 0.153¢ + 0.064¢ + A_m Add 0.158¢ + 0.066¢ + (1.03000 x A_m)

Next 195 hours

Add 0.086¢ + 0.010¢ + A_m Add 0.089¢ + 0.010¢ + (1.03000 x A_m)

Additional kWh

Add 0.029¢ + -0.036¢ + A_m Add 0.030¢ + -0.037¢ + (1.03000 x A_m)

Transition Period

First 425 hours ***

Add 0.153¢ + 0.064¢ + A_m Add 0.158¢ + 0.066¢ + (1.03000 x A_m)

Next 195 hours

Add 0.086¢ + 0.010¢ + A_m Add 0.089¢ + 0.010¢ + (1.03000 x A_m)

Additional kWh

Add 0.029¢ + -0.036¢ + A_m Add 0.030¢ + -0.037¢ + (1.03000 x A_m)

Schedule MSD

Demand Charge

Summer Period

Onpeak *

Add \$0.54 + \$0.43 Add \$0.56 + \$0.45

Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Winter Period

Onpeak ****

Add \$0.29 + \$0.23 Add \$0.30 + \$0.24

Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Transition Period

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Energy Charge

Summer Period

Onpeak

Add 0.271¢ + 0.161¢ + A_m Add 0.279¢ + 0.166¢ + (1.03000 x A_m)

Offpeak

First 425 hours ***

Add 0.146¢ + 0.059¢ + A_m Add 0.150¢ + 0.061¢ + (1.03000 x A_m)

Next 195 hours

Add 0.080¢ + 0.005¢ + A_m Add 0.082¢ + 0.005¢ + (1.03000 x A_m)

Additional kWh

Add 0.023¢ + -0.041¢ + A_m Add 0.024¢ + -0.042¢ + (1.03000 x A_m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Winter Period								
Onpeak	Add	0.161¢	+	0.072¢ + A _m	Add	0.166¢	+	0.074¢ + (1.03000 x A _m)
Offpeak								
First 425 hours ***	Add	0.146¢	+	0.059¢ + A _m	Add	0.150¢	+	0.061¢ + (1.03000 x A _m)
Next 195 hours	Add	0.080¢	+	0.005¢ + A _m	Add	0.082¢	+	0.005¢ + (1.03000 x A _m)
Additional kWh	Add	0.023¢	+	-0.041¢ + A _m	Add	0.024¢	+	-0.042¢ + (1.03000 x A _m)
Transition Period								
First 425 hours ***	Add	0.146¢	+	0.059¢ + A _m	Add	0.150¢	+	0.061¢ + (1.03000 x A _m)
Next 195 hours	Add	0.080¢	+	0.005¢ + A _m	Add	0.082¢	+	0.005¢ + (1.03000 x A _m)
Additional kWh	Add	0.023¢	+	-0.041¢ + A _m	Add	0.024¢	+	-0.042¢ + (1.03000 x A _m)

**SEASONAL DEMAND
AND ENERGY SERVICE**

General Power Service

Schedule SGSE

Demand Charge								
Summer Period **	Add	\$0.82	+	\$0.58	Add	\$0.84	+	\$0.60
Winter Period **	Add	\$0.57	+	\$0.40	Add	\$0.59	+	\$0.41
Transition Period **	Add	\$0.38	+	\$0.26	Add	\$0.39	+	\$0.27
Energy Charge								
Summer Period	Add	0.180¢	+	0.071¢ + A _m	Add	0.185¢	+	0.073¢ + (1.03000 x A _m)
Winter Period	Add	0.164¢	+	0.059¢ + A _m	Add	0.169¢	+	0.061¢ + (1.03000 x A _m)
Transition Period	Add	0.160¢	+	0.056¢ + A _m	Add	0.165¢	+	0.058¢ + (1.03000 x A _m)

Schedule SGSC

Demand Charge								
Summer Period **	Add	\$0.82	+	\$0.58	Add	\$0.84	+	\$0.60
Winter Period **	Add	\$0.57	+	\$0.40	Add	\$0.59	+	\$0.41
Transition Period **	Add	\$0.38	+	\$0.26	Add	\$0.39	+	\$0.27
Energy Charge								
Summer Period	Add	0.181¢	+	0.071¢ + A _m	Add	0.186¢	+	0.074¢ + (1.03000 x A _m)
Winter Period	Add	0.164¢	+	0.059¢ + A _m	Add	0.169¢	+	0.061¢ + (1.03000 x A _m)
Transition Period	Add	0.161¢	+	0.057¢ + A _m	Add	0.166¢	+	0.059¢ + (1.03000 x A _m)

Schedule SGSD

Demand Charge								
Summer Period **	Add	\$0.96	+	\$0.69	Add	\$0.99	+	\$0.71
Winter Period **	Add	\$0.71	+	\$0.50	Add	\$0.73	+	\$0.52
Transition Period **	Add	\$0.52	+	\$0.37	Add	\$0.54	+	\$0.38
Energy Charge								
Summer Period	Add	0.152¢	+	0.051¢ + A _m	Add	0.157¢	+	0.053¢ + (1.03000 x A _m)
Winter Period	Add	0.138¢	+	0.040¢ + A _m	Add	0.142¢	+	0.042¢ + (1.03000 x A _m)
Transition Period	Add	0.134¢	+	0.038¢ + A _m	Add	0.138¢	+	0.039¢ + (1.03000 x A _m)

Manufacturing Service

Schedule SMSE

Demand Charge								
Summer Period **	Add	\$0.71	+	\$0.50	Add	\$0.73	+	\$0.52
Winter Period **	Add	\$0.46	+	\$0.32	Add	\$0.47	+	\$0.33
Transition Period **	Add	\$0.27	+	\$0.18	Add	\$0.28	+	\$0.18

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Energy Charge								
Summer Period	Add	0.150¢	+	0.049¢ + A _m	Add	0.155¢	+	0.050¢ + (1.03000 x A _m)
Winter Period	Add	0.132¢	+	0.035¢ + A _m	Add	0.136¢	+	0.037¢ + (1.03000 x A _m)
Transition Period	Add	0.127¢	+	0.032¢ + A _m	Add	0.131¢	+	0.033¢ + (1.03000 x A _m)

Schedule SMSC

Demand Charge						
Summer Period **	Add	\$0.71	+	\$0.50	Add	\$0.73 + \$0.52
Winter Period **	Add	\$0.46	+	\$0.32	Add	\$0.47 + \$0.33
Transition Period **	Add	\$0.27	+	\$0.18	Add	\$0.28 + \$0.18

Energy Charge								
Summer Period	Add	0.149¢	+	0.048¢ + A _m	Add	0.153¢	+	0.049¢ + (1.03000 x A _m)
Winter Period	Add	0.132¢	+	0.035¢ + A _m	Add	0.136¢	+	0.036¢ + (1.03000 x A _m)
Transition Period	Add	0.127¢	+	0.032¢ + A _m	Add	0.131¢	+	0.033¢ + (1.03000 x A _m)

Schedule SMSD

Demand Charge						
Summer Period **	Add	\$0.82	+	\$0.58	Add	\$0.84 + \$0.60
Winter Period **	Add	\$0.57	+	\$0.40	Add	\$0.59 + \$0.41
Transition Period **	Add	\$0.38	+	\$0.26	Add	\$0.39 + \$0.27

Energy Charge								
Summer Period	Add	0.120¢	+	0.027¢ + A _m	Add	0.124¢	+	0.028¢ + (1.03000 x A _m)
Winter Period	Add	0.106¢	+	0.017¢ + A _m	Add	0.109¢	+	0.018¢ + (1.03000 x A _m)
Transition Period	Add	0.103¢	+	0.015¢ + A _m	Add	0.106¢	+	0.015¢ + (1.03000 x A _m)

The amounts applicable for A_m under column (3) in this Adjustment Addendum shall be determined each month by applying data from TVA's forecasts of TVA's actual operations, as well as actual data when it becomes available in accordance with the formula below. TVA will endeavor to publish the calculated amounts 20 days in advance of the month of application (but shall in no event publish these calculated amounts any later than 15 days in advance of the month of application), and such amounts will be applicable to bills rendered from meter readings taken for TVA and Distributor monthly billing cycles beginning on and after the first day of each month beginning October 1, 2011.

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

$$A_m = \frac{CF_m + DAR_m}{95\%}$$

A_m = The monthly FCA adjustment to be applied to the kilowatt-hour sales during the current monthly billing period and rounded to the nearest one-thousandth of a cent per kilowatt-hour.

m = a particular month

CF_m = The core FCA adjustment for a particular month. $CF_m = (FF_m / SF_m)$

FF = TVA's estimate of FA (as described below) for month m, based on the latest TVA Financial Forecast.

SF = TVA's estimate of SA (as described below) for month m, based on the latest TVA Financial Forecast.

DAR_m = The adjustment that collects a portion of DA (as described below) in a month, rounded to the nearest one-thousandth of a cent.

$DAR_m = R \times DA_m / FiSF_m$

R = The collection ratio of 50%.

FiSF = TVA's estimate of FiSA (as described below) for month m, based on the latest TVA Financial Forecast.

DA = The deferred account that provides the true-up adjustment necessary to reconcile prior estimates to actual data, which shall be computed with the formulas below.

$$DA_m = \overbrace{GLDA_{m-2}}^{\text{General Ledger DA Balance}} - \overbrace{DAR_{m-1} \times FiSF_{m-1}}^{\text{Estimate of DAR collections prior months}}$$

FiSA = Actual TVA firm-based rate energy sales (in kWh) for month m, as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future).

GLDA = The general ledger deferred account balance that flows through to the balance sheet.

$$GLDA_m = \overbrace{GLDA_{m-1}}^{\text{Accumulated General Ledger DA Balance}} + \overbrace{TU_m}^{\text{Core FCA True-Up}} + \overbrace{GLD_m}^{\text{DA Amortization}}$$

TU_m = The core true-up amount. $TU_m = (FiSA_m / SA_m) * FA_m - GLR_m$

FA = Actual total fuel and purchased power expenses (in cents) under the framework and accounts provided below (or such similar or successor accounts as may be prescribed by FERC in the future).

- (1) Fossil Fuel Expense - Account 501 - Direct cost of fuel burned in TVA coal plants, including transportation and fuel treatments. Costs to be excluded are lease payments for rail cars, maintenance on rail cars, sampling and fuel analysis, and fuel handling expenses in unloading fuel from shipping media and the handling of fuel up to the point where fuel enters the bunker or other boiler-house structure.
- (2) Reagents Expense - Account 501.L - Cost of emission reagents such as limestone and ammonia that are directly related to the level of generation output.
- (3) Allowances Expense - Account 509 - Cost of emission allowance expense such as SO₂ and NO_x that are directly related to the level of generation output.
- (4) Nuclear Fuel Expense - Account 518 - Cost of nuclear fuel amortization expense dependent upon burn, including DOE spent fuel disposal charges.
- (5) Gas Turbine Fuel Expense - Account 547 - Direct cost of gas and oil burned in TVA plants, including transportation. Costs to be excluded are costs of gas storage facilities and sampling and fuel analysis that do not vary with changes in generation volume.
- (6) Purchased Power Expense - Account 555 - Energy cost of purchased power to serve native load demand or to displace higher cost generation. Costs to be excluded are fixed demand or capacity payments in tolling agreements and purchased power agreements that do not vary with volume and costs of purchased power linked to off-system sales transactions.
- (7) Audit Expenses - TVA's actual expenses incurred as the result of third party expenses for FCA audits.

SA = Actual total TVA energy sales (in kWh) for month m, as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future), excluding any displacement sales reflected in account 447100.

GLD_m = Actual TVA DAR revenue (DA amortization) for month m, for firm-based energy sales, as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future).

GLR_m = Actual TVA Core FCA Revenue for month m, for firm-based energy sales, as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future).



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42401-7319

February 13, 2012

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

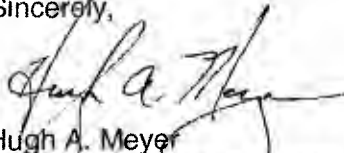
Dear Paul:

**TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION -- FULLY EXECUTED
AGREEMENT COVERING ARRANGEMENTS FOR SERVICE FOR THE
BURKESVILLE 161-KV SUBSTATION -- TV-52337A, SUPP. NO. 93**

Enclosed is one fully executed original of the agreement covering delivery point arrangements at the Burkesville 161-kV substation, TV-52337A, Supp. No. 93, for your files.

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

Sincerely,


Hugh A. Meyer
Customer Service Engineer
Kentucky

Enclosure

2/14/2012

Laura,

Please copy

J. Beecham & file.

Thanks,



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

Date: FEBRUARY 7, 2012

TV-52337A, Supp. No. 93

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);

W I T N E S S E I H:

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

WHEREAS, Distributor acquired existing Burkesville 69-Substation by a deed and bill of sale, dated November 12, 1985, and indicated in TVA's files as File With TV-21448A, Supp. No. 13; and

WHEREAS, said 1985 deed and bill of sale excluded TVA's currently installed equipment (Existing Equipment) consisting of two 13-kV metering installations, including the associated metering transformers, and 13-kV capacitor bank installations; and

WHEREAS, Distributor is upgrading the Burkesville 69-Substation by building the Burkesville 161-kV Substation (New Substation) located near Burkesville, Kentucky, with a target in-service date of November 1, 2012; and

WHEREAS, the parties wish to amend the Power Contract to add a new delivery point at the New Substation;

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 agree as follows:

SECTION 1 - CONSTRUCTION BY DISTRIBUTOR

Distributor shall at its expense:

- (a) provide the New Substation,
- (b) perform all work on its distribution system necessary to enable it to take power and energy at the New Substation on or as soon as practicable after the date the New Substation is completed,

- (c) retire the Existing Equipment and leave onsite for TVA's disposal,
- (d) install two 13-kV revenue metering installations, provided by TVA, in the New Substation, as described in section 5 of this agreement, and
- (e) install relays, provided by TVA, in the New Substation as described in section 6 of this agreement.

SECTION 2 - CONSTRUCTION BY TVA

TVA shall at its expense:

- (a) provide and install two sectionalizing switches, one containing whip enhancements and one having a load break interrupter (LBI), in TVA's Wolf Creek-Summer Shade #2 161-kV Transmission Line and a tap point between the two switches,
- (b) provide a tap line extending approximately 8.5 miles from this tap point to the New Substation,
- (c) provide and install a sectionalizing switch (containing whip enhancements) and a wavetrapp on the tap line, located near the tap point, and
- (d) connect the tap line to the New Substation.

SECTION 3 - AMENDMENT TO POWER CONTRACT

Effective as of the date on which the New Substation is first energized, section 3 of the Power Contract is amended by adding to the respective columns of the tabulation set out in that section the following:

<u>Delivery Point</u>	<u>Normal Wholesale Delivery Voltage</u>
161-kV side of the Burkesville 161-kV Substation	161,000

SECTION 4 - INCORPORATION OF TERMS AND CONDITIONS

The attached Terms and Conditions are made a part of this agreement. In the event of any conflict between the body of this agreement and the Terms and Conditions, the former shall control.

SECTION 5 - METERING

TVA and Distributor will cooperate in providing two 13-kV revenue metering installations at the New Substation in accordance with the attached Terms and Conditions. There will, however, be no telephone circuit and no remote access by Distributor to meter data as specified in the Terms and Conditions. Instead, TVA

(for its exclusive use) will supply a cellular phone for remote access to the metering installation, and Distributor will supply TVA, at no charge, 120-volt power for TVA's metering cabinet.

TVA shall provide connection points from the metering transformer secondary circuits and 0.5-ampere fused potentials from each of the 13-kV revenue metering installations for connection to Distributor's parallel metering equipment. Distributor shall carry out this parallel metering arrangement in a manner acceptable to TVA (as set out in TVA's Revenue Metering Guide for Customer-Owned Substations) and shall not adversely affect the safe and efficient operation of TVA's facilities. The metering outputs from each metering installation shall be made available in accordance with section 3 of the Terms and Conditions.

SECTION 6 - RELAY INSTALLATION

TVA and Distributor shall cooperate in providing at the New Substation an underfrequency load shed relay and lock out relay with accessory equipment (Relays). In accordance with plans and specifications satisfactory to TVA, Distributor shall, at its expense, install the Relays and thereafter remove or replace them at TVA's request. TVA shall, at its expense, furnish the Relays and any needed replacements for them and shall operate, maintain, and repair the Relays. The Relays shall receive 3-phase potentials from Distributor's potential transformers. Distributor shall select the load to be shed and reset the lockout relay with permission from TVA's transmission dispatchers.

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 Vice President and
General Manager

TENNESSEE VALLEY AUTHORITY

By 

Senior Vice President
Commercial Operations and Pricing

TERMS AND CONDITIONS **(New Delivery Point)**

SECTION 1 - COORDINATION

1.1 **Objectives of Coordination.** The parties agree that it is necessary to coordinate their efforts under this agreement to ensure that the following objectives are met: (a) timely and efficient completion of construction and connection of the New Substation to the TVA system, (b) timely and efficient completion of the metering installation, (c) the safe, reliable, and efficient operation of TVA's facilities, (d) prevention of any undue hazards to TVA's facilities and operations, and (e) the safety of the parties' personnel. Each party will use reasonable diligence in carrying out its responsibilities under this agreement and will notify the other of any significant changes in schedule.

1.2 **New Substation Plans and Specifications.** Distributor shall consult with TVA in designing the New Substation and shall use plans and specifications that TVA concurs will ensure consistency with objectives (c) and (d) in subsection 1.1 above. Distributor will design, construct, operate, and maintain the New Substation in accordance with good, modern practices and procedures.

1.3 **New Substation Protective Scheme.** Distributor shall also consult with TVA in planning for the installation, operation, testing, calibration, and maintenance of the protective scheme for the New Substation. Such protective scheme shall include backup protection for the New Substation in the event of failure of primary interrupting devices. As a minimum, backup protection would normally involve secondary interrupting devices and equipment such as backup relays and backup circuit switchers. Distributor agrees not to install, operate, or maintain any protective devices without TVA's concurrence that objectives (c) and (d) in subsection 1.1 above will be fully met.

1.4 **TVA Review.** Any review by TVA of Distributor's plans provided for in this agreement should not be considered an endorsement that they are adequate for Distributor's purposes. TVA will not unreasonably withhold its concurrence following any such review.

1.5 **Metering.** TVA and Distributor will coordinate their work under section 2 below to the extent necessary and practicable.

SECTION 2 - METERING

2.1 **TVA's Installation Work.** TVA at its expense shall provide and install the revenue meter and related items necessary to determine the power and energy taken by Distributor at the New Substation. This metering installation will be at a mutually satisfactory location in the New Substation.

2.2 Distributor's Installation Work.

2.2.1 Current and Voltage Transformers. Distributor shall, at its expense and in accordance with plans and specifications furnished or approved by TVA, install the metering current and voltage transformers (furnished by TVA). This will be done on the source side of any station service transformers and voltage correction equipment.

2.2.2 Miscellaneous Facilities. Distributor shall install all other facilities required for the metering installation, including a prewired meter cabinet (provided by TVA) and the foundation (if necessary) for TVA's meter cabinet, the primary connections from the metering transformers to Distributor's facilities and the conduit (together with any required test boxes) and cable extending from the metering transformer secondaries to the meter cabinet. Distributor will furnish the supplies and materials needed under this subsection 2.2.2, except that TVA will furnish the cable and test boxes.

2.3 Remote Access to Metering Installation.

2.3.1 Installation of Circuit. For TVA's metering purposes, including power quality monitoring, Distributor shall provide and install (or have installed) a telephone circuit (Circuit) and, if needed, protective conduit extending from TVA's revenue meter to a location specified by TVA. If TVA furnishes a telephone switcher, Distributor shall install it at an agreed upon location. Distributor installation of the Circuit and telephone switcher shall be in accordance with guidelines and specifications furnished or approved by TVA. Distributor shall install and then operate and maintain the Circuit (and any such conduit) at its expense. TVA will connect the Circuit to the revenue meter.

2.3.2 Distributor Access to Meter Data. TVA agrees to allow Distributor (a) remote access to TVA's metering data through the Circuit and (b) access to the metering information available from the readout display of the revenue meter. Use of the Circuit and access to the readout display will be coordinated between TVA's and Distributor's operating representatives to ensure unrestricted telephone access by TVA for data retrieval purposes during such periods as specified by TVA.

2.3.3 Remote Access Equipment. It is recognized that Distributor will need equipment not provided by TVA in order to obtain metering data by remote telephone access. If requested, TVA will assist Distributor in selecting such equipment, but acquisition of the equipment shall be the sole responsibility of Distributor.

2.4 Control of Metering Installation. Except as specifically provided otherwise in this agreement (or as agreed otherwise by TVA), the metering installation shall be for TVA's exclusive use and control. It may be used by TVA separately or in conjunction with any other metering facilities of TVA. TVA will place its seals on the revenue meter and metering facilities in the metering installation, and Distributor shall assure that those seals are not broken except at TVA's request.

2.5 Maintenance of Metering Installation.

2.5.1 TVA's Responsibilities. TVA at its expense shall test, calibrate, operate, maintain, and replace the portion of the metering installation provided and installed by TVA.

2.5.2 Distributor's Responsibilities. As requested by TVA from time to time, Distributor at its expense shall perform necessary maintenance (including making of replacements) of the remaining portion of the metering installation. In doing this work Distributor shall furnish the necessary materials, except that TVA shall furnish for installation by Distributor any replacements required for the current and voltage transformers, metering cable, and test boxes.

SECTION 3 - METERING OUTPUTS

3.1 Access to Outputs. Distributor may desire access to metering outputs from the metering installation for such purposes as monitoring and load control, and TVA is willing to make such access available at no charge. Accordingly, Distributor may, at such time as it deems appropriate, provide and install at its expense such additional facilities as are necessary for obtaining access to metering outputs. This includes provision and installation of cable to be connected by TVA to a terminal block in TVA's meter cabinet. Distributor shall also furnish and install any protective facilities requested by TVA for the protection of TVA's metering installation.

3.2 Approval of Facilities. Distributor shall keep TVA informed as to Distributor's plans for installation of any such additional facilities to the extent necessary and practicable. Distributor shall neither install any facilities which are to be connected to the metering installation nor, once installed, change them without prior written notification from TVA that such installation or change is satisfactory to TVA insofar as required for the safe and efficient operation of the metering installation.

3.3 Noninterference With Metering. In exercising access to metering outputs, Distributor shall not interfere with any operation, use of, or access to the metering installation by TVA. In this regard Distributor agrees to immediately modify its facilities and operations, in any manner requested by TVA, to avoid any such interference.

3.4 No Warranty of Outputs. 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, (a) as to the accuracy or completeness of the metering outputs or as to such outputs' merchantability or fitness for any purposes for which Distributor uses or will use them or (b) as to quantity, kind, character, quality, capacity, design, performance, compliance with specifications, condition, size, description of any property, merchantability, or fitness for any use or purpose of any facilities through which the metering outputs are supplied. Distributor hereby waives, and releases the United States of America, TVA, and their agents and employees from, any and all claims, demands, or causes of action, including, without limitation, those for consequential damages, arising out of or in any way connected with Distributor's use of the metering outputs.

3.5 Termination of Arrangements. The arrangements set out under this section 3, may be terminated by TVA or Distributor at any time upon at least 120 days' written notice. As soon as practicable following the effective date of such termination, TVA will disconnect the cable from the metering installation.

SECTION 4 - ADJUSTMENT OF METERED AMOUNTS

If the metering installation at the New Substation is not at the point of delivery specified in the Power Contract, the metered amounts of power and energy shall be appropriately adjusted to reflect losses (and non-metered station service or equipment use, if any) between the point of delivery and the metering installation. Distributor shall from time to time furnish TVA with the loss data for Distributor's facilities needed to allow TVA to make such adjustments.

SECTION 5 - RIGHTS OF ACCESS

Distributor hereby grants to TVA such rights to use Distributor's property as are reasonably necessary or desirable to enable TVA to carry out its responsibilities under this agreement. These rights include installation, operation, maintenance, replacement, removal, and inspection of TVA's electrical facilities and equipment (including metering equipment) installed in connection with service to Distributor.

SECTION 6 - POWER REQUIREMENTS

Distributor shall at its expense provide the battery and station service power requirements for TVA's facilities and equipment (including metering equipment) installed at the New Substation.

SECTION 7 - TERM OF AGREEMENT

Except as otherwise provided, this agreement becomes effective as of the date of the agreement and continues in effect for the term of the Power Contract or any renewal, extension, or replacement of it.

SECTION 8 - 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 this agreement or to any benefit that may arise from it unless the agreement be made with a corporation for its general benefit. Distributor 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 this agreement.

SECTION 9 - AMENDMENT

This agreement may be amended only by a writing signed by the parties.

VALLEY INVESTMENT INITIATIVE
PARTICIPATION AGREEMENT
Among
J.M. SMUCKER LLC,
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION,
And
TENNESSEE VALLEY AUTHORITY

Date: July 13, 2012

VII Contract No. 6030

TV-52337A, Supp. No. 94

THIS AGREEMENT will confirm the understandings among J.M. SMUCKER LLC (Company), TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), and TENNESSEE VALLEY AUTHORITY (TVA) with respect to Company's participation in the Valley Investment Initiative (VII) being jointly conducted by Distributor and TVA.

It is understood and agreed that:

SECTION 1 - DEFINITIONS

Underlined terms used in this agreement are defined in Company's "Valley Investment Initiative Award Application" (VII Award Application) which is attached to and made a part of this agreement.

