

cents per kVAR may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing reactive power.

Determination of Seasonal Periods

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

Determination of Standard Service Demand and Energy Billing Amounts

For every 60-consecutive-minute period (beginning on the clock hour) of the month, the average of the loads measured in kW for each customer served under the TOU Service and Seasonal Demand and Energy Service subsections above shall be subtracted from the average loads measured in kW at all delivery points. The highest difference computed in accordance with the previous sentence will be the Billing Demand for Standard Service provided for any month.

The Standard Service Energy for any month shall be the kWh amount equal to the total energy measured in kWh at all delivery points less the sum of the energy amounts used in calculating charges for that month under said TOU Service and Seasonal Demand and Energy Service subsections.

Minimum Bill

The monthly bill under this rate schedule, exclusive of any applicable facilities rental charges and any reactive charges, shall not be less than the higher of (a) the base delivery point charge or (b) 35 percent of the highest bill to Distributor, exclusive of any applicable facilities rental charge and any reactive charges, rendered under this rate schedule in the preceding 36-consecutive-month period.

EXHIBIT B

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

RESIDENTIAL RATE--SCHEDULE RS

(October 2012)

Availability

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

Character of Service

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

Base Charges

Customer Charge: \$19.60 per month, less

Hydro Allocation Credit: \$1.60 per month

Energy Charge:

Summer Period

6.244¢ per kWh per month

Winter Period

5.918¢ per kWh per month

Transition Period

5.728¢ per kWh per month

Adjustment

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

Determination of Seasonal Periods

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

Minimum Monthly Bill

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

Payment

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

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSA

(October 2012)

Availability

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

Character of Service

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

Base Charges

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

Customer Charge: \$25.00 per delivery point per month

Energy Charge:

Summer Period 7.346¢ per kWh per month

Winter Period 7.026¢ per kWh per month

Transition Period 6.838¢ per kWh per month

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

Customer Charge: \$50.00 per delivery point per month

Demand Charge:

Summer Period First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$12.10 per kW

Winter Period First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$11.31 per kW

Transition Period First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$11.31 per kW

Energy Charge:

- Summer Period First 15,000 kWh per month at 7.247¢ per kWh
Additional kWh per month at 3.547¢ per kWh
- Winter Period First 15,000 kWh per month at 7.119¢ per kWh
Additional kWh per month at 3.245¢ per kWh
- Transition Period First 15,000 kWh per month at 6.995¢ per kWh
Additional kWh per month at 3.124¢ per kWh

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

Customer Charge: \$100.00 per delivery point per month

Demand Charge:

- Summer Period First 1,000 kW of billing demand per month, at \$10.97 per kW
Excess over 1,000 kW of billing demand per month, at \$12.78 per kW,
plus an additional
\$12.78 per kW per month for each kW, if any, of the amount by which the
customer's billing demand exceeds the higher of 1,000 kW or its contract
demand
- Winter Period First 1,000 kW of billing demand per month, at \$10.18 per kW
Excess over 1,000 kW of billing demand per month, at \$11.99 per kW,
plus an additional
\$11.99 per kW per month for each kW, if any, of the amount by which the
customer's billing demand exceeds the higher of 1,000 kW or its contract
demand
- Transition Period First 1,000 kW of billing demand per month, at \$10.18 per kW
Excess over 1,000 kW of billing demand per month, at \$11.99 per kW,
plus an additional
\$11.99 per kW per month for each kW, if any, of the amount by which the
customer's billing demand exceeds the higher of 1,000 kW or its contract
demand

Energy Charge:

- Summer Period 3.642¢ per kWh per month
- Winter Period 3.340¢ per kWh per month
- Transition Period 3.219¢ per kWh per month

Adjustment

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

Determination of Seasonal Periods

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

Determination of Demand

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

Minimum Bill

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

Distributor may require minimum bills higher than those stated above.

Seasonal Service

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

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

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 1,000 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract

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

Payment

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

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(October 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 4.103¢ per kWh per month

Winter Period 3.777¢ per kWh per month

Transition Period 3.587¢ 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	\$8.21
	100	8,500	42	\$9.09

(b) Energy Charge: For each lamp size under (a) above,

Summer Period 4.103¢ per kWh per month

Winter Period 3.777¢ per kWh per month

Transition Period 3.587¢ 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, Post Office Box 292409 Nashville, Tennessee 37229-2409

John J. Bradley
Senior Vice President, Economic Development

September 13, 2012

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

Dear Mr. Thompson:

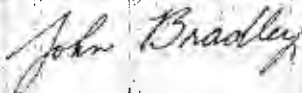
VALLEY INVESTMENT INITIATIVE PARTICIPATION AGREEMENT

Enclosed are two fully executed originals of the Valley Investment Initiative Participation Agreement between TVA, Tri-County Electric Membership, and Sumitomo Electric Wiring Systems, Inc., dated and effective September 7, 2012. Please forward one original to Sumitomo Electric Wiring Systems, Inc.

Also enclosed is a copy of the Billing Memorandum, detailing Sumitomo Electric Wiring Systems, Inc.'s, first-year monthly bill credits and their effective start date.

TVA appreciates Tri-County Electric Membership Corporation's partnership and Sumitomo Electric Wiring Systems, Inc.'s, long-term commitment to capital investment and quality jobs in the Tennessee Valley.

Sincerely,



John J. Bradley

Enclosures

9/14/2012 #99
~~TAMMY~~
FYI, please copy
Laura for our files
Thanks, Sally

**VALLEY INVESTMENT INITIATIVE
PARTICIPATION AGREEMENT**
Among
**SUMITOMO ELECTRIC WIRING SYSTEMS, INC.,
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION,**
And
TENNESSEE VALLEY AUTHORITY

Date: September 7th, 2012

VII Contract No. 6425

TV-52337A, Supp. No. 99

THIS AGREEMENT will confirm the understandings among SUMITOMO ELECTRIC WIRING SYSTEMS, INC. (Company), TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION (Distributor), and TENNESSEE VALLEY AUTHORITY (TVA) with respect to Company's participation in the Valley Investment Initiative (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 Company's seventh monthly power bill after (a) the date of Company's VII Award Application or (b) the Commercial Operation Date, whichever is later. 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	\$22,057.92
2	\$22,057.92
3	\$22,057.92
4	\$22,057.92
5	\$22,057.92

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 bills 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, updating the information and projections provided in Company's VII Award Application and showing Company's VII Metrics for the most recent Evaluation Period 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 (a) gives notice to terminate the power supply contract under which power is supplied to Company's Qualifying Plant or (b) 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 information, projections, and 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 the total kWh usage and highest Total Metered Demand for each month in the previous year will be used in the calculation in place of Company's projections for that period. 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.

It is expressly recognized that (a) should Company provide notice to terminate its power supply contract which would become effective prior to the completion of the Award Period, Company shall cease to qualify for VII pursuant to A.2.2 of the VII Award Application and (b) 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. It is further recognized that Company shall not be required to repay any award amounts to TVA under 7.3 below solely as a result of such termination notice, so long as Company did not receive Bill Credits during any period when it did 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.

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:

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

To Company:

Kelly Chapman
Manager
Sumitomo Electric Wiring Systems, Inc.
796 Smiths 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 1 of the attached VII Award Application, the parties acknowledge and agree that the Plant's non-excluded 3-digit NAICS code is 335.

Notwithstanding the information provided by Company on page 1 of the attached VII Award Application, the parties acknowledge and agree that the Plant has a Contract Demand greater than 50 kW, but not more than 1,000 kW.

Notwithstanding the information provided by Company on page 2 of the attached VII Award Application, the parties acknowledge and agree that the Company will be on a 5-Year Load-Tracking payment schedule rather than a 5-Year Flat payment schedule.

SECTION 14 - ENTIRE AGREEMENT


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

SECTION 15 - SUCCESSORS AND ASSIGNS

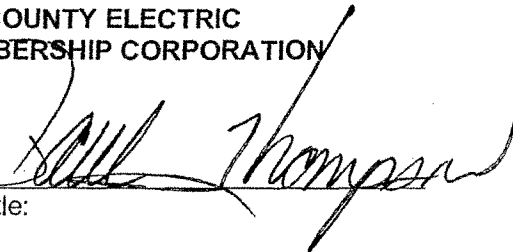
This agreement may be assigned by TVA, but shall not be assignable by Company or Distributor without written consent of TVA.

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


**SUMITOMO ELECTRIC WIRING SYSTEMS,
INC.**

By 
Title: DEP. DIV. MGR.

**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 
Title:

TENNESSEE VALLEY AUTHORITY

By 
Title: Senior Manager
Power Contracts



Tennessee Valley Authority, 6045 Russellville Road, Bowling Green, Kentucky 42101-1316

2/7/2013
Laura,
Please copy:
J. Beecham
G. Hale &
file.
Thanks
[Signature]

February 6, 2013

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. 100**

Enclosed is one fully executed original of the Resale Rate Schedule Substitution Agreement, TV-52337A, Supp. No. 100, dated February 1, 2013, providing for the substitution of:

Schedule LS (February 2013) for Schedule LS (October 2012)

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

February 1, 2013

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, as Exhibit A to this agreement, 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 February 2013 revenue month. The parties further agree that the revised Adjustment Addendum to said Schedule of Rates and Charges attached as Exhibit B to this agreement shall apply to the charges provided for by the attached schedule specified in (a) below.

- (a) New resale rate schedule:
Outdoor Lighting Rate--Schedule LS (February 2013)

- (b) Existing resale rate schedule:
Outdoor Lighting Rate--Schedule LS (October 2012)

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 
Senior Manager, Power Contracts

EXHIBIT A
To
RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(February 2013)

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 4.103¢ per kWh per month

Winter Period 3.777¢ per kWh per month

Transition Period 3.587¢ 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
LED	51	4,590	21	\$9.26
	103	9,270	43	\$10.23

(b) Energy Charge: For each lamp size under (a) above,

Summer Period 4.103¢ per kWh per month

Winter Period 3.777¢ per kWh per month

Transition Period 3.587¢ 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.

EXHIBIT B
To
RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT

TENNESSEE VALLEY AUTHORITY
ADJUSTMENT ADDENDUM
TO
SCHEDULE OF RATES AND CHARGES
FOR
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

(Effective 10/01/2011), Revised 02/01/2013

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-MTOU *****</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-MDE *****</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

*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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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.