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

3.1 Company's Certification. Company's eligibility for the VII 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 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 AWARDS

Based on Company's projections and the information contained in the VII Award Application, Company will be eligible to receive a VII award in the form of monthly credits on Company's bill for firm power provided to the Qualifying Plant (Bill Credits) beginning on October 2, 2012. 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	\$111,450.20
2	\$111,450.20
3	\$111,450.20
4	\$111,450.20
5	\$111,450.20

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. In the event that Company receives more than one power bill in any month for its Qualifying Plant, Distributor may distribute the Bill Credit among multiple power bill(s) to ensure that the VII credit on any power bill does not exceed the total retail amount of that power bill.

SECTION 5 - REPORTING BY COMPANY

5.1 Annual Reporting. Within 60 days after the end of each 12-month period of the Evaluation Period, 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 Award Application or its Annual Certifications. Upon receipt of such notice, TVA may at that time take the steps outlined in 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 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, and

(c) whether Company's Qualifying Plant is a Nonconforming Load.

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 or calculate Bill Credits under this agreement. Upon request, 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 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 sections 5.1 and 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 total kWh usage in the previous year is at least 80% of the total kWh usage for the Base Year, the monthly Total Metered Demand and kWh usage values from the Base Year 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. If at any time during the term of this agreement TVA determines that Company ceases to qualify for VII, 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 eligibility requirements set forth in the VII 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.

7.3 Award Recovery. Company shall not be eligible to receive Bill Credits under section 4 above and this agreement shall be deemed to have automatically and immediately terminated if at any time any of the following occurs:

- (a) Company fails to make the required Minimum Capital Investment;
- (b) Company provides materially false information on its VII Award Application or Annual Certifications;
- (c) Company fails to notify TVA of material changes in information provided in its VII Award Application or Annual Certification;
- (d) 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;
- (e) 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 Award Application; or
- (f) Company ceases commercial operation of its Qualifying Plant.

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 August 28, 2009, is hereby terminated as of April 2, 2012.

SECTION 9 - WHOLESALE ADJUSTMENTS

9.1 Company Credit. Each month Distributor shall apply the Bill Credit to Company's power bill(s). 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 Participation Agreement until they are discharged.

SECTION 10 - CONFIDENTIALITY

It is expressly recognized that the VII 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) TVA and Distributor will not disclose, except to each other, confidential information provided by Company in those documents or confidential information provided pursuant to 3.2 above without Company's consent, and

(b) Company shall not disclose those documents or their contents except to the following:

(i) TVA or Distributor;

(ii) Company's auditors or other consultants so long as the disclosure (1) is not to a competitor of TVA or Distributor, (2) is made subject to a nondisclosure agreement entered into by Company's auditors and consultants who will have access to the documents, (3) is made solely on a "need to know" basis, and (4) is made subject to the requirement that all copies of the disclosed documents and contents be returned to Company upon conclusion of the auditor's or consultant's work for Company. Company will make reasonable efforts to minimize the amount of any such information disclosed to its auditors or consultants;

(iii) Company's affiliates, provided that (1) the disclosure is not to a competitor of TVA or Distributor, and (2) Company shall inform its affiliates of the confidential nature of the information and shall be responsible for any breaches of this provision by its affiliates in the same manner and to the same extent as if the breach had been made by Company. As used in the preceding sentence, "affiliates" shall mean, with respect to any entity, any other entity (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such entity. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

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:

Gary Ellis
Director of Handheld Operations
J.M. Smucker LLC
1070 Smith Grove 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 Award Application, the parties acknowledge and agree that Company submitted a complete Award Application on April 2, 2012.

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.

J.M. SMUCKER LLC

By Jan E. Ell
Title: Director of Operations

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By Bill Thompson 7/11/2016
Title: Executive V.P. & General manager

TENNESSEE VALLEY AUTHORITY

By Bradley D. Pitts
Title: Senior Manager
Power Contracts



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-7819

7/3/2012

Laura,

Please copy ✓ Jimmy 07/03/12

& file.

Thanks
DLM

July 2, 2012

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 -- FULLY EXECUTED
METERING AGREEMENT -- TV-52337A, SUPP. NO. 95**

Enclosed is one fully executed original of the Letter Agreement TV-52337A, Supplement Number 95, dated June 19, 2012, providing the arrangements for a new 13-kV metering installation at the Summer Shade, Kentucky 161-kV substation.

If you have questions or concerns, please call me (270-856-4581).

Sincerely,

Derrick L. Miller
Senior Power Utilization Engineer
Kentucky

Enclosure

COPY



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

June 19, 2012

TV-52337A, Supp. No. 95

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

Dear Mr. Thompson:

This will confirm the arrangements developed between representatives of Tri-County Electric Membership Corporation (Distributor) and the Tennessee Valley Authority (TVA) with respect to supplementing and amending the wholesale power contract dated July 18, 1979, as amended (Power Contract), between the parties to provide for the replacement of TVA's 13-kV revenue metering installation at Distributor's Summer Shade, Kentucky 161-kV Substation (Substation) with a new 13-kV revenue metering installation.

It is understood and agreed that:

1. The attachment entitled "Terms and Conditions (New Metering Installation)" (the Terms and Conditions) is made a part of this agreement. In the event of any conflict between the body of this agreement and this attachment, the former controls.
2. Distributor shall, at its expense, remove TVA's existing 13-kV revenue metering installation and return it to TVA for disposal.
3. TVA and Distributor shall cooperate in providing a new 13-kV revenue metering installation at the Substation, in accordance with the Terms and Conditions. Distributor shall provide and install all required conduit and shall install the fiber optic cable (furnished by TVA), and TVA shall make the cable terminations.
4. Distributor shall, in accordance with section 6 of the Terms and Conditions, provide necessary battery and station service power for TVA's new 13-kV revenue metering.
5. TVA shall, at its expense, provide an under frequency load shed assembly that shall be installed by the Distributor at its expense and will receive 3-phase potentials. Distributor shall select the load to shed and contact the TVA transmission dispatcher prior to restoring the load.

Mr. Paul Thompson
Page 2
June 19, 2012

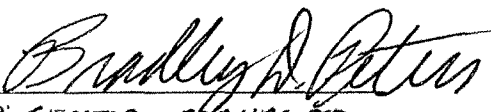
6. TVA shall, at its expense, retire device 94 and Distributor, at its expense shall (a) provide new trip and lockout relay (Relay) and (b) extend the TVA inputs and outputs to the Relay.
7. TVA shall retain device 964 and Distributor shall extend inputs and outputs from this device.
8. Distributor shall, at its expense, (a) replace the function of devices 64 and 664 with new relays and (b) replace the spare line relays associated with breaker 724.
9. TVA and Distributor shall cooperate in coordinating the switching sequence logic to allow TVA to use breaker 724, instead of breaker 654, to provide protection for TVA's Dale Hollow #1 69-kV Transmission Line.
10. TVA shall, at its expense, provide two current transformers per bushing from replaced breakers 994, 998, and 654 for use by Distributor in accordance with plans agree to and accept upon by TVA.
11. Distributor shall, at its expense, provide TVA bank loading inputs to the SCADA system and local panel meters. TVA shall, at its expense, retire any existing local or SCADA alarms associated with transformer bank 1 and 2.
12. This agreement may be amended only by a writing signed by the parties.
13. The target in-service date of the 13-kV revenue metering installation is August 1, 2012, but such date shall not be binding on the parties.

Mr. Paul Thompson
Page 3
June 19, 2012

If this letter satisfactorily sets forth the understandings between us, please have a duly authorized representative execute two originals on behalf of Distributor and return them to Hugh Meyer. Upon completion by TVA, one fully executed copy will be returned to you. This agreement shall become effective as of the date of TVA's execution.

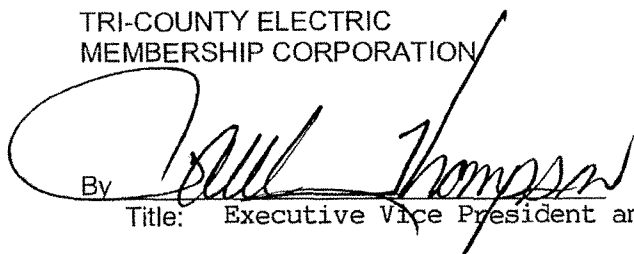
Accepted and agreed to as of the
26 day of JUNE, 2012

TENNESSEE VALLEY AUTHORITY

By 
Title: SENIOR MANAGER
POWER CONTRACTS

Accepted and agreed to as of the
___ day of _____, 201__.

TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION

By 
Title: Executive Vice President and General Manager

TERMS AND CONDITIONS
(New Metering Installation)

SECTION 1 - METERING

1.1 TVA's Installation Work. TVA at its expense shall provide and install the revenue meter and related items necessary to determine the power and energy taken by Distributor at the Substation. This metering installation will be at a mutually satisfactory location in the Substation.

1.2 Distributor's Installation Work.

1.2.1 Current and Voltage Transformers. Distributor shall, at its expense and in accordance with plans and specifications furnished or approved by TVA, install the metering current and voltage transformers (supplied by TVA). This will be done on the source side of any station service transformers and voltage correction equipment.

1.2.2 Miscellaneous Facilities. Distributor shall install all other facilities required for the metering installation, including a prewired meter cabinet (supplied by TVA) and the foundation (if necessary) for TVA's meter cabinet, the primary connections from the metering transformers to Distributor's facilities and the conduit (together with any required test boxes) and cable extending from the metering transformer secondaries to the meter cabinet. Distributor will provide the supplies and materials needed under this subsection 1.2.2, except that TVA will supply the cable and test boxes.

1.3 Remote Access to Metering Installation.

1.3.1 Telephone Circuit. If Distributor provides and installs a telephone circuit:

1.3.1.1 Installation of Circuit. For TVA's metering purposes, including power quality monitoring, Distributor shall provide and install (or have installed) a telephone circuit (Circuit) and, if needed, protective conduit extending from TVA's revenue meter to a location specified by TVA. If TVA furnishes a telephone switcher, Distributor shall install it at an agreed upon location. Distributor installation of the Circuit and telephone switcher shall be in accordance with guidelines and specifications furnished or approved by TVA. Distributor shall install and then operate and maintain the Circuit (and any such conduit) at its expense. TVA will connect the Circuit to the revenue meter.

1.3.1.2 Distributor Access to Meter Data. Distributor may have (a) remote access to TVA's metering data through the Circuit and (b) access to the metering information available from the readout display of the revenue meter. TVA's and Distributor's operating representatives will coordinate use of the Circuit and access to the readout display to ensure unrestricted telephone access by TVA for data retrieval purposes during periods specified by TVA.

1.3.1.3 Remote Access Equipment. Distributor will need equipment not provided by TVA to obtain metering data by remote telephone access. If requested, TVA will assist Distributor in selecting such equipment, but acquisition of the equipment is Distributor's responsibility.

1.3.2 Cellular Phone. If TVA provides and installs a cellular phone:

1.3.2.1 Installation of Cellular Phone. For TVA's metering purposes, TVA will provide (for its exclusive use) a cellular phone for remote access to the metering installation, and Distributor will provide TVA at no charge 120-volt power for TVA's cellular phone.

1.3.2.2 Distributor Access to Meter Data. Distributor may have access to the metering information available from the readout display of the revenue meter. TVA's and Distributor's operating representatives will coordinate access to the readout display.

1.4 Control of Metering Installation. Except as specifically provided otherwise in this agreement (or as agreed otherwise by TVA), the metering installation shall be for TVA's exclusive use and control. It may be used by TVA separately or in conjunction with any other metering facilities of TVA. TVA will place its seals on the revenue meter and metering facilities in the metering installation, and Distributor shall assure that those seals are not broken except at TVA's request.

1.5 Maintenance of Metering Installation.

1.5.1 TVA's Responsibilities. TVA at its expense shall test, calibrate, operate, maintain, and replace the portion of the metering installation provided and installed by TVA.

1.5.2 Distributor's Responsibilities. As requested by TVA from time to time, Distributor at its expense shall perform necessary maintenance (including making of replacements) of the remaining portion of the metering installation. In doing this work Distributor shall supply the necessary materials, except that TVA shall supply for installation by Distributor any replacements required for the current and voltage transformers, metering cable, and test boxes.

SECTION 2 - METERING OUTPUTS

2.1 Access to Outputs. Distributor may have access at no charge to metering outputs from the metering installation for such purposes as monitoring and load control. Accordingly, Distributor may, at such time as it deems appropriate, provide and install at its expense such additional facilities as are necessary for obtaining access to metering outputs. This includes provision and installation of cable to be connected by TVA to a terminal block in TVA's meter cabinet. Distributor shall also furnish and install any protective facilities requested by TVA for the protection of TVA's metering installation.

2.2 Approval of Facilities. Distributor shall keep TVA informed as to Distributor's plans for installation of any such additional facilities consistent with TVA's Revenue Metering Guide for Customer-Owned Substations. Distributor shall neither install any facilities which are to be connected to the metering installation nor, once installed, change them without prior written notification from TVA that such installation or change is satisfactory to TVA insofar as required for the safe and efficient operation of the metering installation.

2.3 Noninterference with Metering. In exercising access to metering outputs, Distributor shall not interfere with any operation, use of, or access to the metering installation by TVA. In this regard Distributor agrees to immediately modify its facilities and operations, in any manner requested by TVA, to avoid any such interference.

2.4 No Warranty of Outputs. 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, (a) as to the accuracy or completeness of the metering outputs or as to such outputs' merchantability or fitness for any purposes for which Distributor uses or will use them or (b) as to quantity, kind, character, quality, capacity, design, performance, compliance with specifications, condition, size, description of any property, merchantability, or fitness for any use or purpose of any facilities through which the metering outputs are supplied. Distributor hereby waives, and releases the United States of America, TVA, and their agents and employees from, any and all claims, demands, or causes of action, including, without limitation, those for consequential damages, arising out of or in any way connected with Distributor's use of the metering outputs.

2.5 Termination of Arrangements. The arrangements set out under this section 2, may be terminated by TVA or Distributor at any time upon at least 120 days' written notice. As soon as practicable following the effective date of such termination, TVA will disconnect the cable from the metering installation.

SECTION 3 - ADJUSTMENT OF METERED AMOUNTS

If the metering installation at the Substation is not at the point of delivery specified in the Power Contract, TVA shall adjust the metered amounts of power and energy appropriately to reflect losses (and non-metered station service or equipment use, if any) between the point of delivery and the metering installation and use these adjusted amounts for billing purposes under the Power Contract. Distributor shall from time to time furnish TVA with the loss data for Distributor's facilities needed to allow TVA to make such adjustments.

SECTION 4 - COORDINATION AND REVIEW

4.1 Coordination. TVA and Distributor will coordinate their work under section 1 above to the extent necessary and practicable to avoid jeopardizing (a) the safety and reliability of the parties' operations, (b) the reliability of TVA's supply of power to Distributor at the Substation, and (c) the safety of the parties' personnel.

4.2 TVA Review. Any plans, specifications, requirements, guidelines, or coordination, and any review or approvals, provided by TVA under this agreement are only for TVA's purposes and are not to be considered a confirmation or endorsement that they are adequate for Distributor's purposes. TVA's purposes include helping to assure (a) the safe and efficient operation of TVA's facilities and (b) that the arrangements under this agreement do not cause undue hazards to TVA's facilities and operations.

SECTION 5 - RIGHTS OF ACCESS

Distributor hereby grants to TVA such rights to use Distributor's property as are reasonably necessary or desirable to enable TVA to carry out its responsibilities under this agreement. These rights include installation, operation, maintenance, replacement, removal, and inspection of TVA's metering installation and related equipment.

SECTION 6 - POWER REQUIREMENTS

Distributor shall at its expense provide the battery and station service power requirements for TVA's facilities and equipment (including metering equipment) installed at the Substation.

SECTION 7 - TERM OF AGREEMENT

Except as otherwise provided, this agreement shall become effective as of the date identified in the contract as the effective date and shall continue in effect for the term of the Power Contract or any renewal, extension, or replacement thereof, unless an earlier termination is otherwise agreed to, in writing, by both parties.

SECTION 8 - 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 this agreement or to any benefit that may arise from it unless the agreement be made with a corporation for its general benefit. Distributor 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 this agreement.

SECTION 9 - AMENDMENT

This agreement may be amended only by a writing signed by the parties.



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

6/26/2012

Laura,

Please copy
& file.

Jim & Glenn

Thanks
DML

June 25, 2012

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 -- FULLY EXECUTED
RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT --
TV-52337A, SUPP. NO. 96**

Enclosed is one fully executed original of the Resale Rate Schedule Substitution Agreement, TV-52337A, Supp. No. 96, dated July 1, 2012, providing for the substitution of Schedule LS (July 2012) for Schedule LS (October 2011), for your files.

If you have questions or concerns, please call me (270-856-4581).

Sincerely,

Derrick L. Miller
Senior Power Utilization Engineer
Kentucky

Enclosure

July 1, 2012

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

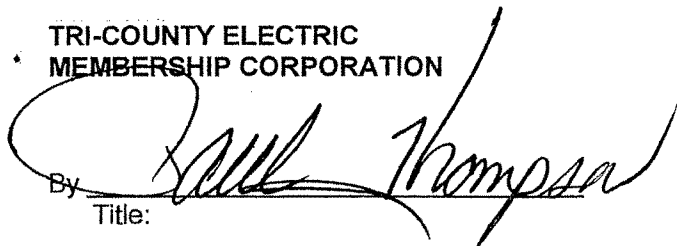
Distributor and TVA agree to substitute the new resale rate schedule specified in (a) below, a copy of which is attached, for the resale rate schedule specified in (b) below, which, as adjusted, is now in effect as a part of the Schedule of Rates and Charges attached to and made a part of the Power Contract, 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 2012 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 schedule specified in (a) below.

- (a) New resale rate schedule:
Outdoor Lighting Rate--Schedule LS (July 2012)

- (b) Existing resale rate schedule:
Outdoor Lighting Rate--Schedule LS (October 2011)

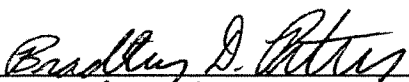
It is understood that, upon execution of this agreement by TVA and Distributor, all references in the Power Contract to the existing resale rate schedule specified in (b) above, or to any predecessor schedules, shall be deemed to refer to the new resale rate schedule specified in (a) above.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title:

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

TENNESSEE VALLEY AUTHORITY

By 
Title: **Senior Manager
Power Contracts**

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(July 2012)

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

<u>(a) Type of Fixture</u>	<u>Lamp Size</u>		<u>Rated</u>	<u>Facility</u>
	<u>(Watts)</u>	<u>(Lumens)</u>	<u>kWh</u>	<u>Charge</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
Induction	85	7,225	36	\$8.21
	100	8,500	42	\$9.09

(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.

TENNESSEE VALLEY AUTHORITY
ADJUSTMENT ADDENDUM
TO
SCHEDULE OF RATES AND CHARGES
FOR

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

Effective October 1, 2011

The following table lists the adjustments applicable to the designated rate schedules. All adjustments shall be applicable to bills rendered from meter readings taken for TVA and Distributor's monthly billing cycles scheduled to begin on or after the effective date of this Adjustment Addendum. 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.

		<u>Wholesale Power Rate Schedule</u>		
		(1)	(2)	(3)
STANDARD SERVICE				
<u>Schedule WS-TOU</u>				
Demand Charges				
Summer	Add	\$0.50	+	\$0.29
Winter	Add	\$0.50	+	\$0.26
Transition	Add	\$0.50	+	\$0.26
Energy Charges				
Summer	Add	0.186¢	+	0.107¢ + A _m
Winter	Add	0.186¢	+	0.099¢ + A _m
Transition	Add	0.186¢	+	0.095¢ + A _m
<u>Schedule WS-DE</u>				
Demand Charges				
Summer	Add	\$0.50	+	\$0.29
Winter	Add	\$0.50	+	\$0.26
Transition	Add	\$0.50	+	\$0.26
Energy Charges				
Summer	Add	0.186¢	+	0.100¢ + A _m
Winter	Add	0.186¢	+	0.100¢ + A _m
Transition	Add	0.186¢	+	0.100¢ + A _m

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

STANDARD SERVICE

Resale Schedules

(1) (2) (3)

Residential Service

Schedule RS

Energy Charge

Summer

Add 0.307¢ + 0.177¢ + (1.08628 × A_m)

Winter

Add 0.307¢ + 0.177¢ + (1.08628 × A_m)

Transition

Add 0.307¢ + 0.175¢ + (1.08628 × A_m)

General Power Service

Schedule GSA

Part 1

Energy Charge

Summer

Add 0.355¢ + 0.190¢ + (1.06653 × A_m)

Winter

Add 0.355¢ + 0.189¢ + (1.06653 × A_m)

Transition

Add 0.355¢ + 0.187¢ + (1.06653 × A_m)

Part 2

Demand Charge

Summer

Excess over 50 kW

Add \$0.48 + \$0.29

Winter

Excess over 50 kW

Add \$0.48 + \$0.27

Transition

Excess over 50 kW

Add \$0.48 + \$0.27

Energy Charge

Summer

First 15,000 kWh

Add 0.198¢ + 0.189¢ + (1.06653 × A_m)

Additional kWh

Add 0.194¢ + 0.096¢ + (1.04396 × A_m)

Winter

First 15,000 kWh

Add 0.198¢ + 0.189¢ + (1.06653 × A_m)

Additional kWh

Add 0.194¢ + 0.096¢ + (1.04396 × A_m)

Transition

First 15,000 kWh

Add 0.198¢ + 0.189¢ + (1.06653 × A_m)

Additional kWh

Add 0.194¢ + 0.096¢ + (1.04396 × A_m)

Part 3

Demand Charge

Summer

First 1,000 kW

Add \$0.61 + \$0.29

Excess over 1,000 kW *

Add \$0.61 + \$0.36

Winter

First 1,000 kW

Add \$0.61 + \$0.27

Excess over 1,000 kW *

Add \$0.61 + \$0.34

Transition

First 1,000 kW

Add \$0.61 + \$0.27

Excess over 1,000 kW *

Add \$0.61 + \$0.34

Energy Charge

Summer

Add 0.199¢ + 0.096¢ + (1.04396 × A_m)

Winter

Add 0.199¢ + 0.096¢ + (1.04396 × A_m)

Transition

Add 0.199¢ + 0.096¢ + (1.04396 × A_m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Outdoor Lighting Service

Schedule LS Part A and B

Energy Charge

Summer

Add 0.207¢ + 0.081¢ + (1.08628 x A_m)

Winter

Add 0.207¢ + 0.080¢ + (1.08628 x A_m)

Transition

Add 0.207¢ + 0.078¢ + (1.08628 x A_m)

Drainage Pumping Station

Schedule DPS

Energy Charge

Summer

Add N/A + N/A + (N/A x A_m)

Winter

Add N/A + N/A + (N/A x A_m)

Transition

Add N/A + N/A + (N/A x A_m)

Residential Service

Schedule TRS

Energy Charge

Summer

Onpeak

Add N/A + N/A + (N/A x A_m)

Offpeak

Add N/A + N/A + (N/A x A_m)

Winter

Onpeak

Add N/A + N/A + (N/A x A_m)

Offpeak

Add N/A + N/A + (N/A x A_m)

Transition

All Offpeak

Add N/A + N/A + (N/A x A_m)

General Power Service

Schedule TGSA

Part 1

Energy Charge

Summer

Onpeak

Add N/A + N/A + (N/A x A_m)

Offpeak

Add N/A + N/A + (N/A x A_m)

Winter

Onpeak

Add N/A + N/A + (N/A x A_m)

Offpeak

Add N/A + N/A + (N/A x A_m)

Transition

All Offpeak

Add N/A + N/A + (N/A x A_m)

Part 2

Demand Charge

Summer

Excess over 50 kW

Add N/A + N/A

Winter

Excess over 50 kW

Add N/A + N/A

Transition

Excess over 50 kW

Add N/A + N/A

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Energy Charge								
Summer								
Onpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Offpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Winter								
Onpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Offpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Transition								
All Offpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)

Part 3

Demand Charge								
Summer								
First 1,000 kW	Add	N/A	+	N/A				
Excess over 1,000 kW *	Add	N/A	+	N/A				
Winter								
First 1,000 kW	Add	N/A	+	N/A				
Excess over 1,000 kW *	Add	N/A	+	N/A				
Transition								
First 1,000 kW	Add	N/A	+	N/A				
Excess over 1,000 kW *	Add	N/A	+	N/A				

Energy Charge								
Summer								
Onpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Offpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Winter								
Onpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Offpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)
Transition								
All Offpeak	Add	N/A	+	N/A	+	(	N/A	x A _m)

TOU SERVICE

	Wholesale Power Rate Schedule			Resale Schedules								
	(1)	(2)	(3)	(1)	(2)	(3)						
General Power Service												
<u>Schedule TDGSA</u>												
Demand Charge												
Summer Period												
Onpeak *	Add	\$0.54	+	\$0.43	Add	N/A	+	N/A				
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A				
Winter Period												
Onpeak ****	Add	\$0.29	+	\$0.23	Add	N/A	+	N/A				
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A				
Transition Period	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A				
Energy Charge												
Summer Period												
Onpeak	Add	0.329¢	+	0.208¢ + A _m	Add	N/A	+	N/A	+	(N/A	x A _m)
Offpeak												
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	N/A	+	N/A	+	(N/A	x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	N/A	+	N/A	+	(N/A	x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	N/A	+	N/A	+	(N/A	x A _m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Winter Period									
Onpeak	Add	0.220¢	+	0.119¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)
Offpeak									
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)
Transition Period									
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	N/A	+	N/A	+ (N/A x A _m)

Schedule GSB

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	\$0.56	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	\$0.30	+	\$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08
Transition Period	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Energy Charge

Summer Period

Onpeak	Add	0.329¢	+	0.208¢ + A _m	Add	0.339¢	+	0.214¢ + (1.03000 x A _m)	
Offpeak									
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	0.211¢	+	0.110¢ + (1.03000 x A _m)	
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	0.143¢	+	0.055¢ + (1.03000 x A _m)	
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	0.084¢	+	0.007¢ + (1.03000 x A _m)	

Winter Period

Onpeak	Add	0.220¢	+	0.119¢ + A _m	Add	0.227¢	+	0.122¢ + (1.03000 x A _m)	
Offpeak									
First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	0.211¢	+	0.110¢ + (1.03000 x A _m)	
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	0.143¢	+	0.055¢ + (1.03000 x A _m)	
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	0.084¢	+	0.007¢ + (1.03000 x A _m)	

Transition Period *

First 425 hours ***	Add	0.205¢	+	0.107¢ + A _m	Add	0.211¢	+	0.110¢ + (1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.053¢ + A _m	Add	0.143¢	+	0.055¢ + (1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.007¢ + A _m	Add	0.084¢	+	0.007¢ + (1.03000 x A _m)

Schedule GSC

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	\$0.56	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	\$0.30	+	\$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08
Transition Period	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Energy Charge

Summer Period

Onpeak Add 0.316¢ + 0.197¢ + A_m Add 0.325¢ + 0.203¢ + (1.03000 x A_m)

Offpeak

First 425 hours *** Add 0.196¢ + 0.099¢ + A_m Add 0.202¢ + 0.103¢ + (1.03000 x A_m)

Next 195 hours Add 0.130¢ + 0.045¢ + A_m Add 0.134¢ + 0.047¢ + (1.03000 x A_m)

Additional kWh Add 0.073¢ + -0.001¢ + A_m Add 0.075¢ + -0.001¢ + (1.03000 x A_m)

Winter Period

Onpeak Add 0.210¢ + 0.110¢ + A_m Add 0.216¢ + 0.114¢ + (1.03000 x A_m)

Offpeak

First 425 hours *** Add 0.196¢ + 0.099¢ + A_m Add 0.202¢ + 0.103¢ + (1.03000 x A_m)

Next 195 hours Add 0.130¢ + 0.045¢ + A_m Add 0.134¢ + 0.047¢ + (1.03000 x A_m)

Additional kWh Add 0.073¢ + -0.001¢ + A_m Add 0.075¢ + -0.001¢ + (1.03000 x A_m)

Transition Period

First 425 hours *** Add 0.196¢ + 0.099¢ + A_m Add 0.202¢ + 0.103¢ + (1.03000 x A_m)

Next 195 hours Add 0.130¢ + 0.045¢ + A_m Add 0.134¢ + 0.047¢ + (1.03000 x A_m)

Additional kWh Add 0.073¢ + -0.001¢ + A_m Add 0.075¢ + -0.001¢ + (1.03000 x A_m)

Schedule GSD

Demand Charge

Summer Period

Onpeak * Add \$0.54 + \$0.43 Add \$0.56 + \$0.45

Excess Offpeak Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Winter Period

Onpeak **** Add \$0.29 + \$0.23 Add \$0.30 + \$0.24

Excess Offpeak Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Transition Period

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Energy Charge

Summer Period

Onpeak Add 0.310¢ + 0.193¢ + A_m Add 0.319¢ + 0.199¢ + (1.03000 x A_m)

Offpeak

First 425 hours *** Add 0.186¢ + 0.092¢ + A_m Add 0.192¢ + 0.095¢ + (1.03000 x A_m)

Next 195 hours Add 0.120¢ + 0.038¢ + A_m Add 0.124¢ + 0.039¢ + (1.03000 x A_m)

Additional kWh Add 0.064¢ + -0.008¢ + A_m Add 0.066¢ + -0.008¢ + (1.03000 x A_m)

Winter Period

Onpeak Add 0.201¢ + 0.104¢ + A_m Add 0.207¢ + 0.107¢ + (1.03000 x A_m)

Offpeak

First 425 hours *** Add 0.186¢ + 0.092¢ + A_m Add 0.192¢ + 0.095¢ + (1.03000 x A_m)

Next 195 hours Add 0.120¢ + 0.038¢ + A_m Add 0.124¢ + 0.039¢ + (1.03000 x A_m)

Additional kWh Add 0.064¢ + -0.008¢ + A_m Add 0.066¢ + -0.008¢ + (1.03000 x A_m)

Transition Period

First 425 hours *** Add 0.186¢ + 0.092¢ + A_m Add 0.192¢ + 0.095¢ + (1.03000 x A_m)

Next 195 hours Add 0.120¢ + 0.038¢ + A_m Add 0.124¢ + 0.039¢ + (1.03000 x A_m)

Additional kWh Add 0.064¢ + -0.008¢ + A_m Add 0.066¢ + -0.008¢ + (1.03000 x A_m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Manufacturing Service

Schedule TDMSA

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	N/A	+	N/A
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	N/A	+	N/A
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A
Transition Period	Add	\$0.11	+	\$0.07	Add	N/A	+	N/A

Energy Charge

Summer Period

Onpeak	Add	0.276¢	+	0.164¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Winter Period

Onpeak	Add	0.168¢	+	0.077¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Transition Period

First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	N/A	+	N/A	+	(N/A x A _m)

Schedule MSB

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.43	Add	\$0.56	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.23	Add	\$0.30	+	\$0.24
Excess Offpeak	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08
Transition Period	Add	\$0.11	+	\$0.07	Add	\$0.11	+	\$0.08

Energy Charge

Summer Period

Onpeak	Add	0.276¢	+	0.164¢ + A _m	Add	0.284¢	+	0.169¢	+	(1.03000 x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	0.158¢	+	0.066¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	0.089¢	+	0.011¢	+	(1.03000 x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	0.031¢	+	-0.037¢	+	(1.03000 x A _m)

Winter Period

Onpeak	Add	0.168¢	+	0.077¢ + A _m	Add	0.173¢	+	0.079¢	+	(1.03000 x A _m)
Offpeak										
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	0.158¢	+	0.066¢	+	(1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	0.089¢	+	0.011¢	+	(1.03000 x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	0.031¢	+	-0.037¢	+	(1.03000 x A _m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Transition Period								
First 425 hours ***	Add	0.153¢	+	0.064¢ + A _m	Add	0.158¢	+	0.066¢ + (1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.010¢ + A _m	Add	0.089¢	+	0.011¢ + (1.03000 x A _m)
Additional kWh	Add	0.030¢	+	-0.036¢ + A _m	Add	0.031¢	+	-0.037¢ + (1.03000 x A _m)

Schedule MSC

Demand Charge

 Summer Period

 Onpeak *

Add \$0.54 + \$0.43 Add \$0.56 + \$0.45

 Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

 Winter Period

 Onpeak ****

Add \$0.29 + \$0.23 Add \$0.30 + \$0.24

 Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

 Transition Period

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Energy Charge

 Summer Period

 Onpeak

Add 0.279¢ + 0.166¢ + A_m Add 0.287¢ + 0.171¢ + (1.03000 x A_m)

 Offpeak

 First 425 hours ***

Add 0.153¢ + 0.064¢ + A_m Add 0.158¢ + 0.066¢ + (1.03000 x A_m)

 Next 195 hours

Add 0.086¢ + 0.010¢ + A_m Add 0.089¢ + 0.010¢ + (1.03000 x A_m)

 Additional kWh

Add 0.029¢ + -0.036¢ + A_m Add 0.030¢ + -0.037¢ + (1.03000 x A_m)

 Winter Period

 Onpeak

Add 0.169¢ + 0.077¢ + A_m Add 0.174¢ + 0.079¢ + (1.03000 x A_m)

 Offpeak

 First 425 hours ***

Add 0.153¢ + 0.064¢ + A_m Add 0.158¢ + 0.066¢ + (1.03000 x A_m)

 Next 195 hours

Add 0.086¢ + 0.010¢ + A_m Add 0.089¢ + 0.010¢ + (1.03000 x A_m)

 Additional kWh

Add 0.029¢ + -0.036¢ + A_m Add 0.030¢ + -0.037¢ + (1.03000 x A_m)

 Transition Period

 First 425 hours ***

Add 0.153¢ + 0.064¢ + A_m Add 0.158¢ + 0.066¢ + (1.03000 x A_m)

 Next 195 hours

Add 0.086¢ + 0.010¢ + A_m Add 0.089¢ + 0.010¢ + (1.03000 x A_m)

 Additional kWh

Add 0.029¢ + -0.036¢ + A_m Add 0.030¢ + -0.037¢ + (1.03000 x A_m)

Schedule MSD

Demand Charge

 Summer Period

 Onpeak *

Add \$0.54 + \$0.43 Add \$0.56 + \$0.45

 Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

 Winter Period

 Onpeak ****

Add \$0.29 + \$0.23 Add \$0.30 + \$0.24

 Excess Offpeak

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

 Transition Period

Add \$0.11 + \$0.07 Add \$0.11 + \$0.08

Energy Charge

 Summer Period

 Onpeak

Add 0.271¢ + 0.161¢ + A_m Add 0.279¢ + 0.166¢ + (1.03000 x A_m)

 Offpeak

 First 425 hours ***

Add 0.146¢ + 0.059¢ + A_m Add 0.150¢ + 0.061¢ + (1.03000 x A_m)

 Next 195 hours

Add 0.080¢ + 0.005¢ + A_m Add 0.082¢ + 0.005¢ + (1.03000 x A_m)

 Additional kWh

Add 0.023¢ + -0.041¢ + A_m Add 0.024¢ + -0.042¢ + (1.03000 x A_m)

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Winter Period									
Onpeak	Add	0.161¢	+	0.072¢ + A _m	Add	0.166¢	+	0.074¢ + (1.03000 x A _m)	
Offpeak									
First 425 hours ***	Add	0.146¢	+	0.059¢ + A _m	Add	0.150¢	+	0.061¢ + (1.03000 x A _m)	
Next 195 hours	Add	0.080¢	+	0.005¢ + A _m	Add	0.082¢	+	0.005¢ + (1.03000 x A _m)	
Additional kWh	Add	0.023¢	+	-0.041¢ + A _m	Add	0.024¢	+	-0.042¢ + (1.03000 x A _m)	
Transition Period									
First 425 hours ***	Add	0.146¢	+	0.059¢ + A _m	Add	0.150¢	+	0.061¢ + (1.03000 x A _m)	
Next 195 hours	Add	0.080¢	+	0.005¢ + A _m	Add	0.082¢	+	0.005¢ + (1.03000 x A _m)	
Additional kWh	Add	0.023¢	+	-0.041¢ + A _m	Add	0.024¢	+	-0.042¢ + (1.03000 x A _m)	

**SEASONAL DEMAND
AND ENERGY SERVICE**

General Power Service

Schedule SGSB

Demand Charge									
Summer Period **	Add	\$0.82	+	\$0.58	Add	\$0.84	+	\$0.60	
Winter Period **	Add	\$0.57	+	\$0.40	Add	\$0.59	+	\$0.41	
Transition Period **	Add	\$0.38	+	\$0.26	Add	\$0.39	+	\$0.27	
Energy Charge									
Summer Period	Add	0.180¢	+	0.071¢ + A _m	Add	0.185¢	+	0.073¢ + (1.03000 x A _m)	
Winter Period	Add	0.164¢	+	0.059¢ + A _m	Add	0.169¢	+	0.061¢ + (1.03000 x A _m)	
Transition Period	Add	0.160¢	+	0.056¢ + A _m	Add	0.165¢	+	0.058¢ + (1.03000 x A _m)	

Schedule SGSC

Demand Charge									
Summer Period **	Add	\$0.82	+	\$0.58	Add	\$0.84	+	\$0.60	
Winter Period **	Add	\$0.57	+	\$0.40	Add	\$0.59	+	\$0.41	
Transition Period **	Add	\$0.38	+	\$0.26	Add	\$0.39	+	\$0.27	
Energy Charge									
Summer Period	Add	0.181¢	+	0.071¢ + A _m	Add	0.186¢	+	0.074¢ + (1.03000 x A _m)	
Winter Period	Add	0.164¢	+	0.059¢ + A _m	Add	0.169¢	+	0.061¢ + (1.03000 x A _m)	
Transition Period	Add	0.161¢	+	0.057¢ + A _m	Add	0.166¢	+	0.059¢ + (1.03000 x A _m)	

Schedule SGSD

Demand Charge									
Summer Period **	Add	\$0.96	+	\$0.69	Add	\$0.99	+	\$0.71	
Winter Period **	Add	\$0.71	+	\$0.50	Add	\$0.73	+	\$0.52	
Transition Period **	Add	\$0.52	+	\$0.37	Add	\$0.54	+	\$0.38	
Energy Charge									
Summer Period	Add	0.152¢	+	0.051¢ + A _m	Add	0.157¢	+	0.053¢ + (1.03000 x A _m)	
Winter Period	Add	0.138¢	+	0.040¢ + A _m	Add	0.142¢	+	0.042¢ + (1.03000 x A _m)	
Transition Period	Add	0.134¢	+	0.038¢ + A _m	Add	0.138¢	+	0.039¢ + (1.03000 x A _m)	

Manufacturing Service

Schedule SMSB

Demand Charge									
Summer Period **	Add	\$0.71	+	\$0.50	Add	\$0.73	+	\$0.52	
Winter Period **	Add	\$0.46	+	\$0.32	Add	\$0.47	+	\$0.33	
Transition Period **	Add	\$0.27	+	\$0.18	Add	\$0.28	+	\$0.18	

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

Energy Charge						
Summer Period	Add	0.150¢	+	0.049¢ + A _m	Add	0.155¢ + 0.050¢ + (1.03000 x A _m)
Winter Period	Add	0.132¢	+	0.035¢ + A _m	Add	0.136¢ + 0.037¢ + (1.03000 x A _m)
Transition Period	Add	0.127¢	+	0.032¢ + A _m	Add	0.131¢ + 0.033¢ + (1.03000 x A _m)

Schedule SMSC

Demand Charge						
Summer Period **	Add	\$0.71	+	\$0.50	Add	\$0.73 + \$0.52
Winter Period **	Add	\$0.46	+	\$0.32	Add	\$0.47 + \$0.33
Transition Period **	Add	\$0.27	+	\$0.18	Add	\$0.28 + \$0.18

Energy Charge						
Summer Period	Add	0.149¢	+	0.048¢ + A _m	Add	0.153¢ + 0.049¢ + (1.03000 x A _m)
Winter Period	Add	0.132¢	+	0.035¢ + A _m	Add	0.136¢ + 0.036¢ + (1.03000 x A _m)
Transition Period	Add	0.127¢	+	0.032¢ + A _m	Add	0.131¢ + 0.033¢ + (1.03000 x A _m)

Schedule SMSD

Demand Charge						
Summer Period **	Add	\$0.82	+	\$0.58	Add	\$0.84 + \$0.60
Winter Period **	Add	\$0.57	+	\$0.40	Add	\$0.59 + \$0.41
Transition Period **	Add	\$0.38	+	\$0.26	Add	\$0.39 + \$0.27

Energy Charge						
Summer Period	Add	0.120¢	+	0.027¢ + A _m	Add	0.124¢ + 0.028¢ + (1.03000 x A _m)
Winter Period	Add	0.106¢	+	0.017¢ + A _m	Add	0.109¢ + 0.018¢ + (1.03000 x A _m)
Transition Period	Add	0.103¢	+	0.015¢ + A _m	Add	0.106¢ + 0.015¢ + (1.03000 x A _m)

The amounts applicable for A_m under column (3) in this Adjustment Addendum shall be determined each month by applying data from TVA's forecasts of TVA's actual operations, as well as actual data when it becomes available in accordance with the formula below. TVA will endeavor to publish the calculated amounts 20 days in advance of the month of application (but shall in no event publish these calculated amounts any later than 15 days in advance of the month of application), and such amounts will be applicable to bills rendered from meter readings taken for TVA and Distributor monthly billing cycles beginning on and after the first day of each month beginning October 1, 2011.

*Applicable also to the third component of the demand charge

**Applicable also the second component of the demand charge

***Applicable also to minimum offpeak energy

****Applicable also to the third component of the demand charge and the second component of the Transition demand charge

$$A_m = \frac{CF_m + DAR_m}{95\%}$$

A_m = The monthly FCA adjustment to be applied to the kilowatt-hour sales during the current monthly billing period and rounded to the nearest one-thousandth of a cent per kilowatt-hour.

m = a particular month

CF_m = The core FCA adjustment for a particular month. $CF_m = (FF_m / SF_m)$

FF = TVA's estimate of FA (as described below) for month m , based on the latest TVA Financial Forecast.

SF = TVA's estimate of SA (as described below) for month m , based on the latest TVA Financial Forecast.

DAR_m = The adjustment that collects a portion of DA (as described below) in a month, rounded to the nearest one-thousandth of a cent.

$DAR_m = R \times DA_m / FISF_m$

R = The collection ratio of 50%.

FISF = TVA's estimate of FiSA (as described below) for month m , based on the latest TVA Financial Forecast.

DA = The deferred account that provides the true-up adjustment necessary to reconcile prior estimates to actual data, which shall be computed with the formulas below.

$$DA_m = \overbrace{GLDA_{m-2}}^{\text{General Ledger DA Balance}} - \overbrace{DAR_{m-1} \times FISF_{m-1}}^{\text{Estimate of DAR collections, prior months}}$$

FiSA = Actual TVA firm-based rate energy sales (in kWh) for month m , as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future).

GLDA = The general ledger deferred account balance that flows through to the balance sheet.

$$GLDA_m = \overbrace{GLDA_{m-1}}^{\text{Accumulated General Ledger DA Balance}} + \overbrace{TU_m}^{\text{Core FCA True-Up}} + \overbrace{GLD_m}^{\text{DA Amortization}}$$

TU_m = The core true-up amount. $TU_m = (FiSA_m / SA_m) \times FA_m - GLR_m$

FA = Actual total fuel and purchased power expenses (in cents) under the framework and accounts provided below (or such similar or successor accounts as may be prescribed by FERC in the future).

- (1) Fossil Fuel Expense - Account 501 - Direct cost of fuel burned in TVA coal plants, including transportation and fuel treatments. Costs to be excluded are lease payments for rail cars, maintenance on rail cars, sampling and fuel analysis, and fuel handling expenses in unloading fuel from shipping media and the handling of fuel up to the point where fuel enters the bunker or other boiler-house structure.
- (2) Reagents Expense - Account 501.L - Cost of emission reagents such as limestone and ammonia that are directly related to the level of generation output.
- (3) Allowances Expense - Account 509 - Cost of emission allowance expense such as SO₂ and NO_x that are directly related to the level of generation output.
- (4) Nuclear Fuel Expense - Account 518 - Cost of nuclear fuel amortization expense dependent upon burn, including DOE spent fuel disposal charges.
- (5) Gas Turbine Fuel Expense - Account 547 - Direct cost of gas and oil burned in TVA plants, including transportation. Costs to be excluded are costs of gas storage facilities and sampling and fuel analysis that do not vary with changes in generation volume.
- (6) Purchased Power Expense - Account 555 - Energy cost of purchased power to serve native load demand or to displace higher cost generation. Costs to be excluded are fixed demand or capacity payments in tolling agreements and purchased power agreements that do not vary with volume and costs of purchased power linked to off-system sales transactions.
- (7) Audit Expenses - TVA's actual expenses incurred as the result of third party expenses for FCA audits.

SA = Actual total TVA energy sales (in kWh) for month m , as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future), excluding any displacement sales reflected in account 447100.

GLD_m = Actual TVA DAR revenue (DA amortization) for month m , for firm-based energy sales, as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future).

GLR_m = Actual TVA Core FCA Revenue for month m , for firm-based energy sales, as recorded in TVA's General Ledger with specific accounts 442000, 445000, 447000, 447100, and 448000 (or such similar or successor accounts as may be prescribed by FERC in the future).

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

Monday, June 18, 2012

Mr. Hugh Meyer
Tennessee Valley Authority
6045 Russellville Road
Bowling Green, KY 42101-7319

RE: TV-52337A, Supp. No. _____
Proposed Resale Rate Schedule Substitution Agreement

Dear Hugh:

Please find enclosed two (2) duplicate originals of the standard-form resale rate schedule substitution agreement to be effective for bills rendered with the July 2012 revenue month.

As stated in your letter dated June 14, 2012, an executed agreement will be returned for our files.

If additional information is needed, please advise.

Sincerely,



PAUL THOMPSON
Executive Vice President and General Manager

Enclosures: Agreements (2)



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

6/18/2012
Laura
Please copy for our
records & return to
Hugh.
Glenn
Jim

June 14, 2012

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

Thanks
Sally

Dear Paul:

TRI-COUNTY EMC -- PROPOSED RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT

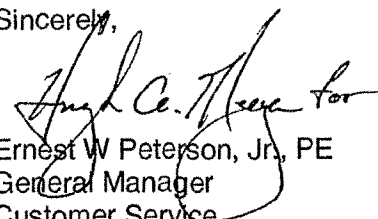
Enclosed are two duplicate originals of a standard-form resale rate schedule substitution agreement to provide for the substitution of Schedule LS (July 2012) for Schedule LS (October 2011). This substitution will be effective for bills rendered for Tri-County EMC's revenue months beginning with the July 2012 revenue month.

Also, enclosed is a copy of the October 2011 Adjustment Addendum. Please note that Tri-County EMC's resale charges to Tri-County EMC's 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 2011 Adjustment Addendum (including the applicable FCA amounts).

Upon execution of the Agreement by the authorized representative of Tri-County EMC, please return the two originals to me for further handling. After final execution by TVA, one fully executed original will be returned to you for your file.

If you have questions or concerns regarding this document, please call me (270-846-7041) or Hugh Meyer (270-846-7042).

Sincerely,


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

Enclosures



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

9/25/2012

Laura,
Please copy J. Beechan
T. Dixon & file

JY
09/25/2012

Thanks
Paul

September 24, 2012

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

Dear Paul:

**FULLY EXECUTED GREEN POWER PROVIDERS (GPP) AGREEMENT --
CONTRACT NO. TV-52337A, SUPP. NO. 97, PURCHASE ORDER NO. 422712**

Enclosed is one fully executed original of the GPP Agreement for your files.

If you have questions or concerns regarding this document, please call Derrick Miller (270-856-4581) or Tim Hughes (270-855-0860).

Sincerely,

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

Enclosure

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

Date: October 1, 2012

Contract No. TV-52337A, Supp. No. 97
Purchase Order No. 422712

THIS AGREEMENT (Distributor 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 the 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);

W I T N E S S E T H:

WHEREAS, TVA and Distributor have entered into a power 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 TVA Act provides that among TVA's objectives shall be those of promoting the wider and better use of electric power and cooperating in the application of electric power to the fuller and better balanced development of the resources of the region; and

WHEREAS, TVA and Distributor wish to cooperate in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems installed and/or owned by Distributor or customers served by Distributor; and

WHEREAS, TVA and Distributor desire to agree upon the respective rights and obligations of the parties with respect to the development, implementation, and administration of the Program;

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 agree as follows and enter into this contract consisting of the Articles and contract attachments listed in Article I below:

3
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ARTICLE I
CONTRACT CONTENTS

ARTICLE I **CONTRACT CONTENTS**

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- 2.1 Applicant
- 2.2 Billing Meter
- 2.3 Business Days
- 2.4 Calendar Days
- 2.5 Demand-Metered
- 2.6 Distributor Billing Option
- 2.7 Distributor Meter Option
- 2.8 Generation Credit
- 2.9 Generation Meter
- 2.10 Guidelines
- 2.11 Interval Generation Meter
- 2.12 Non-Interval Generation Meter
- 2.13 Participant
- 2.14 Participation Agreement
- 2.15 Power Invoice
- 2.16 Premium Rate
- 2.17 Proprietary Information
- 2.18 Qualifying System
- 2.19 Site
- 2.20 TVA-Vendor Billing Option
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- 3.1 Program Objective
- 3.2 Distributor Responsibilities
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- 3.4 Distributor Facility Participation in Program
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- 4.1 Term of Agreement
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- 5.1 Metering Connection
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- 5.3 Metering and Billing Adjustments by Distributor

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- 7.3 Changes to Aggregate Nameplate Capacity
- 7.4 Operating Representatives
- 7.5 Proprietary Information

CONTRACT ATTACHMENTS AND OTHER PROGRAM DOCUMENTS:

- Attachment A (Metering Connection Options)
- Attachment B (Premium Rate & Incentive Distribution Options)
- Attachment C (Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner)
- Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System)
- Attachment E (Request for New Construction Participation in Program)
- Green Power Providers Participation Agreement
- Green Power Providers Distributor Facility Participation Agreement
- Distributor's Acceptance of Qualifying System Form
- Green Power Providers Program Participation Guidelines

ARTICLE II DEFINITIONS

For purpose of this Distributor Agreement (i) all terms used herein with initial capital letters that are not underlined are textually defined within this Distributor Agreement, and (ii) all underlined terms are defined in this Article II. of this Distributor Agreement.

SECTION 2.1 - APPLICANT

"Applicant" shall mean any potentially eligible residential, commercial, or industrial end-use customer served by Distributor that elects to participate in the Program by (i) submitting an interconnection request to Distributor, and upon Distributor's approval, entering into an interconnection agreement with Distributor, and (ii) submitting a completed copy of the Participation Agreement for TVA's and Distributor's review and potential approval and execution.

SECTION 2.2 - BILLING METER

"Billing Meter" shall mean a retail billing meter located at the Site where the Participant's facility or dwelling is located. The Billing Meter must be fully operational and measure the billing demand and/or the energy being consumed at the Site.

SECTION 2.3 - BUSINESS DAYS

"Business Days" shall mean all days except Saturdays and Sundays and the weekdays that are observed by TVA as Federal holiday (Federal holidays currently include New Year's Day, Martin Luther King's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day).