*****Reflects October 2012 optional wholesale agreements

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											
General Power Service											
Schedule TDGSA											
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
 *****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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 Am 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 effective date of this Adjustment Addendum.

*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
 *****Reflects October 2012 optional wholesale agreements

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

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.

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

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.

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

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 42101-7319

June 4, 2013

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

6/5/2013
Laura,
Please file.
Thank you,
Paul

Dear Paul:

**TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION -- FULLY EXECUTED
RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT -- TV-52337A, SUPP.
NO. 101**

Enclosed is one fully executed original of the Resale Rate Schedule Substitution Agreement, TV-52337A, Supp. No. 101, for your files. This Agreement, dated June 1, 2013, provides for the substitution of:

Schedule GSA (June 2013) for Schedule GSA (October 2012)

If you have questions or concerns regarding this agreement, please call Derrick Miller (270-856-4581) or me (270-846-7041).

Sincerely,

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

Enclosure

June 1, 2013

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

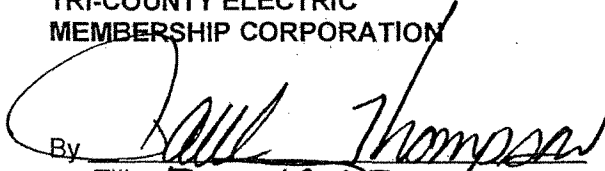
Distributor and TVA agree to substitute the new resale rate schedule specified in (a) below, a copy of which is attached, as Exhibit A to this agreement, for the resale rate schedule specified in (b) below, which, as adjusted, is now in effect as a part of the Schedule of Rates and Charges attached to 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 June 2013 revenue month. The parties further agree that the revised Adjustment Addendum to said Schedule of Rates and Charges attached as Exhibit B to this agreement shall apply to the charges provided for by the attached schedule specified in (a) below.

- (a) New resale rate schedule:
General Power Rate--Schedule GSA (June 2013)

- (b) Existing resale rate schedule:
General Power Rate--Schedule GSA (October 2012)

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. Mgr.

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

TENNESSEE VALLEY AUTHORITY

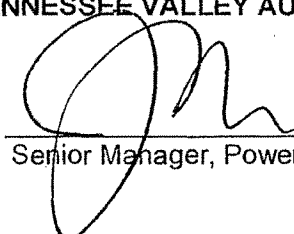
By 
Senior Manager, Power Contracts

EXHIBIT A
To
RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

GENERAL POWER RATE--SCHEDULE GSA

(June 2013)

Availability

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

Character of Service

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

Base Charges

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

Customer Charge: \$25.00 per delivery point per month

Energy Charge:

Summer Period 7.346¢ per kWh per month

Winter Period 7.026¢ per kWh per month

Transition Period 6.838¢ per kWh per month

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

Customer Charge: \$50.00 per delivery point per month

Demand Charge:

Summer Period First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$12.10 per kW

Winter Period First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$11.31 per kW

Transition Period First 50 kW of billing demand per month, no demand charge

Excess over 50 kW of billing demand per month, at \$11.31 per kW

Energy Charge:

- Summer Period First 15,000 kWh per month at 7.427¢ per kWh
Additional kWh per month at 3.547¢ per kWh
- Winter Period First 15,000 kWh per month at 7.119¢ per kWh
Additional kWh per month at 3.245¢ per kWh
- Transition Period First 15,000 kWh per month at 6.995¢ per kWh
Additional kWh per month at 3.124¢ per kWh

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

Customer Charge: \$100.00 per delivery point per month

Demand Charge:

- Summer Period First 1,000 kW of billing demand per month, at \$10.97 per kW
Excess over 1,000 kW of billing demand per month, at \$12.78 per kW, plus an additional \$12.78 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 1,000 kW or its contract demand
- Winter Period First 1,000 kW of billing demand per month, at \$10.18 per kW
Excess over 1,000 kW of billing demand per month, at \$11.99 per kW, plus an additional \$11.99 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 1,000 kW or its contract demand
- Transition Period First 1,000 kW of billing demand per month, at \$10.18 per kW
Excess over 1,000 kW of billing demand per month, at \$11.99 per kW, plus an additional \$11.99 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 1,000 kW or its contract demand

Energy Charge:

- Summer Period 3.642¢ per kWh per month
- Winter Period 3.340¢ per kWh per month
- Transition Period 3.219¢ per kWh per month

Adjustment

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

Determination of Seasonal Periods

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

Determination of Demand

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

Minimum Bill

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

Distributor may require minimum bills higher than those stated above.

Seasonal Service

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

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

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 1,000 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract

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

Payment

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

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

10/1/10

**EXHIBIT B
To
RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT**

TENNESSEE VALLEY AUTHORITY
ADJUSTMENT ADDENDUM
TO
SCHEDULE OF RATES AND CHARGES
FOR
TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

(Effective 10/01/2011), Revised 06/01/2013

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-MTOU ****</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-MDE ****</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

*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

*****Reflects October 2012 optional wholesale agreements

STANDARD SERVICE

Resale Schedules

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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)
<u>Schedule GSB</u>									
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)
<u>Schedule GSC</u>									
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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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

*****Reflects October 2012 optional wholesale agreements

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 Am 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 effective date of this Adjustment Addendum.