SECTION 2.4 - CALENDAR DAYS

"Calendar Days" shall mean all days in a month, including weekends and holidays.

SECTION 2.5 - DEMAND-METERED

"Demand-Metered" shall mean having a monthly billing demand of greater than 50 kW or monthly energy usage greater than 15,000 kWh; provided, however, that Distributor may deem a Participant with a monthly billing demand of less than 50 kW or monthly energy usage less than 15,000 kWh as Demand-Metered.

SECTION 2.6 - DISTRIBUTOR BILLING OPTION

"Distributor Billing Option" means the option under which the Distributor shall administer and manage the payments due to Participant, if eligible, for the generation credits and any rebate incentive, in accordance with this Distributor Agreement, the Participation Agreement, and the Guidelines.

SECTION 2.7 - DISTRIBUTOR METER OPTION

"Distributor Meter Option" shall mean the Generation Meter and remote communication access option available to Distributor for Participants that have interval metering. Under this option, Distributor shall (a) purchase and install a Generation Meter and (b) make the arrangements necessary to allow TVA remote communication access to the metering data recorded by the Generation Meter. Said metering data may be used by TVA for verification and validation purposes of data reported to TVA via Electricity Sales Statistics (ESS) or other TVA-approved reporting system (collectively referred to herein as "Reporting System"). Subject to the limitations provided for in Section 3.3, TVA shall reimburse Distributor for the (i) cost of the Generation Meter, (ii) one-time cost of the remote communication installation, and (iii) monthly communication access cost.

SECTION 2.8 - GENERATION CREDIT

"Generation Credit" shall mean the accrued generation credits due to Participant. Generation Credit shall be calculated by applying the sum of the energy charge in the applicable retail rate schedule (residential (RS) or deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate to the kWh energy measured on the Generation Meter.

SECTION 2.9 - GENERATION METER

"Generation Meter" shall mean a meter additional to the Billing Meter at the Site that is installed by Distributor and designed to measure the alternating current (AC) energy output from the Qualifying System at the Site. Generation Meter shall mean either an Interval Generation Meter or a Non-Interval Generation Meter, or both.

SECTION 2.10 - GUIDELINES

"Guidelines" shall mean such currently effective "Green Power Providers Program Participation Guidelines," as such Guidelines now exist or may hereafter be modified by TVA. A copy of the Guidelines as effective on the date of execution of this Distributor Agreement is provided with this Distributor Agreement for information only. The Guidelines are as posted by TVA on its official web site and shall be a part of this Distributor Agreement as if fully set out herein. In the event of any conflict between the provisions of the Guidelines and the provisions of this Distributor Agreement, the provisions of this Distributor Agreement shall control. TVA may modify and replace the Guidelines at any time and from time to time upon thirty (30) Calendar Days notice to Distributor. Said notice 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.

It is expressly recognized that any modifications and replacements of the Guidelines shall not apply to or otherwise affect any Participation Agreement that was in effect prior to the effective date of said modifications and replacements.

SECTION 2.11 - INTERVAL GENERATION METER

"Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that records at least clock hour (hour interval) data and measures the energy output (kWh) from the Qualifying System at the Site; provided, however; it is recognized that fifteen (15) minute interval data is preferred. It is further expressly recognized that the Participant's applicable retail rate schedule may require a shorter interval.

SECTION 2.12 - NON-INTERVAL GENERATION METER

"Non-Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that measures the energy output (kWh) from the Qualifying System at the Site but which does not meet the definition of Interval Generation Meter.

SECTION 2.13 - PARTICIPANT

"Participant" shall mean an Applicant that qualifies for and meets, at the time TVA executes the Participation Agreement, the then-current applicable participation requirements set forth in the Participation Agreement and the Guidelines. In order to retain its status as a Participant, each such Applicant shall install, complete, interconnect, and commission its Qualifying System, and obtain from Distributor an executed "Distributor Acceptance of Qualifying System Form" (System Acceptance Form), the form of which is provided with this Distributor Agreement, in accordance with the Participation Agreement and the Guidelines, within one hundred eighty (180) Calendar Days of TVA's execution of the Participation Agreement. The date Distributor approves and executes the System Acceptance Form shall be designated as the "Delivery Commencement Date" for purposes of this Distributor Agreement.

SECTION 2.14 - PARTICIPATION AGREEMENT

"Participation Agreement" shall mean, as appropriate for the context, either (a) the end-use customer participation agreement for the Program, the form of which is attached to this Distributor Agreement as "Green Power Providers Participation Agreement," or (b) the Distributor's participation agreement for the Program, the form of which is attached to this Distributor Agreement as "Green Power Providers Distributor Facility Participation Agreement." In the event of any conflict between the provisions of an executed Participation Agreement and the provisions of this Distributor Agreement, the provisions of this Distributor Agreement shall control with respect to TVA and Distributor. TVA may modify or replace the form of the Participation Agreement at any time and from time to time upon thirty (30) Calendar Days' written notice to Distributor; provided, however, that any such revision shall not affect any fully executed Participation Agreement that was in effect prior to the effective date of said revision. Said notice 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 2.15 - POWER INVOICE

"Power Invoice" shall mean the monthly wholesale power invoice to Distributor from TVA, based on TVA's wholesale data and end-use data reported by Distributor to TVA, including Distributor customer end-use kWh consumption and generation.

SECTION 2.16 - PREMIUM RATE

"Premium Rate" shall mean the then-current applicable premium rate as stated in Guideline 8 of the Guidelines for the particular type of renewable generation.

SECTION 2.17 - PROPRIETARY INFORMATION

"Proprietary Information" shall mean the information specified below in Section 7.5 of this Distributor Agreement that Distributor has marked or otherwise clearly identified as confidential or proprietary such that it should not be disclosed by TVA.

SECTION 2.18 - QUALIFYING SYSTEM

"Qualifying System" means a qualifying renewable generation system type that meets, at the time TVA executes the Participation Agreement, the then-current applicable requirements of the Participation Agreement and the Guidelines.

SECTION 2.19 - SITE

"Site" shall mean Participant's residential, commercial, or industrial real estate and associated personal property to which the Qualifying System is connected, the address of which is identified under the Participant's power billing account. In addition, the Site must meet the following requirements:

- (a) The property must receive its retail electricity distribution service from Distributor at the location of the Qualifying System, and
- (b) The Qualifying System must be located on the same premises of Participant where the Participant's own electrical load is located.

Furthermore, the Site shall meet the additional and then-current applicable requirements set forth in the Participation Agreement and the Guidelines.

SECTION 2.20 - TVA-VENDOR BILLING OPTION

"TVA-Vendor Billing Option" means TVA's designated third-party vendor (Vendor) who shall administer and manage the payments due to Participant for the Premium Rate portion of the Generation Credits and any rebate incentive for which Participant may be eligible, in accordance with the Participation Agreement and the Guidelines.

SECTION 2.21 - TVA-VENDOR METER OPTION

"TVA-Vendor Meter Option" shall mean the **Generation Meter** and remote communication access option available for **Participants with Qualifying Systems** that require interval metering. Under this option, **Distributor** installs a **Generation Meter** it has selected from specifications submitted to a TVA-selected third-party vendor. The TVA-selected third-party vendor will be responsible for providing to TVA the metering data recorded in the **Generation Meter** that it obtains through remote communication access. Said metering data may be used by TVA for verification and validation purposes of data reported to TVA via the Reporting System. TVA shall directly pay the TVA-selected third-party vendor as provided for in Subsection 3.3.4 for the **Generation Meter** and the provision of the metering data recorded by the **Generation Meter**.

ARTICLE III

PROGRAM OBJECTIVE AND REQUIREMENTS

SECTION 3.1 - PROGRAM OBJECTIVE

The objective of the Program is for TVA to purchase electric energy from qualifying renewable generation systems to supply electric generation resources and support TVA's strategic goal for acquisition of clean energy. Under the Program, TVA shall not acquire more than the annual program limit, in MW as determined in the Guidelines, in total renewable nameplate capacity. The energy generated may be credited to TVA as a resource under TVA's Green Power Switch Program.

SECTION 3.2 - DISTRIBUTOR RESPONSIBILITIES

Under the Program, Distributor shall:

3.2.1 Conduct a review and verify the Applicant's eligibility for participation in the Program under the Guidelines; and

3.2.2 Review Applicant's interconnection application, and, if approved, enter into an interconnection agreement with Applicant; and

3.2.3 Upon entering into an interconnection agreement and confirming the Applicant's and its Qualifying System's eligibility for Program participation, enroll the Applicant in the Program in accordance with the Participation Agreement and the Guidelines; and

3.2.4 Once the Participation Agreement has been executed by Distributor and Applicant, or by Distributor alone if Applicant is Distributor, submit said Participation Agreement to TVA for its review and potential approval and execution; and

3.2.5 For a Qualifying System that utilizes interval metering, elect either the TVA-Vendor Meter Option or the Distributor Meter Option for that Participant with regard to the Generation Meter and remote communication access:

i. If the TVA-Vendor Meter Option is selected:

1. Order a Generation Meter from the TVA-selected third-party vendor;
2. Install the Generation Meter, and
3. Cooperate with TVA and the TVA-selected third-party vendor to enable necessary generation data collection and delivery to TVA.

ii. If the Distributor Meter Option is selected:

1. Purchase a Generation Meter,
2. Install the Generation Meter,
3. Arrange remote communication access to the metering data recorded by the Generation Meter,

4. Provide TVA with access to such data as provided for in Section 6.5 below,
5. Submit, after completion/execution of the System Acceptance Form, receipts and an invoice to TVA to be reimbursed for the actual cost of the installed Generation Meter,
6. If cellular service is not available, submit receipts and an invoice to TVA to be reimbursed for the costs associated with the installation of the remote communication access for the Generation Meter. It is expressly recognized that Distributor shall not be responsible for any amount of the cost of installation that exceeds the maximum reimbursement amount from TVA (\$500),
7. Submit receipts and an invoice to TVA for the first month's monthly communication access expenses, and
8. Approve subsequent monthly invoices provided by TVA for the remote communication expenses; and

3.2.6 For a Qualifying System that utilizes non-interval metering,

- i. Select, purchase, and install a Non-Interval Generation Meter, and
- ii. Submit receipts and an invoice to TVA to be reimbursed for the actual cost (up to the maximum cost of \$250.00 specified in Subsection 3.3.7) of the installed Non-Interval Generation Meter; and

3.2.7 (i) Select either the Supply-Side Tie-In Interconnection (Option 1 Metering Connection) or Load-Side Tie-In Interconnection (Option 2 Metering Connection) as described in Attachment A (Metering Connection Options), (ii) indicate on the applicable System Acceptance Form which of the two options it has selected, and (iii) install the Generation Meter and Billing Meter as outlined in the diagram; provided, however, the Billing Meter shall have bi-directional capability if Option 2 Metering Connection is elected; and

3.2.8 Submit to TVA both the completed System Acceptance Form and the completed Distributor Customer Meter Setup (DCMS) form, or any other TVA-approved meter set-up form; and

3.2.9 Once the Qualifying System is ready to generate, but prior to such Qualifying System commencing generation into Distributor's electric system, conduct a review at the Site to verify the compliance of the Qualifying System with (i) the standards of the Participation Agreement and the Guidelines, (ii) Distributor's interconnection requirements, and (iii) any inspection report from appropriate governmental authorities. By signing the System Acceptance Form, Distributor warrants to TVA that the Qualifying System meets the Distributor's interconnection requirements and the requirements of this Agreement only at the time of Distributor's signature of the System Acceptance Form; and

3.2.10 Complete and execute the System Acceptance Form prior to the deadline under the Participation Agreement (within one hundred eighty (180) Calendar Days of TVA's execution of the Participation Agreement): Distributor shall submit to TVA said System Acceptance Form within ten (10) Business Days of its execution, and no later than ten (10) Business Days after the deadline under the Participation Agreement. Upon the System Acceptance Form's approval by TVA's Operating Representative (identified in Subsection 7.4.3 below), the date on which Distributor executes the System Acceptance Form shall become the date upon which the Participant shall begin accruing Generation Credits. Furthermore, TVA shall not pay for any electric energy generated by the Qualifying System(s) prior to said date; and

3.2.11 If Distributor elects the Distributor Billing Option, provide a one-time \$1,000.00 rebate incentive to each Participant per Site and in accordance with the Participation Agreement; and

3.2.12 If Distributor elects the TVA-Vendor Billing Option, Vendor will provide the one-time \$1,000.00 incentive payment, referred to in Subsection 3.2.11 above, to each Participant per Site in accordance with the Participation Agreement; and

3.2.13 Collect and make available to TVA any data relative to the Program's participation; and

3.2.14 Credit each Participant for the energy generated by its Qualifying System in accordance with Article V below; and

3.2.15 For audit purposes, collect and make available to TVA, in a format specified by TVA, monthly data reports relative to the Program. This data shall include (a) information on each Participant at the time of enrollment in the Program, (b) the type of Participant (whether residential, commercial, or industrial), (c) the type and capacity of each Participant's Qualifying System, (d) a monthly report of the generation output from each individual type of Qualifying System at each Site, (e) the applicable retail rate to apply to the Participant's Generation Credits, and (f) the payments made by Distributor to each Participant, whether Distributor elects the Distributor Billing Option or TVA-Vendor Billing Option; and

3.2.16 For billing purposes, report to TVA monthly, via the Reporting System, all generation data related to each Qualifying System; provided, however, Distributor must commence reporting generation of new Qualifying Systems within three (3) months of the date of the System Acceptance Form. Neither Distributor nor Participants shall be entitled to reimbursement by TVA for any generation data reported to TVA outside the timeframes specified in this Subsection 3.2.16; and

3.2.17 Perform any other actions that may be reasonably required to comply with this Distributor Agreement, the Participation Agreement, or the Guidelines; and

3.2.18 Submit to TVA for review and potential approval and execution any partially executed "Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner," the form of which is attached to this Distributor Agreement as Attachment C, with respect to any intended ownership transfer of a Site and/or Qualifying System by Participant, and/or the owner of Qualifying System (if different from Participant) in accordance with the Participation Agreement. TVA may modify or replace Attachment C at any time and from time to time upon thirty (30) Calendar Days' notice to Distributor. Said notice 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.

The Billing Meter, Generation Meter, and any other equipment installed by Distributor, or its representative, at the Site in connection with the Program shall remain the property of Distributor.

SECTION 3.3 - TVA RESPONSIBILITIES

Under the Program, TVA shall:

3.3.1 Make separate arrangements for either: (i) Vendor to administer and manage the payments and reimbursements to Participant in accordance with Section 5.4 below for the TVA-Vendor Billing Option, or (ii) Distributor to administer and manage the payments and reimbursements to Participant in accordance with Section 5.3 below for the Distributor Billing Option; and

3.3.2 Review all partially executed Participation Agreements to verify (i) Program participation eligibility and (ii) conformity to this Distributor Agreement and the Guidelines and, if approved, execute said Participation Agreements, but if not approved, return to Distributor identifying deficiencies; and

3.3.3 Following its approval of the System Acceptance Form, pay Distributor \$200.00 for the review of the required interconnection and safety equipment for each Qualifying System in accordance with the Participation Agreement, and pay Distributor \$200.00 for a maximum of one repeat review if the equipment does not meet the requirements at the initial review; and

3.3.4 Reimburse TVA-selected third-party vendor for Generation Meter and remote communication access if Distributor elects the TVA-Vendor Meter Option; and

3.3.5 With respect to Billing Meter, if Distributor elects Option 2 Metering Connection and the existing Billing Meter does not have bi-directional

programming capability, reimburse Distributor up to \$1,000.00 for the replacement of the existing Billing Meter with a bi-directional Billing Meter installed at the Site based upon actual costs and submitted invoices, as documented on submitted receipts; provided, however, that it is expressly recognized that any future needed upgrades from existing non-interval Billing Meters to interval Billing Meters shall not be reimbursed by TVA; and

3.3.6 With respect to the Generation Meter and remote communication access, if the Distributor Meter Option is elected:

i. Reimburse Distributor up to \$1,000.00 for each Interval Generation Meter purchased and initially installed at the Site based upon actual costs and submitted invoices, as documented on submitted receipts. It is expressly recognized that the Distributor is responsible for any amount of the cost of each Interval Generation Meter that exceeds the amount reimbursed by TVA; provided, however, Distributor may elect to require each of its Participants to pay such additional cost, if any. Upon proof of failure of an Interval Generation Meter, and if a replacement Interval Generation Meter is needed at the Site, TVA shall reimburse Distributor \$1,000.00 for such replacement Interval Generation Meter. It is expressly recognized that TVA shall not provide any reimbursement for any future failure(s) of the Interval Generation Meter after the first replacement and reimbursement; and

ii. Reimburse Distributor up to \$500.00 for the installation of the remote communication access to the Generation Meter based upon actual costs and submitted invoices as documented on submitted receipts. It is expressly recognized that the Distributor is responsible for any amount of the cost of installation that exceeds the amount reimbursed by TVA; provided, however, Distributor may elect to require each of its Participants to pay such additional cost, if any; and

iii. If remote communication access to the Generation Meter is provided to TVA, reimburse Distributor for providing remote communication access up to \$50.00 per month based on the first month's actual costs and submitted invoices, as documented on submitted receipts. During subsequent months for the term of the Participation Agreement, TVA shall reimburse Distributor monthly for the remote communication access based on Distributor's approval of monthly invoices provided to TVA; and

3.3.7 With respect to the Generation Meter and remote communication access, if a Non-Interval Generation Meter is used, reimburse Distributor up to \$250.00 for each installed Non-Interval Generation Meter at the Site based upon actual costs and submitted invoices, as documented on submitted receipts. It is expressly recognized that the

Distributor is responsible for any amount of the cost of each Non-Interval Generation Meter that exceeds the amount reimbursed by TVA; provided, however, Distributor may elect to require each of its Participants to pay such additional cost, if any. Upon proof of failure of a Non-Interval Generation Meter, and if a replacement Non-Interval Generation Meter is needed at the Site, TVA shall reimburse Distributor \$250.00 for such replacement. It is expressly recognized that TVA will not provide any reimbursement for any future failure(s) of the Interval Generation Meter after the first replacement and reimbursement; and

3.3.8 If Distributor elects the Distributor Billing Option, reimburse Distributor the \$1,000.00 incentive for each Participant in the Program in accordance with Participation Agreement; and

3.3.9 Provide appropriate reimbursements to Distributor upon TVA's receipt of the complete and fully executed System Acceptance Form; and

3.3.10 If Distributor elects the TVA-Vendor Billing Option, cause Vendor to provide payments directly to Participant in accordance with Article V below.

SECTION 3.4 - DISTRIBUTOR FACILITY PARTICIPATION IN PROGRAM

In addition to offering the Program to its customers, Distributor is also eligible to participate and be a Participant in the Program, with the rights to receive those sums, reimbursements, or credits that are otherwise due to a Participant with a Qualifying System. Distributor shall be entitled to reimbursement by TVA of eligible expense as set forth in Section 3.3 above.

For the purposes of the Program, Distributor's facility shall qualify and meet, at the time of Distributor's election to participate in the Program, the then-current applicable participation requirements set forth in the Participation Agreement and the Guidelines. Furthermore, if Distributor's facility is to participate in the Program, the System Acceptance Form must be received and approved by TVA within one hundred eighty (180) Calendar Days of TVA's execution of said Participation Agreement. Payment for the Generation Credit due to Distributor shall be included in the monthly wholesale billing adjustment as described in Subsection 5.3.3 of this Distributor Agreement.

SECTION 3.5 - NEW CONSTRUCTION PARTICIPATION IN PROGRAM

As provided for under the Guidelines, proposed systems to be located on new construction at a Site may be accepted into the Program against the Program's annual capacity limit, provided that (i) Distributor agrees to offer the Program to its prospective eligible customers or "new construction" market, subject to the Program's terms and conditions, (ii) the new construction builder completes and submits for Distributor's and TVA's review and potential approval the Request for Program Participation Eligibility of New Construction form, which is attached to this Distributor Agreement as Attachment E, and (iii) both Distributor and TVA approve and execute it.

ARTICLE IV
CONTRACT TERM AND TERMINATION

SECTION 4.1 - TERM OF AGREEMENT

This Distributor Agreement shall become effective as of the date first above written, and shall remain in effect until terminated as provided by Section 4.2 below.

SECTION 4.2 - TERMINATION OF AGREEMENT

This Distributor Agreement shall terminate:

- (a) Upon at least thirty (30) Calendar Days prior written notification of such termination given by one party to the other, or
- (b) Upon the date, if any, on which the Power Contract and any renewal, extension, or replacement of it terminates or expires.

Nothing contained in this Distributor Agreement shall be construed as relieving either TVA or Distributor of its obligations with regard to Participants enrolled in the Program prior to the effective date of such termination. Upon sending or receiving such a termination notice, as outlined in (a) above, Distributor shall make no further commitments; provided, however, that upon any terminations under (b) above, Distributor shall send a notice of termination of Participation Agreements to Participants who are party to any currently effective Participation Agreements with the Distributor.

Upon termination of this Distributor Agreement, Distributor shall not execute any Participation Agreements submitted by new Applicants for participation in the Program, and shall maintain records, including the Participation Agreements, their amendments, if any, and copies of System Acceptance Forms, for each Participant for at least six (6) years after the termination of Participant's participation in the Program.

SECTION 4.3 - TERMINATION OF PARTICIPATION AGREEMENTS

Early termination of individual Participation Agreements may be approved based upon terms mutually acceptable to TVA, Distributor, and Participant. In addition, Distributor shall notify TVA immediately of any terminations as outlined in the Participation Agreement.

ARTICLE V
METERING AND BILLING

SECTION 5.1 - METERING CONNECTION

For each Qualifying System, Distributor may utilize either the metering design of Option 1 Metering Connection or Option 2 Metering Connection. However, for billing reasons, it is strongly encouraged that Distributor utilizes Option 1 Metering Connection for a Participant who is a Demand-Metered customer.

Distributor shall indicate on the System Acceptance Form for each Qualifying System which of the two options it has elected, by completing and submitting to TVA said form. Distributor may at any time change its election by providing written notice to TVA's Operating Representative; provided, however, TVA shall not reimburse Distributor or Participant for any costs either incurs as a result of such change of election, other than the \$1000.00 referred to under Subsection 3.3.5 above.

SECTION 5.2 - PREMIUM RATE AND INCENTIVE DISTRIBUTION OPTIONS

For all Participants of Distributor under the Program, Distributor shall select either the Distributor Billing Option or the TVA-Vendor Billing Option for the Generation Credits and rebate incentives disbursement to all of its Participants. Distributor shall indicate which of the two options it has selected by submitting to TVA a completed copy of the form attached to this Distributor Agreement as Attachment B and entitled "Premium Rate & Incentive Distribution Options." If Distributor elects the Distributor Billing Option, TVA shall reimburse Distributor at the same per-unit cost as TVA uses for the TVA-Vendor Billing Option, and such reimbursement arrangement(s) shall be provided for under separate agreement or agreements between Distributor and TVA. Distributor may, at any time and upon ninety (90) Calendar Days notice to TVA, change its election by submitting a revised Attachment B to TVA.

SECTION 5.3 - METERING AND BILLING ADJUSTMENTS BY DISTRIBUTOR

If Distributor elects the Distributor Billing Option on Attachment B, the parties agree that this Section 5.3 shall be effective, and Section 5.4 below is of no force or effect. The parties agree to the following:

5.3.1 Retail Charge for Participants

- i. Participants with Option 1 Metering Connection. Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kWh energy measured on the single associated Billing Meter at the Site and any other charges and credits determined in accordance with the applicable retail

rate schedule, as appropriate, and (b) credit Participant with Generation Credit.

ii. Participants with Option 2 Metering Connection. Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) add the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the Generation Meter to the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the single associated Billing Meter at the Site; (b) apply all charges and credits for power and energy to such total and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (c) credit Participant with the Generation Credit.

5.3.2 Generation Credit and Billing Period. If the Generation Credit exceeds the sum of all charges and other credits on Participant's power bill resulting in Participant being owed money for the billing period, Distributor may elect to carry over any such payment due to Participant as an additional credit on Participant's power bill for the following billing period, and may continue to do so for a total of twelve (12) consecutive billing periods. If at the end of this cumulative period the value of Participant's Generation Credit exceeds the net sum of all charges and other credits for such cumulative period, Distributor shall issue payment to Participant for the balance due.

5.3.3 Wholesale Billing Adjustment. Distributor and TVA acknowledge and agree that all energy generated by Participants under this Distributor Agreement, as read from Participants' Generation Meters, is being sold by Participants to TVA under this Distributor Agreement for the purpose of TVA reselling such energy to Distributor as part of TVA's sale of power to Distributor under the Power Contract. Accordingly, in calculating the wholesale power bill each month for Distributor under the wholesale rate schedule attached to and made a part of the Power Contract, (a) Distributor's total demand and energy takings from TVA at the delivery points under the Power Contract shall be increased, on a simultaneous basis (or another statistical approach mutually agreed upon by Distributor and TVA), by Distributor's energy flow from all Qualifying Systems of all Participants under this Distributor Agreement as read from Participants' Generation Meters during the month, and (b) a credit shall be applied to Distributor's wholesale power bill equal to Distributor's monthly payment to Participants (or as close to equal as possible for Participants whose billing cycles do not coincide with the Distributor billing cycle), including the Premium Rate for the electric energy delivered to TVA from all Qualifying Systems interconnected with Distributor under this Distributor Agreement as read from Participants' Generation Meters during the month.

SECTION 5.4 - TVA-VENDOR BILLING OPTION ADMINISTRATION

If Distributor elects the TVA-Vendor Billing Option on Attachment B, the parties agree that this Section 5.4 shall be effective, and Section 5.3 above is of no force or effect. The data obtained from the Billing Meter and Generation Meter associated with the Qualifying System and reported to TVA via the Reporting System, shall be used by TVA in determining the Generation Credit, if any, that the TVA-selected third-party vendor and Distributor shall pay to Participant. The parties agree to the following:

5.4.1. Retail Rate Portion of Generation Credit.

- i. **Participants with Option 1 Metering Connection.** Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kWh energy measured on the Billing Meter, and if applicable, the Generation Meter, at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Participant with a dollar amount calculated by applying the energy charge in the applicable retail rate schedule (residential or deemed to be GSA1 for all commercial and industrial customers) to the kWh energy measured on the Generation Meter.
- ii. **Participants with Option 2 Metering Connection.** Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) add the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the Generation Meter to the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the Billing Meter at the Site, (b) apply all charges and credits for power and energy to such total and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (c) credit Participant with a dollar amount calculated by applying the energy charge in the applicable retail rate schedule (residential or deemed to be GSA1 for all commercial or industrial customers) to the kWh energy measured on the Generation Meter.

5.4.2. Premium Rate Portion of Generation Credit. Based upon generation data of each Qualifying System submitted to TVA via Reporting System, Vendor shall deliver to Participant as soon as reasonably practical, but no later than ten (10) Business Days following the end of each calendar month, a statement showing energy delivered from the Qualifying System during the previous calendar month and a computation of the payment

due to Participant. Such payment shall be calculated by applying the applicable Premium Rate to the kWh energy measured on the Generation Meter. In the event that generation information of a Qualifying System is not promptly provided due to such events as meter malfunction or communications failure, the time period in which Distributor may deliver said data to TVA may be extended as appropriate. Payments due, if any, by Vendor under this Subsection 5.4.2 are due within thirty (30) Calendar Days of the date of the statement.

5.4.3 Wholesale Billing Adjustment. Distributor and TVA acknowledge and agree that all energy generated by Participants under this Distributor Agreement, as read from Participants' Generation Meters and reported to TVA via the Reporting System, is being sold by Participants to TVA under this Distributor Agreement for the purpose of TVA reselling such energy to Distributor as part of TVA's sale of power to Distributor under the Power Contract. Accordingly, in calculating the wholesale power bill each month for Distributor under the wholesale rate schedule attached to and made a part of the Power Contract, (a) Distributor's total demand and energy takings from TVA at the delivery points under the Power Contract shall be increased, on a simultaneous basis (or another statistical approach mutually agreed upon by Distributor and TVA), by Distributor's energy flow from all Qualifying Systems of all Participants under this Distributor Agreement as read from Participants' Generation Meters during the month, and (b) a credit shall be applied to Distributor's wholesale power bill equal to Distributor's monthly payment to Participants (or as close to equal as possible for Participants whose billing cycles do not coincide with the Distributor billing cycle) for the electric energy delivered to TVA from all Qualifying Systems interconnected with Distributor under this Distributor Agreement as read from Participants' Generation Meters during the month.

ARTICLE VI
GENERATION METERING FACILITIES

SECTION 6.1 - INTERVAL GENERATION METER

An Interval Generation Meter shall be used if any of the following apply: (a) the Participant's Qualifying System has a nameplate generation capacity of greater than 10 kW, (b) the Participant's Qualifying System has a nameplate generation capacity of less than or equal 10 kW, but the Participant's Billing Meter is Demand-Metered, and Distributor has chosen Option 2 Metering Connection, (c) Distributor elects to install an Interval Generation Meter, or (d) modifications to the Qualifying System or Participant's Billing Meter result in the qualifications stated in clauses (a), (b), or (c) above being met for the Interval Generation Meter.

SECTION 6.2 - NON-INTERVAL GENERATION METER

A Non-Interval Generation Meter may be used when the Participant's Qualifying System has a nameplate generation capacity of less than or equal to 10 kW and either (a) the Participant's Billing Meter is not Demand-Metered, or (b) the Participant's Billing Meter is Demand-Metered and Distributor has chosen the Option 1 Metering Connection.

SECTION 6.3 - GENERATION METER

It is recognized and agreed that Distributor is responsible for installing and maintaining the meter and associated equipment that in TVA's judgment are needed for determining the amounts of power and energy associated with the Program. Distributor shall at its expense provide the equipment and materials and perform the work necessary to install the Generation Meter and be reimbursed by TVA as agreed in Section 3.3 above. If remote communication access to the Generation Meter is provided to TVA using the Distributor Meter Option, TVA shall reimburse Distributor for the cost of the remote communication access as provided for in Subsection 3.3.6(iii) above. If the TVA-Vendor Meter Option is elected, Distributor shall coordinate the metering responsibilities with TVA and the TVA-selected third-party vendor. Thereafter, Distributor shall test, calibrate, operate, maintain, repair, and replace all facilities in the metering installation, as requested by TVA.

SECTION 6.4 - GENERATION DATA DELIVERY

In accordance with the Guidelines or specifications furnished or approved by TVA, Distributor shall provide TVA with generation data as requested by TVA as set forth in Subsection 3.2.5 above.

SECTION 6.5 - ACCESS BY TVA

If Distributor has elected the TVA-Vendor Meter Option, Distributor shall cooperate with TVA and the TVA selected third-party vendor to enable necessary generation data collection and delivery to TVA. If TVA is reimbursing Distributor for remote communication access through the Distributor Meter Option, Distributor grants TVA access to the data stored in the Generation Meter through remote communication.

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.1 - ENVIRONMENTAL ATTRIBUTES

TVA shall retain the sole right and title to any renewable energy credits (including tradable renewable credits or green tags) or other associated benefits or environmental attributes of energy generated from the renewable nature of the Qualifying Systems, without regard to whether any governmental authority or other organization has registered, certified, or otherwise taken action to recognize said credits, tags, benefits, or attributes.

SECTION 7.2 - DISTRIBUTOR INVOICE TO TVA FOR REIMBURSEMENTS

For eligible reimbursable expenses, Distributor shall invoice TVA for the reimbursable expenses identified under Article V above; TVA shall pay within thirty (30) Calendar Days after receiving a proper invoice. A proper invoice must include the TVA Purchase Order number assigned to this Distributor Agreement and must be numbered (unique to each invoice), dated, itemized in detail (including identification of individual Sites to which charges relate), and accompanied by all reasonable supporting documentation specified by TVA.

SECTION 7.3 - CHANGES TO AGGREGATE NAMEPLATE CAPACITY

Any requests to change the nameplate capacity of a Qualifying System, after the effective date of the Participation Agreement, must be reviewed by Distributor and TVA. Participant and Distributor, or their authorized representatives, shall complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System), and forward it to the TVA Operating Representative for review and consideration in accordance with the Participation Agreement and Guidelines. Said proposed change to nameplate capacity of the Qualifying System shall be approved only if Program capacity is available and all other Program requirements are being met as outlined in the Participation Agreement and the Guidelines. Upon approval, any approved changes to nameplate capacity of a Qualifying System must be implemented within one hundred eighty (180) Calendar Days of TVA's approval date as set out in Attachment D.

TVA may modify or replace the form of Attachment D at any time and from time to time upon thirty (30) Calendar Days' notice to Distributor. Said notice 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 7.4 - OPERATING REPRESENTATIVES

7.4.1 Subject to the provisions of this Distributor Agreement, the Power Contract, and any applicable law or regulation, and only to the extent consistent therewith, the Operating Representatives may agree upon such incidental administrative arrangements as are appropriate for the efficient and expeditious implementation of this Distributor Agreement.

7.4.2 Distributor's Operating Representative for administration of this Distributor Agreement shall be the manager of its electric system or a designee.

7.4.3 TVA's Operating Representative for administration of this Distributor Agreement shall be the Director of Renewable Energy Programs or a designee.

7.4.4 Either party may change its Operating Representative designated under this Section 7.4 by giving written notice to the other party.

SECTION 7.5 - PROPRIETARY INFORMATION

7.5.1 The Distributor's customer data shall be deemed to be Proprietary Information when provided to TVA for purposes of the Program.

7.5.2 Except as may be required by law, TVA agrees not to divulge Proprietary Information to third parties, other than to employees, contractors, and agents of TVA or other parties necessarily involved in conducting the Program, without the written consent of the Distributor.

7.5.3 The obligations of this Section 7.5 with respect to Proprietary Information shall inure to the benefit of, and shall be binding upon, Distributor and TVA, and, as applicable, their respective subsidiaries, affiliates, successors, and assigns. In addition, the Distributor's and TVA's obligations with respect to Proprietary Information shall be binding upon any and all directors, officers, attorneys, agents, contractors, and employees of that party, and each party shall, respectively, secure the compliance by all of the foregoing with all of the terms and conditions of obligations with respect to Proprietary Information required to be observed or performed hereunder.

IN WITNESS WHEREOF, the parties have caused this Distributor 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. & GM

TENNESSEE VALLEY AUTHORITY

By 

Senior Manager, Power Contracts

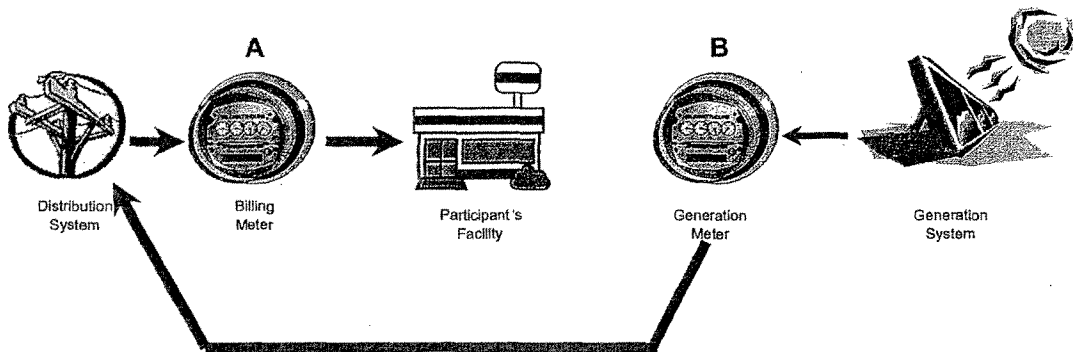
ATTACHMENT A

METERING CONNECTION OPTIONS

Option 1 Metering Connection (Supply-Side Tie-In Generation Meter).

Billing calculated as follows:

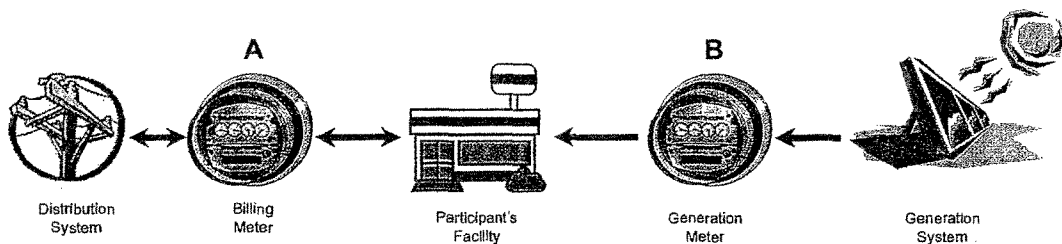
1. Use the kWh energy measured on the Billing Meter.
2. Apply all charges and credits for power and energy in accordance with the applicable retail rate schedule.
3. Credit Participant by adding the retail rate (residential or GSA1 for all commercial and industrial customers) and the Premium Rate (as determined by the Guidelines) and multiply the result by the kWh energy measured on the Generation Meter.



Option 2 Metering Connection (Load-Side Tie-In Generation Meter).

Billing calculated as follows:

1. Add the kWh energy and kW demand, if applicable, measured on the Generation Meter to the kWh energy and kW demand, if applicable, measured on the Billing Meter.
2. Apply all charges and credits for demand and energy to the sum from step 1 in accordance with the applicable retail rate schedule
3. Credit Participant by adding the retail rate (residential or GSA1 for all commercial and industrial customers) and the Premium Rate (as determined by the Guidelines) and multiply the result by the kWh energy measured on the Generation Meter.



ATTACHMENT B

PREMIUM RATE & INCENTIVE DISTRIBUTION OPTIONS

I Tri-County Electric (Distributor) elect the following option for all Generation Partners Pilot and Green Power Providers Program Generation Credits and incentives due to the Participant under the Green Power Providers Participation Agreement:

Distributor Billing Option

TVA-Vendor Billing Option

Paul Thompson, Exec. VP. & G.M.
Distributor Representative Name & Title

Paul Thompson
Distributor Representative Signature

9/10/2012
Date

For TVA Use Only:

Supp.

ATTACHMENT C

REQUEST TO AMEND PARTICIPATION AGREEMENT BY CHANGING PARTICIPANT AND/OR QUALIFYING SYSTEM OWNER

SECTION 1: AGREEMENT INFORMATION

Green Power Providers Participation Agreement or Green Power Providers Distributor Facility Participation Agreement No. [REDACTED]

Request to amend Participation Agreement by changing (Check all that apply):

- Participant (PLEASE COMPLETE SECTION 2)
- Qualifying System Owner (If different from Participant) (PLEASE COMPLETE SECTION 3)

SECTION 2: TO CHANGE PARTICIPANTS - TO BE COMPLETED BY BOTH CURRENT PARTICIPANT/TRANSFEROR AND NEW PARTICIPANT/TRANSFEEE*

Current Participant (PRINT NAME): /Transferor	[REDACTED]
	[REDACTED]
	*Current Participant/Transferor Signature
	[REDACTED]
	Date
New Participant (PRINT NAME): /Transferee	[REDACTED]
	[REDACTED]
	(BILLING SERVICE ACCOUNT #)
Notice Address of New Participant: /Transferee	[REDACTED]
	(NAME)
	[REDACTED]
	(STREET ADDRESS)
	[REDACTED]
	(CITY, STATE, ZIP)
	[REDACTED]
	*New Participant/Transferee Signature
	[REDACTED]
	Date

* THE INDIVIDUALS SIGNING ABOVE AUTHORIZE THEIR POWER DISTRIBUTOR (ELECTRIC COMPANY) AND TVA TO AMEND THE EXISTING PARTICIPATION AGREEMENT BY CHANGING THE CURRENT PARTICIPANT/TRANSFEROR TO THE NEW PARTICIPANT/TRANSFEEE. THE NEW PARTICIPANT/TRANSFEEE ACKNOWLEDGES BEING FULLY RESPONSIBLE FOR AND SHALL COMPLY WITH THE PARTICIPATION AGREEMENT FOR THE REMAINING TERM OF THE PARTICIPATION AGREEMENT. THIS AMENDMENT REQUEST MAY BE SUBJECT TO A REASONABLE FEE TO BE PAID BY THE NEW PARTICIPANT/TRANSFEEE TO THE POWER DISTRIBUTOR. ADDITIONALLY, THE INDIVIDUALS SIGNING ABOVE UNDERSTAND THAT, IN THE PLACE OF THE CURRENT PARTICIPANT/TRANSFEROR, THE NEW PARTICIPANT/TRANSFEEE SHALL BE RESPONSIBLE FOR AND SHALL COMPLY WITH THE POWER DISTRIBUTOR'S INTERCONNECTION AGREEMENT, WHICH MAY REQUIRE SUPPLYING PROOF OF INSURANCE COVERAGE. THE NEW PARTICIPANT/TRANSFEEE ACKNOWLEDGES THAT S/HE HAS BEEN GIVEN A COPY OF BOTH THE PARTICIPATION AGREEMENT AND THE INTERCONNECTION AGREEMENT.

SECTION 3: TO CHANGE QUALIFYING SYSTEM OWNER - TO BE COMPLETED BY 1) PARTICIPANT, 2) CURRENT QUALIFYING SYSTEM OWNER/TRANSFEROR, AND 3) NEW QUALIFYING SYSTEM OWNER/TRANSFEEE**

Participant (PRINT NAME): [REDACTED]

****Participant Signature** [REDACTED] **Date** [REDACTED]

Current Qualifying System Owner (PRINT NAME): [REDACTED]
/Transferor

****Current Qualifying System Owner/Transferor Signature** [REDACTED] **Date** [REDACTED]

New Qualifying System Owner (PRINT NAME): [REDACTED]
/Transferee

****New Qualifying System Owner/Transferee Signature** [REDACTED] **Date** [REDACTED]

****THE INDIVIDUALS SIGNING ABOVE AUTHORIZE THEIR POWER DISTRIBUTOR (ELECTRIC COMPANY) AND TVA TO AMEND THE PARTICIPATION AGREEMENT BY CHANGING THE QUALIFYING SYSTEM OWNER AS REQUESTED. THE NEW QUALIFYING SYSTEM OWNER/TRANSFEEE ACKNOWLEDGES BEING FULLY BOUND BY THE PARTICIPATION AGREEMENT, INCLUDING ALL SYSTEM OWNER RESPONSIBILITIES THEREUNDER. THIS CHANGE REQUEST MAY BE SUBJECT TO A REASONABLE FEE TO BE PAID BY PARTICIPANT TO THE POWER DISTRIBUTOR. FURTHER, THE NEW QUALIFYING SYSTEM OWNER/TRANSFEEE ACKNOWLEDGES BEING RESPONSIBLE FOR AND SHALL COMPLY WITH THE POWER DISTRIBUTOR'S INTERCONNECTION AGREEMENT, WHICH MAY REQUIRE SUPPLYING PROOF OF INSURANCE COVERAGE. THE NEW QUALIFYING SYSTEM OWNER/TRANSFEEE ACKNOWLEDGES THAT S/HE HAS BEEN GIVEN A COPY OF BOTH THE PARTICIPATION AGREEMENT AND THE INTERCONNECTION AGREEMENT.**

SECTION 4: TO BE COMPLETED BY POWER DISTRIBUTOR***

Distributor's Acceptance of Qualifying System Form Submitted to TVA: Yes No

(Has the Distributor signed Distributor's Acceptance of Qualifying System form and turned it in to TVA?)

If Yes, Date of Distributor's Acceptance of Qualifying System Form submission:

[REDACTED]

[REDACTED]

Distributor Name

[REDACTED]

Distributor Representative Name & Title

[REDACTED]

Date

[REDACTED]

***Distributor Representative Signature

***BY SIGNING ABOVE IN SECTION 4, POWER DISTRIBUTOR AUTHORIZES AND AGREES TO AMEND THE PARTICIPATION AGREEMENT BY MAKING THESE REQUESTED CHANGES AS SET FORTH UNDER SECTION 2 AND/OR SECTION 3 ABOVE AND CONFIRMS THAT ALL FEES AND ASSOCIATED INTERCONNECTION DOCUMENTATION HAVE BEEN REVIEWED AND APPROVED BY POWER DISTRIBUTOR FOR ACCEPTANCE WITHIN THE PROGRAM.

SECTION 5: TO BE COMPLETED BY TVA

APPROVED

DENIED

COMMENTS/REASONS FOR DENIAL:

TENNESSEE VALLEY AUTHORITY

[REDACTED]

TVA Representative Name & Title

[REDACTED]

Date

[REDACTED]

TVA Representative Signature

For TVA Use Only:
_____, Supp.

ATTACHMENT D

**REQUEST TO AMEND PARTICIPATION AGREEMENT TO MODIFY
CAPACITY OF QUALIFYING SYSTEM**

Date of request: _____

Green Power Providers Participation Agreement or Green Power Providers Distributor
Facility Participation Agreement (Participation Agreement) No.: _____

Participant (PRINT NAME): _____

- A) Existing total nameplate capacity of qualifying system: _____ kW
- B) Requested increment or decrement in nameplate capacity of Qualifying System: _____ kW
- C) Total new requested nameplate capacity of Qualifying System: _____ kW (A ± B)

If the owner of Qualifying System is different from the Participant, then the Qualifying System
Owner must complete the following:

Qualifying System Owner (PRINT NAME): _____

Qualifying System Owner Signature & Date: _____

*Participant Signature Date

*BY SIGNING ABOVE, PARTICIPANT FORMALLY REQUESTS PERMISSION TO MODIFY (INCREASE OR DECREASE) THE QUALIFYING SYSTEM NAMEPLATE CAPACITY REFERENCED ABOVE INCLUDING MAKING NECESSARY INTERCONNECTION MODIFICATIONS AND TO AMEND THE PARTICIPATION AGREEMENT AS NECESSARY TO ACCOMMODATE THE CHANGED CAPACITY. SAID PROPOSED INCREASE OR DECREASE, IF ACCEPTED BY THE POWER DISTRIBUTOR AND TVA, SHALL BE SUBJECT TO THE GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES AND EXISTING CONTRACTS AS AMENDED TO ACCOMMODATE THE CHANGED CAPACITY. PARTICIPANT ALSO UNDERSTANDS THAT ANY PROPOSED CAPACITY INCREASE MUST BE COMPLETED AND OPERATING WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS OF THE TVA ACCEPTANCE DATE BELOW OR ELSE THE PROPOSED ADDITIONAL SYSTEM CAPACITY SHALL BE INELIGIBLE TO PARTICIPATE IN THE PROGRAM. FURTHER, EFFECTIVE UPON DISTRIBUTOR'S AND TVA'S ACCEPTANCE OF THIS REQUEST, AS INDICATED BY THEIR SIGNATURES BELOW, THE ABOVE-REFERENCED PARTICIPATION AGREEMENT IS AMENDED SO THAT THE NEW PROPOSED NAMEPLATE CAPACITY OF THE QUALIFYING SYSTEM UNDER C) ABOVE REPLACES THE NAMEPLATE CAPACITY PROVIDED UNDER SECTION 15.1 OF THE PARTICIPATION AGREEMENT AND GENERATION CREDIT SHALL THEREAFTER BE BASED ON NEW NAMEPLATE CAPACITY IN ACCORDANCE WITH SAID PARTICIPATION AGREEMENT, AS AMENDED.

TO BE COMPLETED BY DISTRIBUTOR

[Redacted]
Distributor Name

[Redacted]
Distributor Representative Name & Title

[Redacted]
**Distributor Representative Signature

[Redacted]
Date

****BY SIGNING ABOVE, DISTRIBUTOR APPROVES THE PROPOSED MODIFICATION OF THE QUALIFYING SYSTEM NAMEPLATE CAPACITY (INCLUDING BUT NOT LIMITED TO MAKING INTERCONNECTION MODIFICATIONS) AND THE PROPOSED AMENDMENT TO THE PARTICIPATION AGREEMENT TO REFLECT THE MODIFIED CAPACITY UNDER THE PROGRAM IN ACCORDANCE WITH THE GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES AND EXISTING CONTRACTS AS AMENDED TO ACCOMMODATE THE CHANGED CAPACITY. DISTRIBUTOR ACKNOWLEDGES THAT IF APPROVED BY TVA, SUCH PROPOSED MODIFICATION MUST BE COMPLETED AND OPERATING WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS OF THE TVA ACCEPTANCE DATE BELOW OR ELSE THE PROPOSED ADDITIONAL SYSTEM CAPACITY SHALL BE INELIGIBLE TO PARTICIPATE IN THE PROGRAM. IN ADDITION, DISTRIBUTOR MUST SUBMIT A REVISED DISTRIBUTOR'S ACCEPTANCE OF QUALIFYING SYSTEM FORM (SYSTEM ACCEPTANCE FORM) UPON COMPLETION OF SAID MODIFICATION.**

TO BE COMPLETED BY TVA

APPROVED DENIED

COMMENTS/REASONS FOR DENIAL

TENNESSEE VALLEY AUTHORITY

[Redacted]
TVA Representative Name & Title

[Redacted]
TVA Representative Signature

[Redacted]
Date

For TVA Use Only:	

ATTACHMENT E

REQUEST FOR NEW CONSTRUCTION PARTICIPATION IN PROGRAM

Date of request: [REDACTED]

Prospective Customer: Residential Commercial/Industrial

Proposed location and address of Site: [REDACTED]

Projected annual electrical usage on the Billing Meter at the Site: [REDACTED] kWh

Commercial or Industrial Customer Projects Only: Projected Annual Electrical Demand on the Billing Meter at the Site: [REDACTED] kW

Qualifying System Generation Information:

- Projected total nameplate capacity of qualifying system: [REDACTED] kW
- Projected annual energy generation from qualifying system: [REDACTED] kWh

Builder or Entity Request Approval Information

[REDACTED]

* Builder (PRINT NAME AND TITLE): [REDACTED]

[REDACTED]

Builder Signature

[REDACTED]

Date

*BY SIGNING ABOVE, BUILDER REQUESTS PERMISSION FOR ACCEPTANCE OF THE PROPOSED QUALIFYING SYSTEM INTO THE PROGRAM. IF APPROVED, THE PARTICIPANT MUST APPLY AND ENTER INTO A PARTICIPATION AGREEMENT WITHIN 180 CALENDAR DAYS OF THE TVA APPROVAL DATE BELOW. IF A PARTICIPATION AGREEMENT IS EXECUTED BY ALL PARTIES, THE QUALIFYING SYSTEM MUST BE FULLY OPERATIONAL AND INTERCONNECTED, AS EVIDENCED BY DISTRIBUTOR AND TVA SIGNING A SYSTEM ACCEPTANCE FORM, WITHIN 180 CALENDAR DAYS OF THE TVA EXECUTION DATE OF THE PARTICIPATION AGREEMENT. BUILDER UNDERSTANDS THAT THE QUALIFYING SYSTEM IS NOT ENTITLED TO GENERATE POWER AND PARTICIPANT IS NOT ENTITLED TO GENERATION CREDITS OR REBATES UNLESS AND UNTIL DISTRIBUTOR AND TVA EXECUTE THE SEPARATE SYSTEM ACCEPTANCE FORM.