*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

*****Reflects October 2012 optional wholesale agreements

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

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 42101-7319

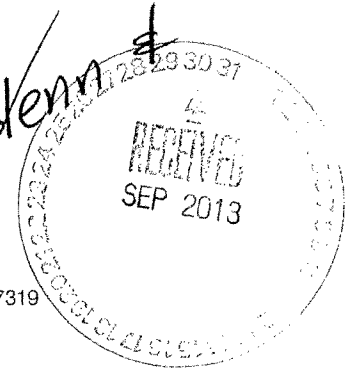
Sept. 30, 2013

Tina,

Please copy

Jim & file

Glenn



September 27, 2013

*Thanks
Paul*

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

Dear Paul:

**TRI-COUNTY EMC -- FULLY EXECUTED RESALE RATE SCHEDULE
SUBSTITUTION AGREEMENT -- TV-52337A, SUPP. NO. 102**

Enclosed is a fully executed original of the Resale Rate Schedule Substitution Agreement, TV-52337A, Supp. No. 102, for your files.

If you have questions or concerns, please call Derrick Miller (270-856-4581) or me (270-846-7041).

Sincerely,

Ernest W. Peterson (pm)

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

Enclosure

October 1, 2013

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 2013 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.

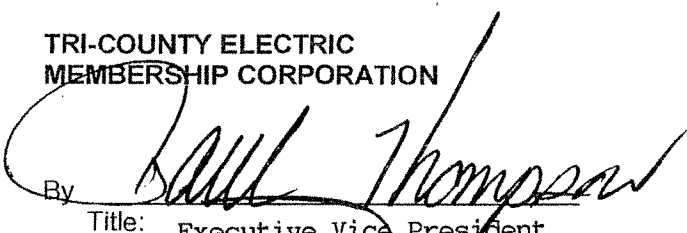
- (a) New resale rate schedule:
Outdoor Lighting Rate--Schedule LS (October 2013)

- (b) Existing resale rate schedule:
Outdoor Lighting Rate--Schedule LS (February 2013)

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**

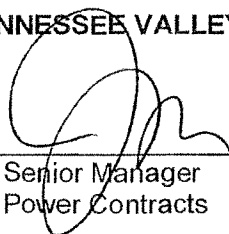
By


Title: Executive Vice President
and General Manager

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

TENNESSEE VALLEY AUTHORITY

By


Senior Manager
Power Contracts

TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION

OUTDOOR LIGHTING RATE--SCHEDULE LS

(October 2013)

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 4.103¢ per kWh per month

Winter Period 3.777¢ per kWh per month

Transition Period 3.587¢ 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 – Street and Park Lighting Systems, Traffic Signal Systems, and Athletic Field Lighting Installations.

Distributor shall apply a uniform monthly customer charge of \$17.50 for service to each street and park lighting system, 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	\$8.21
	100	8,500	42	\$9.09
LED	51	4,590	21	\$9.26
	103	9,270	43	\$10.23

(b) Energy Charge: For each lamp size under (a) above,

Summer Period 4.103¢ per kWh per month

Winter Period 3.777¢ per kWh per month

Transition Period 3.587¢ 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, 2013

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. Subject to future Rate Adjustment or Rate Change, the amounts listed under each column (1) are designed to remain in effect initially for five (5) years. Further, absent other action by the TVA Board, the amounts will remain in effect from year to year thereafter.

STANDARD SERVICE	Wholesale Power Rate Schedule		
	(1)	(2)	(3)
<u>All Wholesale Rate Schedules †</u>			
Demand Charges			
Summer	Add \$0.50	+	\$0.54
Winter	Add \$0.50	+	\$0.49
Transition	Add \$0.50	+	\$0.49
Energy Charges			
Summer	Add 0.186¢	+	0.202¢ + A _m
Winter	Add 0.186¢	+	0.186¢ + A _m
Transition	Add 0.186¢	+	0.179¢ + A _m

† WS-TOU, WS-MTOU, WS-MDE, WSA-TOU, WSA-MTOU,
WSA-MDE

*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 Rate Schedule

Residential Service

Schedule RS

Energy Charge
 Summer
 Winter
 Transition

	(1)	(2)	(3)
Add	0.307¢	+ 0.339¢	+ (1.08628 x A _m)
Add	0.307¢	+ 0.331¢	+ (1.08628 x A _m)
Add	0.307¢	+ 0.324¢	+ (1.08628 x A _m)

General Power Service

Schedule GSA

Part 1

Energy Charge
 Summer
 Winter
 Transition

Add	0.355¢	+ 0.363¢	+ (1.06653 x A _m)
Add	0.355¢	+ 0.354¢	+ (1.06653 x A _m)
Add	0.355¢	+ 0.347¢	+ (1.06653 x A _m)

Part 2

Demand Charge
 Summer
 Excess over 50 kW
 Winter
 Excess over 50 kW
 Transition
 Excess over 50 kW

Add	\$0.48	+ \$0.55	
Add	\$0.48	+ \$0.51	
Add	\$0.48	+ \$0.51	

Energy Charge

Summer
 First 15,000 kWh
 Additional kWh
 Winter
 First 15,000 kWh
 Additional kWh
 Transition
 First 15,000 kWh
 Additional kWh