TO BE COMPLETED BY DISTRIBUTOR

Distributor Name

Distributor Representative Name & Title

**Distributor Representative Signature & Date

**BY SIGNING ABOVE, DISTRIBUTOR APPROVES THE PROPOSED QUALIFYING SYSTEM IN ACCORDANCE WITH THE GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES. DISTRIBUTOR ACKNOWLEDGES THAT IF APPROVED BY TVA, SUCH PROPOSED QUALIFYING SYSTEM IS NOT ENTITLED TO GENERATE POWER AND PARTICIPANT IS NOT ENTITLED TO GENERATION CREDITS OR REBATES UNLESS AND UNTIL DISTRIBUTOR AND TVA EXECUTE THE SEPARATE SYSTEM ACCEPTANCE FORM.

TO BE COMPLETED BY TVA

APPROVED

DENIED

COMMENTS/REASONS FOR DENIAL:

TENNESSEE VALLEY AUTHORITY

TVA Representative Name & Title

Date

TVA Representative Signature

For Distributor Use Only:	

For TVA Use Only:	

GREEN POWER PROVIDERS PARTICIPATION AGREEMENT

THIS GREEN POWER PROVIDERS PARTICIPATION AGREEMENT
 (Participation Agreement), among _____, its
 successors and authorized assigns, hereinafter called "Participant";
 _____, its successors and authorized
 assigns, hereinafter called "Distributor"; and Tennessee Valley Authority, its successors
 and authorized assigns, hereinafter called "TVA," bears the following recitals:

- I. Participant is a customer of Distributor and desires to participate, on a voluntary basis, in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems constructed and installed at customer locations served by Distributor.

- II. Participant intends to construct, operate, and maintain a generation facility (Qualifying System) that is an eligible system under this Participation Agreement and is described below, located at Participant's address (Address) identified in Subsection 15.1 below:

- III. The parties understand that the intent of the Program is to encourage Distributor's residential customers (billed under Schedule RS or its equivalent) and Distributor's commercial and industrial customers (billed under the General Power Service or Manufacturing Service Rate Schedules or their equivalent, as defined in Distributor rate schedules) to install renewable generation. Therefore, Participant must be a residential customer with a residential building and residential billing meter at the Address of the Qualifying System, or if Participant is a commercial or industrial customer, Participant agrees that its primary commercial or industrial purpose is not electricity generation at the building with a commercial or industrial billing meter at the Address of the Qualifying System.

- IV. Participant wishes to sell to TVA and TVA wishes to purchase from Participant the power and associated energy produced from the Qualifying System, together with the environmental attributes associated with it, in accordance with the terms and conditions set forth in this Participation Agreement.

Subject to and in accordance with the Green Power Providers Program Participation Guidelines (Guidelines), attached to and made part of this Participation Agreement, the parties agree as follows:

SECTION 1 - DEFINITIONS

For purpose of this Participation Agreement (i) all terms used herein with initial capital letters are textually defined within this Participation Agreement, and (ii) all underlined terms used herein shall be deemed to mean those terms as defined in Guideline 2 of the Guidelines.

SECTION 2 - TERM AND TERMINATION

2.1 Effective Date, Delivery Commencement Date, and Term. This Participation Agreement shall be deemed effective as of the date (Effective Date) that TVA executes this Participation Agreement. The date on which Distributor accepts the Qualifying System by executing the Distributor's Acceptance of Qualifying System Form (System Acceptance Form) shall be called the Delivery Commencement Date. If the Distributor does not accept the Qualifying System by fully executing and submitting the System Acceptance Form within one hundred eighty (180) Calendar Days of TVA's execution of this Participation Agreement under Subsection 17.3 below (Deadline); this Participation Agreement shall automatically terminate.

Unless sooner terminated as provided in this Participation Agreement, this Participation Agreement shall remain in effect for twenty (20) years from the Effective Date.

2.2 Termination. This Participation Agreement may be terminated by:

- (a) Participant, at any time, upon thirty (30) Calendar Days' written notice to Distributor;
- (b) Mutual agreement of all of the parties in writing at any time; or
- (c) TVA or Distributor, at any time upon written notice by TVA or Distributor to Participant, if TVA or Distributor has determined that any of the following conditions has occurred:
 - i. After the Delivery Commencement Date, there has been a sustained lack of generation (less than an average of 10 kWh per month) from the Qualifying System for a period of six (6) consecutive months or more;
 - ii. The Qualifying System or its interconnection or safety equipment violate any applicable local, state, or federal codes or pose a safety hazard as determined by the Distributor or TVA;
 - iii. The interconnection or safety equipment ceases to comply with the requirements of Section 4 below;
 - iv. The Qualifying System includes generation from a non-Qualifying Resource (defined below) and/or ceases to meet the participation conditions outlined in this Participation Agreement or the Guidelines;
 - v. Generation from the Qualifying System is used by Participant to provide credits for electric consumption at a location other than the Address herein;
 - vi. Distributor ceases to be a customer of TVA;
 - vii. Participant ceases to be a customer of Distributor at Site, unless this Participation Agreement is assigned to a new owner of Site as provided for under Section 8 below;
 - viii. Participant does not comply with or breaches the terms of this Participation Agreement, including without limitation, providing false or inaccurate information in violation of Section 17.1 below or refusing Distributor or TVA access to the Qualifying System;
 - ix. Participant increases the nameplate capacity of the Qualifying System without permission from Distributor or TVA, in violation of Section 3 below; or
 - x. Any unauthorized transfer, assignment, or delegation in violation of Section 8 below.

SECTION 3 - QUALIFYING SYSTEMS – MAXIMUM CAPACITY

For the term of this Participation Agreement, the total nameplate capacity of a Qualifying System(s) at the Site shall be less than or equal to 50 kW direct current (DC) (50 kW alternating current (AC) if the system is a synchronous generator and does not require an inverter). However, if the proposed total nameplate capacity of the Qualifying System at the Site:

- (i) exceeds 10 kW, Distributor shall review the kWh energy consumption at the Site (Site Power Usage Review) during the past twelve (12) months, as recorded monthly by the single associated Billing Meter at the Site, and the maximum total nameplate capacity (Maximum Capacity) of the Qualifying System under this Participation Agreement shall be the lesser of (a) 50 kW and (b) the kW capacity that is designed to generate no more than 100% of the historical annual usage in kWh at the Site, as recorded by the associated Billing Meter at the Site.
- (ii) is 10 kW or less, no Site Power Usage Review shall be required.

Furthermore, Participant must be able to demonstrate, on an ongoing basis, that the Qualifying System generates electricity from one of the resources (Qualifying Resources) included as eligible per Guideline 4, as such Guideline existed at the time this Participation Agreement was executed. If Participant intends to increase or decrease the nameplate capacity of its Qualifying System, Participant shall complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System) and forward it, along with any requested supporting documents, to Distributor and TVA for review and potential approval and execution. In addition, any intended increase of the nameplate capacity of the Qualifying System, so that the total (existing and new) capacity amounts to more than 10 kW, must be in accordance with Subsection 3(i). Any unauthorized increase of the Qualifying System's total nameplate capacity may result in termination of this Participation Agreement.

SECTION 4 - PARTICIPATION ELIGIBILITY

Participant's eligibility for participation in the Program is based upon Participant meeting the following criteria:

- (a) If Participant is a residential customer, the Participant must have a residential building at the Site of the Qualifying System. If Participant is a commercial or industrial customer of Distributor, the primary commercial or industrial purpose at the Site shall not be electricity generation; and
- (b) Participant must submit the design of its proposed Qualifying System, along with an interconnection application, including the proposed equipment specifications, in advance of submitting a signed Participation Agreement, to Distributor for review; and
- (c) The Qualifying System:
 - i. must not have previously generated renewable energy for sale to TVA prior to October 1, 2012, unless the Qualifying System was part of the Generation Partners pilot;

- ii. must meet the requirements of the Green-e Energy National Standard as provided by the Center for Resource Solutions, or any successor entity;
 - iii. must meet the requirements of the type of Qualifying System outlined in **Guideline 4**;
 - iv. must have a minimum nameplate capacity equal to or greater than 0.50 kW;
 - v. must comply with all requirements established by the Distributor for interconnecting a Qualifying System to its distribution system, including without limitation signing Distributor's Interconnection Agreement and paying Distributor for any interconnection studies and other associated costs. Furthermore, the Qualifying System (including all interconnection-related equipment) must have been tested and listed by a Nationally Recognized Testing Laboratory for continuous interactive operation with an electric distribution system in compliance with IEEE 1547 (Standard for Interconnecting Distributed Resources with Electric Power Systems), IEEE 1547.2 (Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems), and UL 1741 (Inverters, Converters, and Controllers for use in Independent Power Systems) prior to Distributor signing the System Acceptance Form;
 - vi. must be properly designed, constructed, and installed, and the installer and manufacturer shall provide evidence of the testing and compliance with the applicable requirements prior to Distributor signing the System Acceptance Form. All Qualifying Systems shall be maintained and tested on an ongoing basis in accordance with manufacturer's instructions and Distributor and TVA shall have the right to obtain copies of the test results; and
 - vii. must be manufactured (if a packaged system) and installed in compliance with all requirements of the latest edition of the National Electric Code (American National Standards Institute/National Fire Protection Association-70) prior to Distributor signing the System Acceptance Form; and
- (d) All installations must be permitted as required by law, be certified by a licensed electrician, and pass any applicable code inspections prior to Distributor signing the System Acceptance Form; and
- (e) For safe operation, the Qualifying System and its associated facilities must have a manual, lockable, visible load break AC disconnect switch with such switch easily accessible by Distributor prior to Distributor signing the System Acceptance Form; and
- (f) The construction and installation of the Qualifying System must be completed, in compliance with the Interconnection Agreement requirements and the terms and conditions of this Participation Agreement, by the Deadline. If these terms and conditions are not met before the Deadline, Participant may not reapply for participation in the Program within the period of one hundred eighty (180) Calendar

Days from the date of TVA's execution of the Participation Agreement in accordance with the then-current applicable Guidelines; and

(g) The annual Program participation limit as established in Guideline 12 of the Guidelines must not have been reached at the time TVA is asked to review and execute this Participation Agreement. Once a Distributor and a Participant have signed a Participation Agreement and presented it to TVA for review and possible execution, TVA shall be under no obligation to execute said Participation Agreement once the MW limit for that year has been reached, notwithstanding any actions taken and expenses incurred to date by the Participant; and

(h) No generation credits shall be due to Participant for any generation above the total nameplate Maximum Capacity.

SECTION 5 - BILLING AND PAYMENTS

Distributor shall choose one of the two options provided for under Subsections 5.1 and 5.2 below, and credits and incentives shall be credited or paid to each Participant accordingly. Each Participant shall be paid the then-current applicable Premium Rate as was stated in Guideline 8 of Guidelines as it was in effect on the date of TVA's execution of the Participation Agreement.

5.1 Distributor Billing Option. Under this option, Distributor shall administer any Generation Credits due to Participant under this Subsection 5.1 using Site's power consumption (recorded on the single associated Billing Meter) and Site's power generation (recorded on the associated Generation Meter), and provide to Participant any Generation Credits due effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Participant at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Participant with Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail rate schedule (residential or deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate, as determined by Guideline 8 of the Guidelines, to the kWh energy generated by the Qualifying System at the Site.

If the Generation Credit exceeds the sum of all charges and other credits on Participant's power bill resulting in Participant being owed money for the billing period, Distributor may elect to carry over any such payment due to Participant as an additional credit on Participant's power bill for the following billing period, and may continue to do so for a total of twelve (12) consecutive billing periods. If at the end of this cumulative period the value of Participant's Generation Credits exceeds the net sum of all charges and other credits for such cumulative period, Distributor shall pay Participant for the balance due.

The Distributor's periodic power bill to Participant shall include calculations of the amounts owed, if any, to Participant with specific reference to the applicable retail rate schedule and Premium Rate.

5.2 TVA-Vendor Billing Option. Under this option, Distributor and Vendor shall administer any payments due to Participant.

(a) Effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Participant at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Participant with Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail energy retail rate schedule (residential or deemed to be GSA1 for all commercial and industrial customers) to the kWh energy generated by the Qualifying System at the Site. Distributor's bill to the Participant shall include calculations of the amounts owed to Participant with specific reference to the applicable retail energy rate schedule.

(b) Based upon generation data of the Qualifying System provided by Distributor to TVA, TVA shall cause Vendor to deliver to Participant, as soon as reasonably practical, but no later than ten (10) Business Days following the end of each calendar month, a statement, check, or other approved payment notification showing energy delivered from the Qualifying System during the previous month(s) and a computation of the payment due to Participant. Such payment shall be calculated by applying the applicable Premium Rate, as determined by Guideline 8 of the Guidelines, to the kWh energy measured on the Generation Meter. In the event that generation information of a Qualifying System is not promptly provided due to such events as meter malfunction or communications failure, the time period in which Distributor delivers said data to TVA and Vendor may be extended as appropriate. Payments due, if any, by Vendor to Participant under this Subsection 5.2 are due within thirty (30) Calendar Days from the date of the statement.

Vendor's statement to the Participant shall include calculations of the amounts owed to Participant with specific reference to the applicable Premium Rate.

5.3 Incentive. Depending on Distributor's selection of Distributor Billing Option or TVA-Vendor Billing Option, Distributor or Vendor shall provide a one-time \$1,000 incentive payment to Participant. Said one-time incentive payment shall be paid per Qualifying System per Site. Further, the one-time incentive payment shall be made after the Participant's completion and Distributor's and TVA's approval and execution of the System Acceptance Form and after the Qualifying System has successfully completed the commissioning requirements.

SECTION 6 - INTERCONNECTION

Participant shall be responsible for the design, purchase, construction, installation, commissioning, ownership, operation, and maintenance (Work) of the Qualifying System and all auxiliary and interconnecting equipment, or cause the owner of Qualifying System (Qualifying System Owner) to do the Work, in accordance with the terms of the Interconnection Agreement.

Distributor shall not approve or execute any Participation Agreement(s) until Participant has paid all Program and/or interconnection application fees. Further, TVA shall have no obligation to purchase the electric power generated by the Qualifying System unless and until the Participant is in compliance with the approved interconnection and safety requirements and all other requirements under this Participation Agreement for the Qualifying System.

SECTION 7 - METERING

Distributor shall purchase, install, own, operate, and maintain the Generation Meter. Any repairs or replacements of the Generation Meter shall also be provided by Distributor, or its representative. Further, the metering arrangement configuration for measuring the energy output of the Qualifying System shall be determined by Distributor. If said configuration requires replacement of the Billing Meter by a bi-directional meter, Distributor, at no cost to Participant, shall purchase, install, own, operate, and maintain said bi-directional meter. Any future replacement of the Billing Meter or said bi-directional meter shall be provided by Distributor at Participant's expense.

If the interconnection of the Qualifying System and installation of either the Generation Meter or Billing Meter requires additional costs in excess of Program reimbursements, the associated net costs shall be at the Participant's expense. This includes additional grid infrastructure requirements (e.g. transformers) that may be needed to accompany the construction and installation of the Qualifying System.

Upon termination of this Participation Agreement, Distributor and Participant shall cooperate in removing the Generation Meter from the Site. Distributor, at its expense, shall remove the Generation Meter from the Site, and Participant shall cooperate with Distributor, or its representative, for the purpose of such removal.

SECTION 8 - TRANSFER AND ASSIGNMENT

(a) No party shall voluntarily transfer, assign, or delegate this Participation Agreement or any of the party's rights or duties hereunder without the prior written consent of the other parties, and such consent shall not be unreasonably withheld. Further, any unauthorized assignment may result in termination of this Participation Agreement as provided in Subsection 2.2 above.

(b) If Participant (Participant/Transferor) intends to transfer ownership of the Site to a new owner (New Participant/Transferee), Participant/Transferor shall notify Distributor by completing Attachment C (Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner). Once signed by the Participant/Transferor and the New Participant/Transferee, Attachment C shall be submitted to Distributor at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Participant/Transferor and the New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.

- (c) If Participant is a tenant of the Site and its tenancy is terminated, Participant may assign this Participation Agreement to a new tenant (New Participant/Transferee) by notifying Distributor and completing Attachment C. Once signed by Participant/Transferor and the New Participant/Transferee, Attachment C shall be submitted to Distributor at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Participant/Transferor and the New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.
- (d) If Participant is not the Qualifying System Owner and the Qualifying System Owner (Qualifying System Owner/Transferor) intends to transfer ownership to a new owner (New Qualifying System Owner/Transferee), Participant shall notify Distributor of said intent by completing Attachment C. Once Attachment C is executed by Participant, Qualifying System Owner/Transferor, and the New Qualifying System Owner/Transferee, Attachment C shall be submitted to Distributor at least thirty (30) Calendar Days prior to the effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Participant, Qualifying System Owner/Transferor, and the New Qualifying System Owner/Transferee for their records. By signing Attachment C, the New Qualifying System Owner/Transferee affirms its responsibilities under the Participation Agreement.
- (e) Upon Participant's death or incapacity, if Participant's estate executor, conservator, attorney in fact, or court ordered agent (herein collectively Agent) wishes to continue with the terms and conditions of this Participation Agreement and Guidelines, Agent shall complete Attachment C and forward it to Distributor and TVA for review and potential approval and execution; otherwise, the Participation Agreement shall be terminated in accordance with Subsection 2.2, and any eligible Applicant including the new owner of Site must reapply for Program participation in accordance with the then-current applicable Guidelines.
- (f) Each time an assignment of this Participation Agreement or ownership transfer of the Qualifying System is intended by Participant/Transferor or Qualifying System Owner/Transferor, as provided in Subsections 9(b), 9(c), and 9(d) above, Participant/Transferor shall execute, and cause as appropriate, the New Participant/Transferee or the New Qualifying System Owner/Transferee to execute Attachment C. Attachment C shall be forwarded to Distributor, along with supporting documentation and the assignment fee for Distributor's cost of processing said assignment, if any.
- (g) If ownership of the Site is transferred (or Participant's tenancy of the Site is terminated) and Participant and/or Qualifying System Owner elect to relocate the Qualifying System to a different location, this Participation Agreement shall be terminated upon thirty (30) Calendar Days written notice to the Distributor, as outlined in Subsection 2.2(b) above.
- (h) If Participant/Transferor is no longer a customer of Distributor at the Billing Meter of the Site of the Qualifying System and Participant/Transferor fails to sign Attachment C, Participant/Transferor specifically gives TVA and Distributor the

right to assign this Participation Agreement to the new owner of Site or tenant who is a customer of Distributor at the Billing Meter of the Site of the Qualifying System. If Participant/Transferor and Qualifying System Owner/Transferor do not notify TVA and the Distributor of transfer of ownership of the Qualifying System, the Participant/Transferor and Qualifying System Owner/Transferor must specifically give TVA and the Distributor the right to assign this Participation Agreement to the New Qualifying System Owner/Transferee and to change the name and address of the Qualifying System Owner/Transferor to that of the New Qualifying System Owner/Transferee upon written documentation of change of ownership.

SECTION 9 - ENVIRONMENTAL CREDITS

TVA shall have the sole right and title to any renewable energy credits (including tradable renewable credits or green tags), or other associated benefits or environmental attributes of energy generated from the renewable nature of the Qualifying System (without regard to whether any governmental authority or other organization has registered, certified, or otherwise taken action to recognize said credits, tags, benefits, or attributes), that have accrued or are arising or accruing now and in the future as a result of the generation of electricity from the Qualifying System (Environmental Credits) beginning on the Effective Date and continuing throughout the term of this Participation Agreement. At no cost to TVA or Distributor, Participant shall cooperate with TVA and Distributor in taking whatever action is necessary and reasonable to establish or obtain such Environmental Credits, as may be required now or in the future by applicable law, and transfer them to Distributor, who shall in turn transfer all such Environmental Credits to TVA.

For the term of this Participation Agreement, the Participant and Owner of Qualifying System cannot make claims or statements about using renewable electricity, cutting back on greenhouse gas (GHG) emissions from electricity through the use of renewable electricity, or receiving any other environmental benefits of renewable energy use constitute the claiming of a renewable energy credit (REC). Participant and Owner of Qualifying System understand that if claims of using renewable electricity or any of the environmental attributes within a REC, those claims would violate the terms of this Participation Agreement, since TVA, through this Participation Agreement, is purchasing one hundred percent (100%) of the RECs generated by the renewable energy installation and selling the RECs through its Green Power Switch program. If Participant and Owner of Qualifying System wish to make such claims, they must purchase the equivalent RECs through the Green Power Switch program or other product.

SECTION 10 - INDEMNIFICATION AND RELEASE

Participant and the Qualifying System Owner shall release, indemnify, defend, and save harmless the Distributor, TVA, the United States of America, and their respective officers, agents, employees, and contractors from all liability, claims, demands, causes of action, costs, or losses for personal injuries, property damage, special damages, consequential damages, indirect damages, or loss of life or property sustained by Participant and/or the Qualifying System Owner, their agents, contractors, and families, or third parties arising out of or in any way connected with the Green Power Providers program including, without limitation, the design, purchase, construction, installation,

ownership, testing, commissioning, operation, maintenance, repair, replacement, removal, defect, or failure of the Qualifying System under this Participation Agreement and Participant's and the Qualifying System Owner's interconnection and safety equipment. The obligations of this Section 10 shall survive termination of this Participation Agreement.

SECTION 11 - FORCE MAJEURE EVENT

(a) A Force Majeure Event shall mean any act 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, that are in each case (i) beyond the reasonable control of such affected party, (ii) by the exercise of reasonable foresight such party could not reasonably have been expected to avoid, and (iii) by the exercise of due diligence, such party shall be unable to prevent or overcome.

(b) If a Force Majeure Event prevents Participant from fulfilling any of its obligations under this Participation Agreement, Participant shall promptly in writing notify Distributor, or its authorized representatives, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, the expected duration, and the steps that Participant is taking to alleviate the effects of the event on its performance, and, if the initial notification is verbal, it shall be promptly followed up with a written notification. Participant shall keep Distributor informed in writing on a continuing basis of developments relating to the Force Majeure Event until the event ends. Participant shall be entitled to suspend or modify its performance of obligations under this Participation Agreement only to the extent that the effect of the Force Majeure Event, as determined in TVA's sole discretion, cannot be reasonably mitigated. In the event of such suspension or modification, TVA shall determine, in its sole discretion, when the Force Majeure Event has ended.

SECTION 12 - ACCESS

Distributor and TVA shall have access to the Site:

(a) at reasonable hours; and upon reasonable notice, to inspect the Qualifying System's protective apparatus and to read, maintain, or test meters, or for any reasonable purpose in connection with this Participation Agreement or Distributor's obligation to provide service to its customers; and

(b) at any time without notice to Participant, in order to disconnect the Qualifying System from the Distributor's distribution system, in the event Distributor reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, Distributor's facilities, or property of others from damage or interference caused by Participant's facilities or lack of properly operating protective devices.

SECTION 13 - DISCLOSURE

Participant understands that Distributor or TVA may publish or disclose to others information obtained from the Program but will not release, without the prior consent of

15.2 Contract Administration and Notices. Notices given under this Participation Agreement shall be deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

Participant:

Distributor:

TVA:

Manager, End Use Generation,
Renewable Energy Programs
26 Century Boulevard, OCP 2J
Nashville, Tennessee 37214

The above-listed names and addresses of any party for notices may be changed by written notification to the other parties to this Participation Agreement as directed above. If Participant would like to assign this Participation Agreement to another person, Participant must complete Attachment C and submit it to Distributor and TVA for review, in accordance with Section 8 above.

SECTION 16 - QUALIFYING SYSTEM OWNERSHIP

Participant shall indicate below the ownership of the Qualifying System by completing, or causing the Qualifying System Owner to complete, the following:

Check one:

- Participant is the owner of the Qualifying System and shall sign below at the bottom of this Section 16.
- Participant is not the owner of the Qualifying System at the Address and shall have the Qualifying System Owner sign below:

I am the owner of the Qualifying System that is installed at the Address. I have had the Program explained to me, and I specifically agree to Sections 8(h) (Transfer and Assignment) and 10 (Indemnification and Release) above. Accordingly, I give my permission for Distributor and TVA to review the interconnection of the Qualifying System at the Address. I give my permission to use of the Qualifying System in the Program as provided herein. I will cooperate with the parties participating in the Program as set out in this Participation Agreement. I have the authority to sign below.

Name of Qualifying System Owner

Qualifying System Owner Signature

Date

SECTION 17 - SIGNATURES

17.1 Participant's Signature

By its signature below, Participant acknowledges that it has read and understands this Participation Agreement and agrees to comply with all of the terms and conditions set forth herein.

If Participant is the Qualifying System Owner, Participant gives permission for Distributor and TVA to review the interconnection of the Qualifying System at the Address. Participant understands that the Qualifying System is not entitled to generate power and Participant is not entitled to Generation Credits or rebates unless and until Distributor and TVA execute this Participation Agreement and the System Acceptance Form.

Participant hereby warrants and certifies that all information submitted in this Participation Agreement is accurate and the Participant has the authority to enter into this Participation Agreement. In making this warranty and certification, Participant acknowledges that Participant is aware that Section 21 of the Tennessee Valley Authority Act of 1933, as amended, (16 U.S.C. § 831t) provides criminal sanctions including fines and imprisonment for any person who is convicted of, among other things, defrauding TVA.

Specifically, Participant understands that Participant is bound by the then-current Guidelines in effect at the time TVA executes this Participation Agreement, and the Guidelines in effect at the time TVA executes this Participation Agreement can be different than what the Participant has reviewed. Participant is responsible for reading, understanding, and adhering to the then-current Guidelines in effect at the time TVA executes this Participation Agreement.

Participant accepted and agreed to the foregoing this _____ day of _____, 20____.

Participant Name

Participant's Authorized Officer Name & Title
(please complete only if Participant is a commercial or industrial customer)

Participant or Participant's Authorized Representative Signature

17.2 Distributor's Signature

GREEN POWER PROVIDERS PARTICIPATION AGREEMENT

Distributor's signature below indicates that it has read and understands this Participation Agreement and agrees to be bound by all of the terms and conditions set forth herein. In particular, Distributor indicates that the Qualifying System's design and the Participant information provided under Section 15.1 above have met the initial Program and interconnection design requirements, but that Distributor shall not allow the Qualifying System's power to flow onto its electric distribution or transmission system unless and until Distributor and TVA execute the System Acceptance Form with respect to the completed construction.

Accepted and agreed to the foregoing this _____ day of _____, 20____.

Distributor Name

(Distributor Representative Name & Title)

Distributor Representative Signature

17.3 TVA's Signature

APPROVED DENIED

COMMENTS/REASONS FOR DENIAL:

Accepted and agreed to the foregoing this _____ day of _____, 20____.

TENNESSEE VALLEY AUTHORITY

(TVA Representative Name & Title)

TVA Representative Signature

For Distributor Use Only:	

For TVA Use Only:	

**GREEN POWER PROVIDERS
DISTRIBUTOR FACILITY PARTICIPATION AGREEMENT**

THIS GREEN POWER PROVIDERS DISTRIBUTOR FACILITY PARTICIPATION AGREEMENT (Participation Agreement), between _____, its successors and assigns, hereinafter called "Distributor," and Tennessee Valley Authority, its successors and assigns, hereinafter called "TVA," bears the following recitals:

- I. Distributor and TVA are cooperating in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems constructed and installed at locations served by Distributor.
- II. Distributor intends to construct, own, operate, and maintain a generation facility (Qualifying System) that is an eligible system under this Participation Agreement and is described below, located at Distributor's facility (Account) address (Address) identified in Subsection 15.1 below.
- III. The parties understand that the intent of the Program is to encourage Distributor's residential customers (billed under Schedule RS or its equivalent) and Distributor's commercial and industrial customers (billed under the General Power Service or Manufacturing Service Rate Schedules or their equivalent, as defined in Distributor rate schedules) to install renewable generation, and that Distributor, for and on behalf of its own Account, is also eligible to participate in the Program in accordance with this Participation Agreement. Distributor agrees that Account's primary commercial or industrial purpose is not electricity generation at the Address of the Qualifying System.
- IV. Distributor wishes to sell to TVA and TVA wishes to purchase from Distributor's Account the power and associated energy produced from the Qualifying System, together with the environmental attributes associated with it, in accordance with the terms and conditions set forth in this Participation Agreement.

Subject to and in accordance with the Green Power Providers Program Participation Guidelines (Guidelines), attached to and made part of this Participation Agreement, the parties agree as follows:

SECTION 1 - DEFINITIONS

For purpose of this Participation Agreement (i) all terms used herein with initial capital letters are textually defined within this Participation Agreement, and (ii) all underlined terms used herein shall be deemed to mean those terms as defined in Guideline 2 of the Guidelines.

SECTION 2 - TERM AND TERMINATION

2.1 Effective Date and Term. This Participation Agreement shall be deemed effective as of the date (Effective Date) that TVA executes this Participation Agreement. The date on which Distributor accepts the Qualifying System by executing the Distributor's Acceptance of Qualifying System Form (System Acceptance Form) shall be called the Delivery Commencement Date. If the Distributor does not accept the Qualifying System by fully executing and submitting the System Acceptance Form within one hundred eighty (180) Calendar Days of TVA's execution of this Participation Agreement under Subsection 17.3 below (Deadline), this Participation Agreement shall automatically terminate.

Unless sooner terminated as provided in this Participation Agreement, this Participation Agreement shall remain in effect for twenty (20) years from the Effective Date.

2.2 Termination. This Participation Agreement may be terminated by:

- (a) The mutual agreement of the parties in writing at any time; or
- (b) TVA at any time upon written notice to Distributor that it has determined that any of the following conditions have occurred:
 - i. After the Delivery Commencement Date, there has been a sustained lack of generation (less than an average of 10 kWh per month) from the Qualifying System for a period of six (6) consecutive months or more;
 - ii. The Qualifying System or its interconnection or safety equipment violate any applicable local, state, or federal codes or pose a safety hazard as determined by TVA;
 - iii. The interconnection or safety equipment ceases to comply with the requirements of Section 4 below;
 - iv. The Qualifying System includes generation from a non-Qualifying Resource (defined below) and/or ceases to meet the participation conditions outlined in this Participation Agreement or the Guidelines;
 - v. Generation from the Qualifying System is used by the Account to provide credits for electric consumption at a location other than the Address herein;
 - vi. Distributor ceases to be a customer of TVA;
 - vii. Account ceases to be owned or operated by Distributor at Site, unless this Participation Agreement is assigned to a new owner of Site as provided for under Section 8 below;
 - viii. Distributor does not comply with or breaches the terms of this Participation Agreement;
 - ix. Distributor increases the nameplate capacity of the Qualifying System without permission from TVA, in violation of Section 3 below; or
 - x. Any unauthorized transfer, assignment, or delegation in violation of Section 8 below.

SECTION 3 - QUALIFYING SYSTEMS - MAXIMUM CAPACITY

For the term of this Participation Agreement, the total nameplate capacity of a Qualifying System(s) at the Site shall be less than or equal to 50 kW direct current (DC) (50 kW alternating current (AC) if the system is a synchronous generator and does not require an

inverter). However, if the proposed total nameplate capacity of the Qualifying System at the Site:

(a) exceeds 10 kW, Distributor shall review the kWh energy consumption at the Site (Site Power Usage Review) during the past twelve (12) months, as recorded monthly by the single associated Billing Meter at the Site, and the maximum total nameplate capacity (Maximum Capacity) of the Qualifying System under this Participation Agreement shall be the lesser of (a) 50 kW and (b) the kW capacity that is designed to generate no more than 100% of the customer's historical annual usage in kWh, as recorded by the associated Billing Meter at the Site.

(b) is 10 kW or less, no Site Power Usage Review shall be required.

Furthermore, Distributor must be able to demonstrate, on an ongoing basis, that the Account's Qualifying System generates electricity from one of the resources (Qualifying Resources) included as eligible per Guideline 4 as such Guideline existed at the time this Participation Agreement was executed. If Distributor intends to increase or decrease the nameplate capacity of the Account's Qualifying System, Distributor shall complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System) and forward it, along with any requested supporting documents, to TVA for review and potential approval and execution. In addition, any intended increase of the nameplate capacity of the Qualifying System, so that the total (existing and new) capacity amounts to more than 10 kW, must be in accordance with Subsection 3(a). Any unauthorized increase of the Qualifying System's capacity may result in termination of this Participation Agreement.

Should the Qualifying System cease to meet the participation conditions outlined in this Participation Agreement and the Guidelines, TVA, in its sole discretion, may terminate this Participation Agreement upon thirty (30) Calendar Days prior written notice.

SECTION 4 - PARTICIPATION ELIGIBILITY

Distributor's Account eligibility for participation in the Program is based upon Account meeting the following criteria:

- (a) Distributor's primary commercial purpose at the commercial building at the Address shall not be electricity generation at the Site; and
- (b) Participant must submit the design of its proposed Qualifying System, along with an interconnection application, including the proposed equipment specifications in advance of submitting a signed Participation Agreement, to Distributor for review; ; and

(c) **The Qualifying System:**

- i. must not have previously generated renewable energy for sale to TVA prior to October 1, 2012, unless the Qualifying System was part of the Generation Partners pilot;
 - ii. must meet the requirements of the Green-e Energy National Standard as provided by the Center for Resource Solutions, or any successor entity;
 - iii. must meet the requirements of the type of Qualifying System outlined in Guideline 4;
 - iv. must have a minimum nameplate capacity equal to or greater than 0.50 kW;
 - v. must comply with all requirements established by the Distributor for interconnecting a Qualifying System to its distribution system, including without limitation signing Distributor's Interconnection Agreement and paying Distributor for any interconnection studies and other associated costs. Furthermore, The Qualifying System (including all interconnection-related equipment) must have been tested and listed by a Nationally Recognized Testing Laboratory for continuous interactive operation with an electric distribution system in compliance with IEEE 1547 (Standard for Interconnecting Distributed Resources with Electric Power Systems), IEEE 1547.2 (Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems), and UL 1741 (Inverters, Converters, and Controllers for use in Independent Power Systems) prior to Distributor signing the System Acceptance Form.
 - vi. must be properly designed, constructed, and installed and installer and manufacturer shall provide evidence of the testing and compliance with the applicable requirements prior to Distributor signing the System Acceptance Form. All Qualifying Systems shall be maintained and tested on an ongoing basis in accordance with manufacturer's instructions and TVA shall have the right to obtain copies of the test results; and
 - vii. must be manufactured (if a packaged system) and installed in compliance with all requirements of the latest edition of the National Electric Code (American National Standards Institute/National Fire Protection Association-70) prior to Distributor signing the System Acceptance Form; and
- (d) All installations must be permitted as required by law, be certified by a licensed electrician, and pass any applicable code inspections prior to Distributor signing the System Acceptance Form; and
- (e) For safe operation, the Qualifying System and its associated facilities shall include a manual, lockable, visible load break AC disconnect switch with such switch easily accessible by Distributor; and

(f) The construction and installation of the Qualifying System must be completed, in compliance with the Interconnection Agreement requirements and the terms and conditions of this Participation Agreement by Deadline. If these terms and conditions are not met on or before the Deadline, Distributor may not reapply for its Account's participation in the Program within the period of one hundred eighty (180) Calendar Days from the date of TVA's execution of the Participation Agreement in accordance with the then-current applicable Guidelines; and

(g) The annual Program participation limit as established in Guideline 12 of the Guidelines must not have been reached at the time TVA is asked to review and execute this Participation Agreement. Once Distributor has signed the Participation Agreement and presented it to TVA for review and possible execution, TVA shall be under no obligation to execute said Participation Agreement once the MW limit for that year has been reached, notwithstanding any actions taken and expenses incurred to date by Distributor for its Account's participation in the Program; and

(h) No Generation Credits shall be due to Distributor's Account for any generation above the total nameplate Maximum Capacity.

SECTION 5 - BILLING AND PAYMENTS

Distributor shall choose one of the two options provided for under Subsections 5.1 and 5.2 below, and credits and incentives shall be credited or paid to its Account accordingly. Account shall be paid the then-current applicable Premium Rate as was stated in Guideline 8 of Guidelines as it was in effect on the date of TVA's execution of the Participation Agreement.

5.1 Distributor Billing Option: Under this option, Distributor will administer any Generation Credits due to Account under this Subsection 5.1 using Site's power consumption (recorded on the single associated Billing Meter) and Site's power generation (recorded on the associated Generation Meter); and provide to Account any Generation Credits due effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Account's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Account at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Account with a Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail rate schedule (deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate, as determined by Guideline 8 of the Guidelines, to the kWh energy generated by the Qualifying System at the Site.

If the Generation Credit exceeds the sum of all charges and other credits on Account's power bill resulting in Account being owed money for the billing period, Distributor may elect to carry over any such payment due to Account as an additional credit on Account's power bill for the following billing period, and may continue to do so for a total of twelve (12) consecutive billing periods. If at the end of this cumulative period the value of Account's Generation Credit exceeds the net sum of all charges and other

credits for such cumulative period, Distributor shall issue payment to Account for the balance due.

Distributor's periodic power bill to Account shall include calculations of the amounts owed, if any, to Account with specific reference to the applicable retail rate schedule and Premium Rate.

5.2 TVA-Vendor Billing Option. Under this option, Distributor and a TVA designated third-party vendor (Vendor) shall administer any payments due to Account.

(a) Effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Account's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Account at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Account with a Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail energy schedule (deemed to be GSA1 for all commercial and industrial customers) to the kWh energy generated by the Qualifying System at the Site. Distributor's bill to the Account shall include calculations of the amounts owed to Account with specific reference to the applicable retail energy rate schedule.

(b) Based upon generation data of the Qualifying System provided by Distributor to TVA, TVA shall cause Vendor to deliver to Account, as soon as reasonably practical, but no later than ten (10) Business Days following the end of each calendar month, a statement, check, or other approved payment notification showing energy delivered from the Qualifying System during the previous month(s) and a computation of the payment due to Account. Such payment shall be calculated by applying the applicable Premium Rate to the kWh energy measured on the Generation Meter. In the event that generation information of a Qualifying System is not promptly provided due to such events as meter malfunction or communications failure, the time period in which Distributor delivers said data to TVA and Vendor may be extended as appropriate. Payments due, if any, by Vendor under this Subsection 5.2 are due within thirty (30) Calendar Days from the date of the statement.

Vendor's statement to the Account shall include calculations of the amounts owed to Account with specific reference to the applicable Premium Rate.

5.3 Incentive. Depending on Distributor's selection of Distributor Billing Option or TVA-Vendor Billing Option, Distributor or Vendor shall provide a one-time \$1,000 incentive payment to Account. Said one time incentive payment shall be paid per Qualifying System per Site. Further, the one-time incentive payment shall be made after the Distributor's completion and Distributor's and TVA's approval of the System Acceptance Form and after the Qualifying System has successfully completed the commissioning requirements.

SECTION 6 - INTERCONNECTION

Distributor shall be responsible for the design, purchase, construction, installation, commissioning, ownership, operation, and maintenance (Work) of the Qualifying System and all auxiliary and interconnecting equipment, or cause the owner of Qualifying System (Qualifying System Owner) to do the Work, in accordance with the terms of the Interconnection Agreement.

TVA shall have no obligation to purchase the electric power generated by the Qualifying System unless and until the Distributor is in compliance with the approved interconnection and safety requirements and all other requirements under this Participation Agreement for the Qualifying System.

SECTION 7 - METERING

Distributor shall purchase, install, own, operate, and maintain the Generation Meter. Any repairs or replacements of the Generation Meter shall also be provided by Distributor, or its representative. Further, the metering arrangement configuration for measuring the energy output of the Qualifying System shall be determined by Distributor. If said configuration requires replacement of the Billing Meter by a bi-directional meter, Distributor shall purchase, install, own, operate, and maintain said bi-directional meter. Any future replacement of the Billing Meter or said bi-directional meter shall be provided by Distributor at its expense.

If the interconnection of the Qualifying System and installation of either the Generation Meter or Billing Meter requires additional costs in excess of program reimbursements, the associated net costs shall be at the Distributor's expense. This includes additional grid infrastructure requirements (e.g. transformers) that may be needed to accompany the construction and installation of the Qualifying System.

SECTION 8 - TRANSFER AND ASSIGNMENT

- (a) Neither party shall voluntarily transfer, assign, or delegate this Participation Agreement or any of its rights or duties hereunder without the prior written consent of the other party. Such consent shall not to be unreasonably withheld. Further, any unauthorized assignment may result in termination of this Participation Agreement as provided in Subsection 2.2 above.
- (b) If Distributor (Distributor/Transferor) intends to transfer ownership of the Site to a new owner (New Participant/Transferee), Distributor/Transferor shall notify TVA of its intent by completing and submitting Attachment C (Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner), which shall include the New Participant's/Transferee's signature, to TVA at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, TVA will execute the attachment and return copies of the fully executed attachment to the Distributor/Transferor and the New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.

(c) If Distributor is a tenant of the Site and its tenancy is terminated, Distributor may assign this Participation Agreement to a new tenant (New Participant/Transferee) by notifying TVA and completing Attachment C. Once signed by Distributor/Transferor and New Participant/Transferee, Attachment C shall be submitted to TVA at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, TVA will execute the attachment and return copies of the fully executed attachment to Distributor/Transferor and New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.

(d) If Distributor is not the owner of the Qualifying System and the Qualifying System Owner (Qualifying System Owner/Transferor) intends to transfer ownership to a new owner (New Qualifying System Owner/Transferee), Distributor shall notify TVA of said intent and complete Attachment C. Once signed by Distributor, the Qualifying System Owner/Transferor, and the New Qualifying System Owner/Transferee, Attachment C shall be submitted to TVA at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Qualifying System Owner/Transferor and the New Qualifying System Owner/Transferee for their records. By signing Attachment C, the New Qualifying System Owner/Transferee affirms its responsibilities under the Participation Agreement.

(e) Any unauthorized assignment may result in termination of this Participation Agreement.

(f) Each time an assignment of this Participation Agreement, or ownership transfer of the Qualifying System, is intended by Distributor/Transferor or Qualifying System Owner/Transferor, as provided in Subsections 9(b), 9(c), and 9(d) above, Distributor/Transferor shall execute on Account's behalf, and cause the New Participant/Transferee or the New Qualifying System Owner/Transferee, as appropriate, to execute Attachment C. The partially executed Attachment C shall be then forwarded to TVA for review and potential approval and execution.

(g) If ownership of the Site is transferred (or Distributor's tenancy of the Site is terminated) and Distributor and/or Qualifying System Owner elect to relocate the Qualifying System to a different location, this Participation Agreement shall be terminated upon thirty (30) Calendar Days written notice to the Distributor and TVA, as outlined in Subsection 2.2(b) above.

SECTION 9 - ENVIRONMENTAL CREDITS

TVA shall have the sole right and title to any renewable energy credits (including tradable renewable credits or green tags), or other associated benefits or environmental attributes of energy generated from the renewable nature of the Qualifying System (without regard to whether any governmental authority or other organization has registered, certified, or otherwise taken action to recognize said credits, tags, benefits, or attributes), that have accrued or are arising or accruing now and in the future as a result of the generation of electricity from the Qualifying System (Environmental Credits) beginning on the Effective Date and continuing throughout the term of this Participation

Agreement. At no cost to TVA, Distributor shall cooperate with TVA in taking whatever action is necessary and reasonable to establish or obtain such Environmental Credits, as may be required now or in the future by applicable law, and transfer them to TVA.

For the term of this Participation Agreement, Distributor and Owner of Qualifying System cannot make claims or statements about using renewable electricity, cutting back on greenhouse gas (GHG) emissions from electricity through the use of renewable electricity, or receiving any other environmental benefits of renewable energy use that constitute the claiming of a renewable energy credit (REC). Distributor and Owner of Qualifying System understand that if claims of using renewable electricity or any of the environmental attributes within a REC, those claims would violate the terms of this Participation Agreement, since TVA, through this Participation Agreement, is purchasing one hundred percent (100%) of the RECs generated by the renewable energy installation and selling the RECs through its Green Power Switch program. If Distributor and Owner of Qualifying System wish to make such claims, they must purchase the equivalent RECs through the Green Power Switch program or other product.

SECTION 10 - INDEMNIFICATION AND LIABILITY

Distributor and Qualifying System Owner, if any, shall release, indemnify, defend, and save harmless TVA, the United States of America, and their respective officers, agents, employees, and contractors from all liability, claims, demands, causes of action, costs, or losses for personal injuries, property damage, special damages, consequential damages, indirect damages, or loss of life or property sustained by Distributor and/or the Qualifying System Owner, their agents, contractors, and families, or third parties arising out of or in any way connected with the Green Power Providers program including, without limitation, the design, purchase, construction, installation, ownership, testing, commissioning, operation, maintenance, repair, replacement, removal, defect, or failure of the Qualifying System under this Participation Agreement and Distributor's and Qualifying System Owner's interconnection and safety equipment. The obligations of this Section 10 shall survive termination of this Participation Agreement.

SECTION 11 - FORCE MAJEURE EVENT

- (a) A Force Majeure Event shall mean any act 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, that are in each case (i) beyond the reasonable control of such affected party, (ii) by the exercise of reasonable foresight such party could not reasonably have been expected to avoid, and (iii) by the exercise of due diligence, such party shall be unable to prevent or overcome.
- (b) If a Force Majeure Event prevents Distributor from fulfilling any of its obligations at the Site under this Participation Agreement, Distributor shall promptly in writing notify TVA, or its authorized representatives, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, the expected duration, and the steps that Distributor is taking to alleviate the effects of the event on its performance, and, if the initial notification is verbal, it shall be promptly followed up with a written notification. Distributor shall keep TVA informed in writing on a continuing basis of developments relating to the

(c) Force Majeure Event until the event ends. Distributor shall be entitled to suspend or modify its performance of obligations under this Participation Agreement only to the extent that the effect of the Force Majeure Event, as determined in TVA's sole discretion, cannot be reasonably mitigated. In the event of such suspension or modification, TVA shall determine, in its sole discretion, when the Force Majeure Event has ended.

SECTION 12 - ACCESS

TVA shall have access to the Site and/or Address at reasonable hours, and upon reasonable notice, to inspect the Qualifying System's protective apparatus and to read, maintain, or test meters, or for any reasonable purpose in connection with this Participation Agreement.

SECTION 13 - DISCLOSURE

Distributor understands that TVA may publish or disclose to others information obtained from the Program but will not release, without the prior consent of Distributor, information that could personally identify Distributor except to employees, contractors, or agents of TVA, or when disclosure is required by law.

SECTION 14 - THIRD PARTY BENEFICIARIES

This Participation Agreement is solely for the benefit of Distributor and TVA and shall not be construed as creating any duty, standard of care, or any liability to any person not a party to this Participation Agreement.

TVA'S REPRESENTATIVE AUTHORITY

...

...

SECTION 15 - ACCOUNT AND QUALIFYING SYSTEM INFORMATION

15.1 Account's and Qualifying System's Type Information (This information must be fully completed by the Distributor.)

• The Qualifying System shall be located at the following Address*:

City: _____ State: _____ Zip Code: _____

• Participant Electric Service Account Number: _____

• Participant Type: Residential Commercial or Industrial

• Qualifying System Type and Nameplate Capacity: (Please check below.)
 Solar Photovoltaic (PV) Wind ** Low-Impact Hydro Biomass
If Biomass, please specify the fuel type: _____

• Total Nameplate Capacity of Qualifying System: _____ kW DC
(kW AC for biomass or synchronous generators)

*Note the Address must match the local power company's billing system physical address.

** Hydro generation must be located in the Cumberland River watershed or in the Mississippi River, and the Participant must provide documentation that it meets any applicable requirements of the Federal Energy Regulatory Commission (FERC). Hydro generation could be located in the Tennessee River watershed only if TVA were to issue a Section 26a permit.

15.2 Contract Administration and Notices. Notices given under this Participation Agreement shall be deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

Distributor:

TVA:

Manager, End Use Generation,
Renewable Energy Programs
26 Century Boulevard, OCP 2J
Nashville, Tennessee 37214

The above-listed names and addresses of either party may be changed by written notification to the other party to this Participation Agreement as directed above.

If Distributor would like to assign this Participation Agreement from Account to another person, Distributor must complete Attachment C and submit it to TVA for review, in accordance with Section 8 above.

SECTION 16 - QUALIFYING SYSTEM OWNERSHIP

Distributor shall indicate below the ownership of the Qualifying System by completing, or causing the Qualifying System Owner to complete, the following:

Check one:

- Distributor is the owner of the Qualifying System and shall sign below at the bottom of this Section 16.
- Distributor is not the owner of the Qualifying System at the Address and shall have the Qualifying System Owner sign below:

I am the owner of the Qualifying System that is installed at the Address. I have had the Program explained to me, and I specifically agree to Sections 8(h) (Transfer and Assignment) and 10 (Indemnification and Release) above. Accordingly, I give my permission for Distributor and TVA to review the interconnection of the Qualifying System at the Address. I give my permission to use of the Qualifying System in the Program as provided herein. I will cooperate with the parties participating in the Program as set out in this Participation Agreement. I have the authority to sign below.

Name of Qualifying System Owner

Qualifying System Owner Signature and Date

SECTION 17 - SIGNATURES

17.1 Distributor's Signature

By its signature below, Distributor acknowledges that it has read and understands this Participation Agreement and agrees to be bound by all of the terms and conditions set forth herein.

If Distributor is the Qualifying System Owner, Distributor gives his permission for TVA to review the interconnection of the Qualifying System at the Address. Distributor understands that the Qualifying System is not entitled to generate power and Distributor is not entitled to Generation Credits or rebates unless and until Distributor and TVA execute the System Acceptance Form.

The Qualifying System's design and Account information provided under Subsection 15.1 above have met the initial Program and interconnection requirements.

Specifically, Distributor understands that Distributor is bound by the then-current Guidelines in effect at the time TVA executes this Participation Agreement, and the Guidelines in effect at the time TVA executes this Participation Agreement can be different than what the Distributor has reviewed. Distributor is responsible for reading, understanding, and adhering to the then-current Guidelines in effect at the time TVA executes this Participation Agreement.

Accepted and agreed to the foregoing this ____ day of _____, 20__.

DISTRIBUTOR NAME

(Distributor Representative Name & Title)

Distributor Representative Signature

17.2 TVA's Signature

APPROVED: **DENIED:**

COMMENTS/REASONS FOR DENIAL:

Accepted and agreed to the foregoing this _____ day of _____, 20____.

TENNESSEE VALLEY AUTHORITY

(TVA Representative Name & Title)

TVA Representative Signature

**DISTRIBUTOR'S ACCEPTANCE OF QUALIFYING SYSTEM FORM
(SYSTEM ACCEPTANCE FORM)**

After Participant completes the project and Distributor accepts the project and submits the Distributor's Acceptance of Qualifying System Form, TVA will review and may approve the form. If there are deficiencies in the submitted form, TVA may withhold approval and require Distributor to correct the deficiencies and resubmit the corrected form prior to approval.

Section 1 - Participant Information

Participant Name*: [REDACTED]
Participation Agreement Number: [REDACTED]
Street Address of Qualifying System*: [REDACTED]
City: [REDACTED] State: [REDACTED] Zip Code: [REDACTED]
Customer Type: Residential Commercial or Industrial

*Note that the Participant must be the account holder for the Billing Meter at the location specified above and the Street Address of Qualifying System must be the same address listed as the service address of the Billing Meter associated with the project.