Add	0.198¢	+ 0.362¢	+ (1.06653 x A _m)
Add	0.194¢	+ 0.187¢	+ (1.04396 x A _m)
Add	0.198¢	+ 0.354¢	+ (1.06653 x A _m)
Add	0.194¢	+ 0.179¢	+ (1.04396 x A _m)
Add	0.198¢	+ 0.350¢	+ (1.06653 x A _m)
Add	0.194¢	+ 0.176¢	+ (1.04396 x A _m)

Part 3

Demand Charge
 Summer
 First 1,000 kW
 Excess over 1,000 kW *
 Winter
 First 1,000 kW
 Excess over 1,000 kW *
 Transition
 First 1,000 kW
 Excess over 1,000 kW *

Add	\$0.61	+ \$0.55	
Add	\$0.61	+ \$0.68	
Add	\$0.61	+ \$0.51	
Add	\$0.61	+ \$0.64	
Add	\$0.61	+ \$0.51	
Add	\$0.61	+ \$0.64	

Energy Charge

Summer
 Winter
 Transition

Add	0.199¢	+ 0.187¢	+ (1.04396 x A _m)
Add	0.199¢	+ 0.179¢	+ (1.04396 x A _m)
Add	0.199¢	+ 0.176¢	+ (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¢	+	0.159¢	+	(	1.08628	x	A _m)
Winter	Add	0.207¢	+	0.149¢	+	(	1.08628	x	A _m)
Transition	Add	0.207¢	+	0.142¢	+	(	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 SRS

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)

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)

Schedule MSA

Demand Charge						
Summer						
Coincident kW *	Add	N/A	+	N/A		
Maximum kW	Add	N/A	+	N/A		
Winter						
Coincident kW *	Add	N/A	+	N/A		
Maximum kW	Add	N/A	+	N/A		
Transition						
Coincident kW *	Add	N/A	+	N/A		
Maximum kW	Add	N/A	+	N/A		
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)

*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

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	+	\$0.81	Add	N/A + N/A
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	N/A + N/A
Winter Period						
Onpeak ****	Add	\$0.29	+	\$0.43	Add	N/A + N/A
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	N/A + N/A
Transition Period	Add	\$0.11	+	\$0.13	Add	N/A + N/A
Energy Charge						
Summer Period						
Onpeak	Add	0.329¢	+	0.391¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Offpeak						
First 425 hours ***	Add	0.205¢	+	0.201¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.100¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Additional kWh	Add	0.082¢	+	0.013¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Winter Period						
Onpeak	Add	0.220¢	+	0.224¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Offpeak						
First 425 hours ***	Add	0.205¢	+	0.201¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.100¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Additional kWh	Add	0.082¢	+	0.013¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Transition Period						
First 425 hours ***	Add	0.205¢	+	0.201¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Next 195 hours	Add	0.139¢	+	0.100¢ + A _m	Add	N/A + N/A + (N/A x A _m)
Additional kWh	Add	0.082¢	+	0.013¢ + A _m	Add	N/A + N/A + (N/A x A _m)
<u>Schedule GSB</u>						
Demand Charge						
Summer Period						
Onpeak *	Add	\$0.54	+	\$0.81	Add	\$0.56 + \$0.84
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11 + \$0.15
Winter Period						
Onpeak ****	Add	\$0.29	+	\$0.43	Add	\$0.30 + \$0.45
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11 + \$0.15
Transition Period	Add	\$0.11	+	\$0.13	Add	\$0.11 + \$0.15
Energy Charge						
Summer Period						
Onpeak	Add	0.329¢	+	0.391¢ + A _m	Add	0.339¢ + 0.402¢ + (1.03000 x A _m)
Offpeak						
First 425 hours ***	Add	0.205¢	+	0.201¢ + A _m	Add	0.211¢ + 0.207¢ + (1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.100¢ + A _m	Add	0.143¢ + 0.103¢ + (1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.013¢ + A _m	Add	0.084¢ + 0.013¢ + (1.03000 x A _m)
Winter Period						
Onpeak	Add	0.220¢	+	0.224¢ + A _m	Add	0.227¢ + 0.230¢ + (1.03000 x A _m)
Offpeak						
First 425 hours ***	Add	0.205¢	+	0.201¢ + A _m	Add	0.211¢ + 0.207¢ + (1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.100¢ + A _m	Add	0.143¢ + 0.103¢ + (1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.013¢ + A _m	Add	0.084¢ + 0.013¢ + (1.03000 x A _m)
Transition Period						
First 425 hours ***	Add	0.205¢	+	0.201¢ + A _m	Add	0.211¢ + 0.207¢ + (1.03000 x A _m)
Next 195 hours	Add	0.139¢	+	0.100¢ + A _m	Add	0.143¢ + 0.103¢ + (1.03000 x A _m)
Additional kWh	Add	0.082¢	+	0.013¢ + A _m	Add	0.084¢ + 0.013¢ + (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

Schedule GSC

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.81	Add	\$0.56	+	\$0.84
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.43	Add	\$0.30	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15
Transition Period	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Energy Charge

Summer Period

Onpeak	Add	0.316¢	+	0.371¢ + A _m	Add	0.325¢	+	0.382¢ + (1.03000 × A _m)
Offpeak								
First 425 hours ***	Add	0.196¢	+	0.187¢ + A _m	Add	0.202¢	+	0.193¢ + (1.03000 × A _m)
Next 195 hours	Add	0.130¢	+	0.085¢ + A _m	Add	0.134¢	+	0.088¢ + (1.03000 × A _m)
Additional kWh	Add	0.073¢	+	-0.002¢ + A _m	Add	0.075¢	+	-0.001¢ + (1.03000 × A _m)

Winter Period

Onpeak	Add	0.210¢	+	0.207¢ + A _m	Add	0.216¢	+	0.214¢ + (1.03000 × A _m)
Offpeak								
First 425 hours ***	Add	0.196¢	+	0.187¢ + A _m	Add	0.202¢	+	0.193¢ + (1.03000 × A _m)
Next 195 hours	Add	0.130¢	+	0.085¢ + A _m	Add	0.134¢	+	0.088¢ + (1.03000 × A _m)
Additional kWh	Add	0.073¢	+	-0.002¢ + A _m	Add	0.075¢	+	-0.001¢ + (1.03000 × A _m)

Transition Period

First 425 hours ***	Add	0.196¢	+	0.187¢ + A _m	Add	0.202¢	+	0.193¢ + (1.03000 × A _m)
Next 195 hours	Add	0.130¢	+	0.085¢ + A _m	Add	0.134¢	+	0.088¢ + (1.03000 × A _m)
Additional kWh	Add	0.073¢	+	-0.002¢ + A _m	Add	0.075¢	+	-0.001¢ + (1.03000 × A _m)

Schedule GSD

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.81	Add	\$0.56	+	\$0.84
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.43	Add	\$0.30	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15
Transition Period	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Energy Charge

Summer Period

Onpeak	Add	0.310¢	+	0.363¢ + A _m	Add	0.319¢	+	0.374¢ + (1.03000 × A _m)
Offpeak								
First 425 hours ***	Add	0.186¢	+	0.173¢ + A _m	Add	0.192¢	+	0.179¢ + (1.03000 × A _m)
Next 195 hours	Add	0.120¢	+	0.071¢ + A _m	Add	0.124¢	+	0.073¢ + (1.03000 × A _m)
Additional kWh	Add	0.064¢	+	-0.015¢ + A _m	Add	0.066¢	+	-0.015¢ + (1.03000 × A _m)

Winter Period

Onpeak	Add	0.201¢	+	0.195¢ + A _m	Add	0.207¢	+	0.201¢ + (1.03000 × A _m)
Offpeak								
First 425 hours ***	Add	0.186¢	+	0.173¢ + A _m	Add	0.192¢	+	0.179¢ + (1.03000 × A _m)
Next 195 hours	Add	0.120¢	+	0.071¢ + A _m	Add	0.124¢	+	0.073¢ + (1.03000 × A _m)
Additional kWh	Add	0.064¢	+	-0.015¢ + A _m	Add	0.066¢	+	-0.015¢ + (1.03000 × A _m)

Transition Period

First 425 hours ***	Add	0.186¢	+	0.173¢ + A _m	Add	0.192¢	+	0.179¢ + (1.03000 × A _m)
Next 195 hours	Add	0.120¢	+	0.071¢ + A _m	Add	0.124¢	+	0.073¢ + (1.03000 × A _m)
Additional kWh	Add	0.064¢	+	-0.015¢ + A _m	Add	0.066¢	+	-0.015¢ + (1.03000 × 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 + \$0.81 Add N/A + N/A

Excess Offpeak Add \$0.11 + \$0.13 Add N/A + N/A

Winter Period

Onpeak **** Add \$0.29 + \$0.43 Add N/A + N/A

Excess Offpeak Add \$0.11 + \$0.13 Add N/A + N/A

Transition Period Add \$0.11 + \$0.13 Add N/A + N/A

Energy Charge

Summer Period

Onpeak Add 0.276¢ + 0.308¢ + A_m Add N/A + N/A + (N/A x A_m)

Offpeak

First 425 hours *** Add 0.153¢ + 0.121¢ + A_m Add N/A + N/A + (N/A x A_m)

Next 195 hours Add 0.086¢ + 0.019¢ + A_m Add N/A + N/A + (N/A x A_m)

Additional kWh Add 0.030¢ + -0.068¢ + A_m Add N/A + N/A + (N/A x A_m)

Winter Period

Onpeak Add 0.168¢ + 0.144¢ + A_m Add N/A + N/A + (N/A x A_m)

Offpeak

First 425 hours *** Add 0.153¢ + 0.121¢ + A_m Add N/A + N/A + (N/A x A_m)

Next 195 hours Add 0.086¢ + 0.019¢ + A_m Add N/A + N/A + (N/A x A_m)

Additional kWh Add 0.030¢ + -0.068¢ + A_m Add N/A + N/A + (N/A x A_m)

Transition Period

First 425 hours *** Add 0.153¢ + 0.121¢ + A_m Add N/A + N/A + (N/A x A_m)

Next 195 hours Add 0.086¢ + 0.019¢ + A_m Add N/A + N/A + (N/A x A_m)

Additional kWh Add 0.030¢ + -0.068¢ + A_m Add N/A + N/A + (N/A x A_m)