Section 2 - Qualifying System Information

Total Nameplate Capacity of Qualifying System: [REDACTED] kW DC (AC for biomass or non inverter based systems)
Total Project Investment (Installed Cost): \$ [REDACTED]

Section 3 - Contractor/Installer Information

Company Name: [REDACTED]
Company Address: [REDACTED]
City: [REDACTED] State: [REDACTED] Zip Code: [REDACTED]

North American Board of Certified Energy Practitioners (NABCEP) Certification Level (for solar PV and wind projects): [REDACTED]

NABCEP Certificate Number: [REDACTED]

Section 4 - Generation Meter Information (to be completed by Distributor)

Generation Meter Type: Interval (required for > 10 kW) Non-interval
Metering Connection: Option 1 (supply-side) Option 2 (load-side)

Complete below for all interval meters (does not apply to non-interval meters):

Interval Meter Option: TVA-Vendor Meter Option Distributor Meter Option

Complete for Non-Vendor Option Only - Remote Communications Type:

Cellular Ethernet Land/Phone Line Other: Please specify [REDACTED]

Note that the Distributor Customer Meter Setup (DCMS) or other approved TVA metering form must be completed and submitted to TVA Customer Service prior to signing this form.

Section 5 - Distributor's Acceptance of Qualifying System

The Qualifying System has met the requirements for interconnection to the Distributor's system and is in compliance with the standards and terms of the Participation Agreement and the currently effective edition of TVA's Green Power Providers Program Participation Guidelines. As of the date outlined below, the Qualifying System has been commissioned at its total nameplate kW capacity outlined in Section 2 above and is fully operational and properly interconnected to the Distributor's electric distribution or transmission system.

Distributor Acceptance Date: [REDACTED]

Distributor Name: [REDACTED]

Name and Title of Distributor Representative: [REDACTED]

Signature of Distributor Representative: [REDACTED]

Distributor is required to send a copy of this document within ten business days of the acceptance date to the Green Power Switch inbox (preferred) at greenpowerswitch@tva.gov or to fax it to 615-232-6828

Section 6 - TVA's Approval/Denial of System Acceptance Form (to be completed by TVA)

APPROVED

DENIED

COMMENTS/REASONS FOR DENIAL:

Date Received by TVA: [REDACTED]

Date Approved by TVA: [REDACTED]

Name and Title of TVA Representative: [REDACTED]

Signature of TVA Representative: [REDACTED]

GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES

(Effective October 1, 2012)

GUIDELINE 1 - PROGRAM PURPOSE AND DESCRIPTION

The purpose of the Green Power Providers program (Program) is to continue to increase the renewable energy supply in the Tennessee Valley region. In addition, the Program aims to align with the green power demand and participation levels in TVA's Green Power Switch program, while also stimulating economic growth and serving as a customer-focused solution to grid integration of small scale clean and renewable energy systems.

Distributors of TVA power (Distributors) that have entered into a Green Power Providers Agreement with TVA have the opportunity to offer the Program to their customers. These customers (Applicants) can apply for participation in the Program by completing the Green Power Providers Participation Agreement, and Distributors (in such circumstances also herein referred to as Applicants) can apply for participation as generators under the Green Power Providers Distributor Facility Participation Agreement (both agreements herein referred to as Participation Agreement), and submitting it to Distributor and TVA for review and potential approval and execution. All Applicants must be the same person(s) or entity designated on the customer's power billing account that is associated with the single associated Billing Meter at the Address of Site (defined below). Each Applicant will be given the status of "Participant" upon full execution of a Participation Agreement by all parties, provided such Applicant qualifies for and meets, at the time TVA executes the Participation Agreement, the then-current participation requirements. In order to retain its status as a Participant, each Applicant must install its generating system (Qualifying System) in accordance with the Participation Agreement and this Green Power Providers Program Participation Guidelines document (Guidelines) and, once TVA has executed the Participation Agreement, the Qualifying System must be fully interconnected, and operational within one hundred eighty (180) Calendar Days of TVA's execution of the Participation Agreement, as indicated on Distributor's Acceptance of Qualifying System form (System Acceptance Form), and Applicant shall comply with the terms of the Participation Agreement.

GUIDELINE 2 - DEFINITION OF TERMS

As used in these Guidelines:

2.1 "Applicant" shall mean any potentially eligible residential, commercial, or industrial end-use customer served by Distributor (or a Distributor itself on its own behalf) that elects to participate in the Program by (i) submitting an interconnection request to Distributor, and upon Distributor's approval, entering into an interconnection agreement with Distributor, and (ii) submitting a completed copy of the Participation Agreement for TVA's and Distributor's review and potential approval and execution.

2.2 "Billing Meter" shall mean a retail billing meter located at the Site where the Participant's facility or dwelling is located. The Billing Meter must be fully operational and measure the billing demand and/or the energy consumed at the Site.

2.2.3 "Business Days" shall mean all days except Saturdays and Sundays and the weekdays that are observed by TVA as Federal holiday (Federal holidays currently include New Year's Day, Martin Luther King's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day).

2.4 "Calendar Days" shall mean all days in a month, including weekends and holidays.

2.5 "Delivery Commencement Date" shall mean the date on which the Distributor has executed the System Acceptance Form.

2.6 "Generation Credit" shall mean the accrued generation credits due to Participant, which shall be calculated by applying the sum of the energy charge in the applicable retail rate schedule (residential (RS) or deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate to the kWh energy measured on the Generation Meter.

2.7 "Generation Meter" shall mean a meter additional to the Billing Meter at the Site that is installed by Distributor and designed to measure the alternating current (AC) energy output from the Qualifying System at the Site. Generation Meter shall mean either an Interval Generation Meter or a Non-Interval Generation Meter, or both.

2.8 "Interconnection Agreement" means the agreement executed by Applicant and Distributor to provide for the interconnection of the Qualifying System to Distributor's distribution system.

2.10 "Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that records at least clock hour (hour interval) data and measures the energy output (kWh) from the Qualifying System at the Site; provided, however, it is recognized that fifteen (15)-minute interval data is preferred. It is further expressly recognized that the Participant's applicable retail rate schedule may require a shorter interval.

2.11 "Non-Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that measures the energy output (kWh) from the Qualifying System at the Site but which does not meet the definition of Interval Generation Meter.

2.12 "Premium Rate" shall have the meaning set forth in Guideline 8.

2.13 "Site" shall mean Participant's residential, commercial, or industrial real estate and associated personal property to which the Qualifying System is connected, the address of which is identified under the Participant's power billing account. In addition, the Site must meet all of the following requirements:

- (a) The property must receive its retail electricity distribution services from Distributor at the location of the Qualifying System,
- (b) The Qualifying System must be located on the same premises of Participant where the Participant's own electrical load is located,

(c) Maximum of 50 kW per contiguous property per Participant, subject to Guideline 3 below, and

(d) Maximum of 50 kW per associated Billing Meter account at the Site, subject to Guideline 3 below.

In addition, the Site shall meet the requirements set forth in the Participation Agreement and these Guidelines.

GUIDELINE 3 - CUSTOMER ELIGIBILITY AND LOAD REQUIREMENTS

3.1- Existing Distributor Customers

(a) Existing Distributor customers must have at least twelve (12) months of historical annual energy usage (kWh) data from the Site.

(b) The primary purpose of the Applicant's residential, commercial, or industrial facility cannot be energy generation.

(c) Qualifying Systems with a generation nameplate capacity of up to 10 kW (DC for inverter-based systems; AC for non-inverter-based systems) are not subject to any load or energy usage requirements. However, if the nameplate capacity of the Qualifying Systems is greater than 10 kW (DC for inverter-based systems, AC for non-inverter-based systems), the system will be subject to Site energy usage requirements. In this case the Qualifying System's nameplate capacity is limited to the lesser of (i) 50 kW or (ii) the kW capacity that is designed to generate annually no more than 100% of the Site's historical annual usage in kWh, as recorded by the associated Billing Meter at the Site.

3.2. New Distributor Customers/New Construction

Provided Distributor agrees to offer the Program to its prospective eligible customers or "new construction" market and subject to the Program's terms and conditions, the following shall apply:

(a) For prospective new and existing customers without twelve (12) full months of historical usage, either the builder (for new construction) or existing customer (for customers without twelve (12) full months of historical electrical usage at the Site) must submit acceptable and reasonable annual electrical usage projections for its residential or commercial/industrial facility.

(b) For new construction projects, the builder(s) (Builder) must complete and submit the "Request for Program Participation Eligibility of New Construction" (New Construction Request Form or Attachment E) to its Distributor for acceptance of its potential Qualifying System(s) into the Program. It is expressly recognized and understood that it is at the Distributor's and TVA's discretion to approve or reject any submitted Attachment E.

(c) The Builder may receive a Program letter of intent (LOI) from Distributor, and TVA, which guarantees the Builder's Qualifying System acceptance into the Program against the annual capacity limit, provided that the Qualifying System is fully operational and interconnected (as identified on the System Acceptance Form) within 360 Calendar Days from the date of the LOI and provided that (i) Distributor approves and allows for acceptance of new construction projects in the Program, (ii) the Qualifying System meets the eligibility requirements for the Program, and (iii) there is available capacity (MW) for the Program in the given year.

(d) The LOI is deemed valid as long as an official Participation Agreement is fully executed between the Participant, Owner of Qualifying System (if different than the Participant), Distributor, and TVA within one hundred eighty (180) Calendar Days from the date of the LOI. Upon completion of a fully executed Participation Agreement, the Participant/Applicant must satisfy all of the requirements of the Participation Agreement and the Guidelines, including having the Qualifying System interconnected and fully operational within the one hundred eighty (180) Calendar Days period after TVA's execution of the Participation Agreement. The total project completion period (LOI and Participation Agreement) is 360 Calendar Days. The Participant will receive the Premium Rate associated with the calendar year in which the Participation Agreement is executed by TVA.

(e) For existing customers without twelve (12) full months of electrical usage history, Applicant must provide Distributor with its projected annual usage (kWh), in addition to the proposed nameplate capacity of the Qualifying System.

(f) Proposed Qualifying Systems with a proposed nameplate capacity of up to 10 kW (DC for inverter based systems, AC for non inverter based systems) are not subject to any load or energy usage requirements. However, if the proposed nameplate capacity of the Qualifying System is greater than 10 kW (DC for inverter based systems, AC for non inverter based systems), the system will be subject to projected Site energy usage requirements. In this case the Qualifying System's proposed nameplate capacity is limited to the lesser of (i) 50 kW or (ii) the kW capacity that is designed to generate annually no more than 100% of the Applicant's/Participant's projected annual usage in kWh, as recorded by the associated Billing Meter at the Site.

As provided in this Guidelines 3.2, the annual generation (kWh) projections from the Qualifying System must be provided to Distributor by an Applicant, or by an existing Participant with a nameplate capacity of 10 kW or less and who wishes to increase its Qualifying System's nameplate capacity to be above 10 kW. This Applicant or Participant must submit a professional estimate for expected generation, if available, which shall be reviewed and approved by Distributor and TVA. The following default

annual capacity factors (%) shall be used to determine the maximum nameplate capacity (kW) of any new or expanding Qualifying System.

- Solar PV – 15%
- Wind – 15%
- Low-Impact Hydropower – 50%
- Biomass – 70%

Example: A small commercial business' projected annual usage is 30,000 kWh on a single billing meter and it wishes to install a solar PV project in the Program. The maximum nameplate capacity for this business would be 23 kW DC since it would likely generate no more than 100% of the customer's annual usage on the single billing meter.

Solar PV Generation Example Default Calculation:
 $23 \text{ kW} \times 8,760 \text{ hours} \times 15\% \text{ Annual Capacity Factor} = 30,222 \text{ kWh}$
(round maximum kW to the nearest whole number)

Additionally, TVA will post a helpful calculator or links to websites that may assist customers in making this calculation.

GUIDELINE 4 - ELIGIBLE RENEWABLE TECHNOLOGIES

Participant must be able to demonstrate, on an ongoing basis, that the Qualifying System generates electricity from one of the resources (Qualifying Resources) included below:

- (a) Solar Photovoltaic (PV): poly-crystalline panels or thin film cells using fixed or single/dual axis tracking systems, which can be ground- or structure-mounted.
- (b) Wind: turbines in conventional sizes for commercial-scale generation.
- (c) Low-Impact Hydropower – from new generation capacity on a non-impoundment or new generation capacity on an existing impoundment. Such generation must be located in the Cumberland River watershed or in the Mississippi River. Hydro generation could be located in the Tennessee River watershed only if TVA were to issue a permit under section 26a of the TVA Act. Additionally, such generation must meet one or more of the following conditions: (1) the hydropower facility is certified by the Low Impact Hydropower Institute, or (2) the facility is a run-of-the river hydropower facility with a total rated nameplate capacity equal to 50 kW or less (multiple turbines will not be counted separately and shall not amount to more than the nameplate capacity); or (3) the hydropower facility consists of a turbine in a pipeline or a turbine in an irrigation canal. Furthermore, such generation must also meet any applicable FERC requirements.
- (d) Biomass: solid, liquid, or gaseous form of renewable biomass that is produced from the following fuels in a manner that complies with Applicable Law: 1) All wood waste including "black liquor" from pulp and paper processing, mill residues, industrial waste wood, and waste wood from woodworking or wood processing, so long as the wood is not chemically treated or coated; 2) All

agricultural crops or waste; 3) All animal and other organic waste; 4) All energy crops; and 5) Landfill gas and wastewater methane.

- Biomass resources excluded from eligibility include:
 - (1) wood that has been coated with paints, plastics; or Formica;
 - (2) wood that has been treated for preservation with materials containing halogens (such as chlorine or other halide compounds) or arsenic (such as CCA or chromated copper arsenate);
 - (3) municipal solid waste; and
 - (4) biodiesel.

GUIDELINE 5 - PROGRAM RESTRICTIONS

No Qualifying System may be installed on billboards, light poles, cable/communication/internet boxes, recreational vehicles, or mobile facilities.

GUIDELINE 6 - PROCESS AND PROCEDURES

- (a) Distributor customer consults with Distributor about participation in the Program.
- (b) Distributor customer applies for Program participation by submitting to Distributor (i) an interconnection request, including any interconnection request fees; (ii) a completed Participation Agreement, and (iii) a program application fee (not to exceed \$500), thereby becoming an Applicant.
- (c) Participant purchases the Qualifying System and installs it so that it is fully operational within one hundred eighty (180) Calendar Days of the date of TVA's execution of the Participation Agreement.
- (d) After the installation of the Qualifying System is completed and Distributor has submitted System Acceptance Form, Participant will receive a one-time \$1,000 rebate incentive from either TVA or Distributor, depending on what billing option the Distributor has selected for the Participant.
- (e) Participant's Qualifying System begins generation and Participant receives monthly credits for the renewable generation in accordance with the Participation Agreement.

GUIDELINE 7 - PROGRAM INCENTIVES

Eligible participants will receive the following:

- (a) One-time \$1,000 rebate incentive after the Qualifying System is installed, completed, interconnected, commissioned, and begins energy generation (the Delivery Commencement Date).
- (b) Monthly Generation Credits.

Note that the Premium Rate is dependent upon the date and calendar year that the Participation Agreement is executed by TVA for participation in the Program. Further, the Premium Rate shall apply only to the first ten (10) years from Delivery

Commencement Date and no Premium Rate shall be paid for the remaining term of the Participation Agreement.

GUIDELINE 8 - PREMIUM RATE

The Premium Rate to be applied in the calculation of a Participant's monthly Generation Credits will vary based on the renewable technology, and the date and calendar year on which TVA executes the Participation Agreement. For the 2012 calendar year, the following Premium Rate is applicable to Participation Agreements executed and dated by TVA on or prior to December 31, 2012. **[Note, however, that the Qualifying System(s) must be completed, installed, and generating at full capacity within 180 Calendar Days from the date TVA executes the Participation Agreement, in order to receive said Premium Rate].**

Solar	\$0.12
Wind, Biomass, and Hydro	\$0.03

TVA will endeavor to approve and execute any completed and acceptable Participation Agreements that Distributor and Participant have already executed within twenty (20) Business Days from the date said Participation Agreements are received by TVA. TVA will endeavor also to return any incomplete or otherwise unacceptable Participation Agreements within the same timeframe.

In order to provide a sustainable, steady, and transparent path for small scale renewable generation as well as to align power purchases with Green Power Switch demand, the following projected Premium Rate schedule for the next year will be reviewed and published annually and will be provided as updates to these Guidelines.

Solar	\$0.09
Wind, Biomass, and Hydro	\$0.03

The 2013 Premium Rates stated above are not final but represent the current projected Premium Rates. TVA will review the Program and incentives annually and will endeavor to publish a revised Guidelines document online at Program's website (<http://www.tva.com/renewable/index.htm>) two (2) months prior to changing the Premium Rate and incentives. TVA reserves the right to change the current projected Premium Rates for Participation Agreements that are entered into in future years, and Applicants and Participants assume the risk of TVA establishing differing Premium Rates for future years when TVA revises these Guidelines. Such changes will not affect fully executed Participation Agreements.

Example: a solar project is installed and completed by an eligible Participant in accordance with the terms and conditions of the Participation Agreement and its attached Guidelines document. The Participation Agreement for such solar system was executed by all parties and the date TVA executed the Participation Agreement was January 25, 2013. According to the projected 2013 Premium Rates above, the Participant would receive a premium of \$0.09/kWh for the first ten years from the Delivery Commencement Date and there would be no effective premium for

GUIDELINE 12 - ANNUAL PROGRAM PARTICIPATION LIMITS

TVA will conduct an annual Program evaluation and will set annual MW limits that provide sustainable growth of renewable capacity in alignment with the Green Power Switch program participation and demand, as well as TVA's Integrated Resource Plan. Participation Agreements will be reviewed and enter a queue for allocation of available Program capacity on a first-come, first-serve basis, as determined by the date Participation Agreements are received and deemed complete by TVA for potential approval and execution. TVA will publish the progress towards the annual MW limit on the Program's website (<http://www.tva.com/renewable/index.htm>). If and when the MW limit for any given year is reached, TVA will publish on the Program's website such news as soon as it becomes available and stop accepting Participation Agreements in that given year. TVA will announce and notify the public via the Program's website when eligible capacity becomes available in that same year, and may start accepting new Participation Agreements. The initial MW limit is set to be 10.0 MW of nameplate capacity for Participation Agreements approved, executed, and dated by TVA in calendar year 2013. To ensure diverse and equitable participation in the Program, Qualifying Systems up to 10 kW are deemed "Fast Track" projects, which will require a less stringent review, and will not require usage history and distribution system study of impacts. Additionally, for calendar year 2013, the "Fast Track" MW reservation for Qualifying Systems will comprise a total of no less than 20%, or 2.0 MW, of the total 10 MW limit in calendar year 2013. The "Fast Track" reservation amount will also be reviewed annually based on Program participation and market conditions. The program limits and reservations are outlined in the table below.

Calendar Year	Fast Track MW Reservation	Total Program MW Limit
2013	2.0	10.0

Once a Distributor and a Participant have signed a Participation Agreement and presented it to TVA for review and possible execution, TVA shall be under no obligation to execute said Participation Agreement once the MW limit for that year has been reached, notwithstanding any actions taken and expenses incurred to date by the Applicant.

GUIDELINE 13 - TRUST/POWER OF ATTORNEY/ LEGAL DOCUMENT

In all instances when the Participant or Qualifying System Owner represents there is a legal document relevant to the terms of the Participation Agreement, the Participant or Qualifying System Owner shall provide the Distributor with the original legal document. Distributor shall then make a copy of said legal document and attach it to the

Participation Agreement. TVA's decision on the legal effect of said legal document shall be controlling.

GUIDELINE 14 - PARTICIPANT DEATH OR INCAPACITY

Upon Participant's death or incapacity, if Participant's estate executor, conservator, attorney in fact, or court ordered agent (herein collectively Agent) wishes to continue with the terms and conditions of the Participation Agreement and Guidelines, Agent shall complete the Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner (Attachment C) and forward it to Distributor and TVA for review and potential approval and execution; otherwise, the Participation Agreement shall be terminated and any new owner of Site must reapply for Program participation in accordance with the then-current Participation Agreement and Guidelines.

GUIDELINE 15 - GUIDELINES CHANGES

These Guidelines continue in effect until modified or replaced by TVA at any time and from time to time upon thirty (30) Calendar Days notice to all Distributors participating in the Program. Said notice 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. In the event of a conflict between these Guidelines, the Green Power Providers Agreement, a Participation Agreement, or any other contract executed by TVA, the Green Power Providers Agreement shall govern. In the event of a conflict between these Guidelines and a former version of the Guidelines (including a version of the Guidelines that was in effect at the time any contract was signed), these Guidelines shall govern. TVA will publish any changes or modifications to the Guidelines online at Program's website (<http://www.tva.com/renewable/index.htm>).



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


8/15/2012

Laura,

Please copy

Jim, Glenn

& file.

Thanks,


August 14, 2012

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

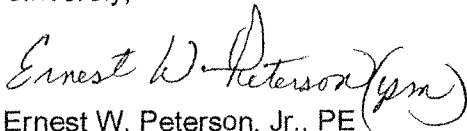
Dear Paul:

**TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION -- FULLY EXECUTED
OPTIONAL WHOLESALE RATE AGREEMENT -- TV-52337A, SUPP. NO. 98,
DATED OCTOBER 1, 2012**

Enclosed is one fully executed original of the Optional Wholesale Rate Agreement, TV-52337A, Supp. No. 98, dated October 1, 2012, amending Tri-County EMC's power contract in the respects necessary to implement an optional wholesale rate schedule, effective as of the October 2012 revenue month, for your files.

If you have questions concerning this document or any material therein, please call Derrick Miller (270-856-4581) or me (270-846-7041).

Sincerely,



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

Enclosure

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

Effective Date: October 1, 2012

TV-52337A, Supp. No. 98

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);

W I T N E S S E T H:

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 have entered into an agreement dated April 1, 2011, which placed into effect a wholesale rate schedule (Existing Wholesale Schedule) and resale rate schedules; and

WHEREAS, TVA has approved optional wholesale schedules designated as Wholesale Power Rate--Schedule WS-MTOU (Schedule WS-MTOU) and Wholesale Power Rate--Schedule WS-MDE (Schedule WS-MDE); and

WHEREAS, the parties wish to supplement and amend the Power Contract in the respects necessary to place into effect an optional wholesale schedule;

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 agree as follows:

SECTION 1 – TERM OF AGREEMENT

This agreement shall become effective as of the date first written above. Except as otherwise provided in 2.2 below, it shall continue in effect until the earlier of (a) the expiration or termination of the Power Contract or (b) implementation of the next Rate Change as provided in the Power Contract's Schedule of Terms and Conditions.

SECTION 2 – OPTIONAL WHOLESALE RATE SCHEDULE

2.1 Implementation of Optional Wholesale Rate. The parties hereby agree that (a) the Existing Wholesale Schedule shall remain in full force and effect for all bills

rendered from wholesale meter readings scheduled to be taken before October 2, 2012, and (b) Schedule WS-MDE (the "Optional Wholesale Schedule" attached as Exhibit A and made a part of this agreement) shall become effective in accordance with the provisions thereof for all bills rendered from wholesale meter readings scheduled to be taken on and after October 2, 2012. Commencing with the first application of the Optional Wholesale Schedule, all references in the Power Contract to the Existing Wholesale Schedule shall be deemed to refer to the Optional Wholesale Schedule.

Further, the parties agree that while the Adjustment Addendum to Schedule of Rates and Charges for Distributor dated October 1, 2011, is in effect, the adjustments applicable to Schedule WS-TOU shall apply to the Optional Wholesale Schedule. It is expressly recognized that the rates provided for in the Optional Wholesale Schedule shall be subject to the provisions of the Terms and Conditions of the Power Contract entitled "Adjustment and Change of Wholesale Rate and Resale Rates."

2.2 Termination of Optional Wholesale Rate.

(a) The Optional Wholesale Schedule may be terminated by TVA in October of any year upon at least 12 months' prior written notice. In such case, Schedule WS-TOU shall become effective in accordance with the provisions thereof for all bills rendered from wholesale meter readings scheduled to be taken on and after October 2 of the year specified in such termination notice. Thereafter, all references in the Power Contract to any wholesale schedule shall be deemed to refer to Schedule WS-TOU.

(b) The election of the Optional Wholesale Schedule may be terminated by Distributor in October of any year by providing TVA at least 45 days' written notice prior to October 1 of that year. Unless TVA and Distributor agree otherwise in writing, Schedule WS-TOU shall become effective for all bills rendered from wholesale meter readings scheduled to be taken on and after October 2 of said year.

2.3 Resale Rate Schedule Substitution: Distributor and TVA agree to substitute the new resale rate schedules specified in (a) below, copies of which are attached as Exhibit B, for the resale rate schedules specified in (b) below, which, as adjusted, are now in effect. The new resale rate 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 October 2012 revenue month. It is expressly recognized that the adjustments set forth in the currently effective Adjustment Addendum 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 (October 2012)
- General Power Rate--Schedule GSA (October 2012)
- Outdoor Lighting Rate--Schedule LS (October 2012)

- (b) Existing resale rate schedules:
Residential Rate--Schedule RS (April 2011)
General Power Rate--Schedule GSA (April 2011)
Outdoor Lighting Rate--Schedule LS (July 2012)

Commencing with the first application of the new resale rate schedules, 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.

SECTION 3 - 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:

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

TENNESSEE VALLEY AUTHORITY

By

Title:

Rodell
Vice President
Pricing and Contracts

EXHIBIT A

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
	Winter Period	3.020¢ per kWh per month
	Transition Period	2.908¢ 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