Schedule MSB

Demand Charge

Summer Period

Onpeak * Add \$0.54 + \$0.81 Add \$0.56 + \$0.84

Excess Offpeak Add \$0.11 + \$0.13 Add \$0.11 + \$0.15

Winter Period

Onpeak **** Add \$0.29 + \$0.43 Add \$0.30 + \$0.45

Excess Offpeak Add \$0.11 + \$0.13 Add \$0.11 + \$0.15

Transition Period Add \$0.11 + \$0.13 Add \$0.11 + \$0.15

Energy Charge

Summer Period

Onpeak Add 0.276¢ + 0.308¢ + A_m Add 0.284¢ + 0.318¢ + (1.03000 x A_m)

Offpeak

First 425 hours *** Add 0.153¢ + 0.121¢ + A_m Add 0.158¢ + 0.124¢ + (1.03000 x A_m)

Next 195 hours Add 0.086¢ + 0.019¢ + A_m Add 0.089¢ + 0.020¢ + (1.03000 x A_m)

Additional kWh Add 0.030¢ + -0.068¢ + A_m Add 0.031¢ + -0.069¢ + (1.03000 x A_m)

Winter Period

Onpeak Add 0.168¢ + 0.144¢ + A_m Add 0.173¢ + 0.149¢ + (1.03000 x A_m)

Offpeak

First 425 hours *** Add 0.153¢ + 0.121¢ + A_m Add 0.158¢ + 0.124¢ + (1.03000 x A_m)

Next 195 hours Add 0.086¢ + 0.019¢ + A_m Add 0.089¢ + 0.020¢ + (1.03000 x A_m)

Additional kWh Add 0.030¢ + -0.068¢ + A_m Add 0.031¢ + -0.069¢ + (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¢	+	0.121¢ + A _m	Add	0.158¢	+	0.124¢ + (1.03000 x A _m)	
Next 195 hours	Add	0.086¢	+	0.019¢ + A _m	Add	0.089¢	+	0.020¢ + (1.03000 x A _m)	
Additional kWh	Add	0.030¢	+	-0.068¢ + A _m	Add	0.031¢	+	-0.069¢ + (1.03000 x A _m)	

Schedule MSC

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.81	Add	\$0.56	+	\$0.84
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.43	Add	\$0.30	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15
Transition Period	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Energy Charge

Summer Period

Onpeak	Add	0.279¢	+	0.312¢ + A _m	Add	0.287¢	+	0.322¢ + (1.03000 x A _m)
Offpeak								
First 425 hours ***	Add	0.153¢	+	0.120¢ + A _m	Add	0.158¢	+	0.124¢ + (1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.019¢ + A _m	Add	0.089¢	+	0.019¢ + (1.03000 x A _m)
Additional kWh	Add	0.029¢	+	-0.068¢ + A _m	Add	0.030¢	+	-0.070¢ + (1.03000 x A _m)

Winter Period

Onpeak	Add	0.169¢	+	0.145¢ + A _m	Add	0.174¢	+	0.149¢ + (1.03000 x A _m)
Offpeak								
First 425 hours ***	Add	0.153¢	+	0.120¢ + A _m	Add	0.158¢	+	0.124¢ + (1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.019¢ + A _m	Add	0.089¢	+	0.019¢ + (1.03000 x A _m)
Additional kWh	Add	0.029¢	+	-0.068¢ + A _m	Add	0.030¢	+	-0.070¢ + (1.03000 x A _m)

Transition Period

First 425 hours ***	Add	0.153¢	+	0.120¢ + A _m	Add	0.158¢	+	0.124¢ + (1.03000 x A _m)
Next 195 hours	Add	0.086¢	+	0.019¢ + A _m	Add	0.089¢	+	0.019¢ + (1.03000 x A _m)
Additional kWh	Add	0.029¢	+	-0.068¢ + A _m	Add	0.030¢	+	-0.070¢ + (1.03000 x A _m)

Schedule MSD

Demand Charge

Summer Period

Onpeak *	Add	\$0.54	+	\$0.81	Add	\$0.56	+	\$0.84
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Winter Period

Onpeak ****	Add	\$0.29	+	\$0.43	Add	\$0.30	+	\$0.45
Excess Offpeak	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15
Transition Period	Add	\$0.11	+	\$0.13	Add	\$0.11	+	\$0.15

Energy Charge

Summer Period

Onpeak	Add	0.271¢	+	0.303¢ + A _m	Add	0.279¢	+	0.312¢ + (1.03000 x A _m)
Offpeak								
First 425 hours ***	Add	0.146¢	+	0.111¢ + A _m	Add	0.150¢	+	0.115¢ + (1.03000 x A _m)
Next 195 hours	Add	0.080¢	+	0.009¢ + A _m	Add	0.082¢	+	0.010¢ + (1.03000 x A _m)
Additional kWh	Add	0.023¢	+	-0.077¢ + A _m	Add	0.024¢	+	-0.079¢ + (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¢	+	0.135¢ + A _m	Add	0.166¢	+	0.139¢ + (1.03000 x A _m)
Offpeak								
First 425 hours ***	Add	0.146¢	+	0.111¢ + A _m	Add	0.150¢	+	0.115¢ + (1.03000 x A _m)
Next 195 hours	Add	0.080¢	+	0.009¢ + A _m	Add	0.082¢	+	0.010¢ + (1.03000 x A _m)
Additional kWh	Add	0.023¢	+	-0.077¢ + A _m	Add	0.024¢	+	-0.079¢ + (1.03000 x A _m)
Transition Period								
First 425 hours ***	Add	0.146¢	+	0.111¢ + A _m	Add	0.150¢	+	0.115¢ + (1.03000 x A _m)
Next 195 hours	Add	0.080¢	+	0.009¢ + A _m	Add	0.082¢	+	0.010¢ + (1.03000 x A _m)
Additional kWh	Add	0.023¢	+	-0.077¢ + A _m	Add	0.024¢	+	-0.079¢ + (1.03000 x A _m)

**SEASONAL DEMAND
AND ENERGY SERVICE**

General Power Service

Schedule SGSB

Demand Charge

Summer Period **	Add	\$0.82	+	\$1.09	Add	\$0.84	+	\$1.13
Winter Period **	Add	\$0.57	+	\$0.75	Add	\$0.59	+	\$0.77
Transition Period **	Add	\$0.38	+	\$0.49	Add	\$0.39	+	\$0.51

Energy Charge

Summer Period	Add	0.180¢	+	0.134¢ + A _m	Add	0.185¢	+	0.138¢ + (1.03000 x A _m)
Winter Period	Add	0.164¢	+	0.111¢ + A _m	Add	0.169¢	+	0.115¢ + (1.03000 x A _m)
Transition Period	Add	0.160¢	+	0.106¢ + A _m	Add	0.165¢	+	0.109¢ + (1.03000 x A _m)

Schedule SGSC

Demand Charge

Summer Period **	Add	\$0.82	+	\$1.09	Add	\$0.84	+	\$1.13
Winter Period **	Add	\$0.57	+	\$0.75	Add	\$0.59	+	\$0.77
Transition Period **	Add	\$0.38	+	\$0.49	Add	\$0.39	+	\$0.51

Energy Charge

Summer Period	Add	0.181¢	+	0.134¢ + A _m	Add	0.186¢	+	0.139¢ + (1.03000 x A _m)
Winter Period	Add	0.164¢	+	0.111¢ + A _m	Add	0.169¢	+	0.115¢ + (1.03000 x A _m)
Transition Period	Add	0.161¢	+	0.107¢ + A _m	Add	0.166¢	+	0.111¢ + (1.03000 x A _m)

Schedule SGSD

Demand Charge

Summer Period **	Add	\$0.96	+	\$1.30	Add	\$0.99	+	\$1.33
Winter Period **	Add	\$0.71	+	\$0.94	Add	\$0.73	+	\$0.98
Transition Period **	Add	\$0.52	+	\$0.69	Add	\$0.54	+	\$0.71

Energy Charge

Summer Period	Add	0.152¢	+	0.096¢ + A _m	Add	0.157¢	+	0.099¢ + (1.03000 x A _m)
Winter Period	Add	0.138¢	+	0.076¢ + A _m	Add	0.142¢	+	0.079¢ + (1.03000 x A _m)
Transition Period	Add	0.134¢	+	0.071¢ + A _m	Add	0.138¢	+	0.074¢ + (1.03000 x A _m)

Manufacturing Service

Schedule SMSB

Demand Charge

Summer Period **	Add	\$0.71	+	\$0.94	Add	\$0.73	+	\$0.97
Winter Period **	Add	\$0.46	+	\$0.60	Add	\$0.47	+	\$0.62
Transition Period **	Add	\$0.27	+	\$0.34	Add	\$0.28	+	\$0.34

*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¢	+	0.092¢ + A _m	Add	0.155¢	+	0.094¢ + (1.03000 x A _m)
Winter Period	Add	0.132¢	+	0.066¢ + A _m	Add	0.136¢	+	0.069¢ + (1.03000 x A _m)
Transition Period	Add	0.127¢	+	0.060¢ + A _m	Add	0.131¢	+	0.062¢ + (1.03000 x A _m)

Schedule SMSC

Demand Charge

Summer Period **	Add	\$0.71	+	\$0.94	Add	\$0.73	+	\$0.97
Winter Period **	Add	\$0.46	+	\$0.60	Add	\$0.47	+	\$0.62
Transition Period **	Add	\$0.27	+	\$0.34	Add	\$0.28	+	\$0.34

Energy Charge

Summer Period	Add	0.149¢	+	0.090¢ + A _m	Add	0.153¢	+	0.093¢ + (1.03000 x A _m)
Winter Period	Add	0.132¢	+	0.066¢ + A _m	Add	0.136¢	+	0.068¢ + (1.03000 x A _m)
Transition Period	Add	0.127¢	+	0.060¢ + A _m	Add	0.131¢	+	0.062¢ + (1.03000 x A _m)

Schedule SMSD

Demand Charge

Summer Period **	Add	\$0.82	+	\$1.09	Add	\$0.84	+	\$1.13
Winter Period **	Add	\$0.57	+	\$0.75	Add	\$0.59	+	\$0.77
Transition Period **	Add	\$0.38	+	\$0.49	Add	\$0.39	+	\$0.51

Energy Charge

Summer Period	Add	0.120¢	+	0.051¢ + A _m	Add	0.124¢	+	0.053¢ + (1.03000 x A _m)
Winter Period	Add	0.106¢	+	0.032¢ + A _m	Add	0.109¢	+	0.034¢ + (1.03000 x A _m)
Transition Period	Add	0.103¢	+	0.028¢ + A _m	Add	0.106¢	+	0.028¢ + (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, 2013.

*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).

