

AGREEMENT

This Agreement is made between Tri-County Electric Membership Corporation, P.O. Box 40, Lafayette, Tennessee 37083, hereinafter called "Tri-County" and North Central Telephone Cooperative Corporation, P.O. Box 70, Lafayette, Tennessee 37083, hereinafter called "North Central";

WITNESSETH:

That, WHEREAS, the parties hereto have for many years jointly used certain utility poles located within their common service area in the States of Tennessee and Kentucky; and

WHEREAS, the party using a pole owned by the other party has paid a certain fee per pole on an annual basis to the owner of the pole, and

WHEREAS, Tri-County is regulated by the Tennessee Valley Authority, and TVA now requires that pole attachment rates be approved by TVA pursuant to the procedures set forth in a "Pole Attachment Regulation Amendment" effective on November 22, 2017, and

WHEREAS, the parties desire to amend the existing Contract between the parties entitled "General Agreement, Joint Use Of Wood Poles In Rural Areas" dated July 6, 1973, and previously amended on March 22, 1996, August 30, 2002, January 12, 2006, October 16, 2008, February 22, 2013, and March 10, 2015, so that the parties' Contract complies with TVA's requirements;

NOW THEREFORE, the parties agree that the General Agreement, Joint Use Of Wood Poles In Rural Areas, dated July 6, 1973, as amended, be further amended as follows:

The current language contained in Article XII entitled "Periodical Adjustment Of Payments" and the attached Appendix B shall be deleted and replaced with the following new language, to wit:

ARTICLE XII. PERIODICAL ADJUSTMENT OF PAYMENTS

"This Agreement is subject to the terms of the Pole Attachment Regulation Amendment between Tri-County and the Tennessee Valley Authority, which was effective on November 22, 2017, a copy of which is attached hereto as Appendix B and incorporated herein by reference. Beginning with the year 2018, all pole attachment rates payable pursuant to this Agreement will be determined by TVA pursuant to the terms of the Pole Attachment Regulation Amendment. The rate approved by TVA will be the amount that each party pays per pole per year for each pole used by a party that is owned by the other party.

TVA has approved a pole attachment rate applicable to this Agreement for the year 2018 in the amount of [REDACTED]. A copy of the letter from TVA dated February 14, 2018 which documents its approved rate, is attached hereto as Appendix C and incorporated herein by reference.

The current rate between the parties which was agreed upon through the year 2017, was [REDACTED]. Since the new rate approved by TVA for the year 2018 results in a [REDACTED] increase, according to the Guideline Adjustment Scale, the parties agree that the pole attachment rate for the year 2018 will be increased by one-half of [REDACTED] or [REDACTED] for a total rate of [REDACTED] per pole per year for the year 2018.

The rate for the year 2019 will be the full amount of the TV A approved rate of [REDACTED].

For all years after 2019, the pole attachment rate applicable to this Agreement shall be the full amount of the TV A-Approved Pole Attachment Rate for each year. Tri-County shall provide a copy of the letter from TVA documenting its approved Pole Attachment Rate each year to North Central after receipt of such letter from TVA. Provided, however, in the event regulatory enactments by state or federal authorities provide for the setting or modification of pole attachment rates or in the event the State of Tennessee or the United States Government enacts into law procedures, policies or mandates for setting pole attachment rates then in that event the parties hereto will comply with the laws and regulations applicable to this agreement.

Tri-County will prepare a bill for the annual rental payment due from North Central at the end of the year to which a particular rate applies. The bill will be submitted to North Central during the month of January of the next year and will be due and payable within ten (10) days after the bill has been submitted."

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals, one of which is retained by each of the parties on the date set forth below.

DATE SIGNED: 7/10/19

NORTH CENTRAL TELEPHONE
COOPERATIVE CORPORATION

BY: 

Johnny McClanahan
President/CEO

DATE SIGNED: 7/10/19

TRI-COUNTY ELECTRIC/
MEMBERSHIP CORPORATION

BY: 

Paul Thompson
Executive Vice President and
General Manager

APPENDIX C



Tennessee Valley Authority, 1101 Market Street, MR 6D-C, Chattanooga, Tennessee 37402

February 14, 2018

Tri-County Electric Membership Corporation

Tennessee Valley Authority (TVA) is the exclusive retail rate regulator for local power companies (LPCs) that distribute TVA power. A primary objective of TVA is to ensure that power is sold at rates as low as feasible, and accordingly, LPC electric systems must be appropriately compensated for the use of electric system assets for non-electric purposes.

To ensure that LPCs are being appropriately compensated for the use of electric system assets for cable and/or telecommunications pole attachments, the TVA Board passed a resolution on February 11, 2016 further clarifying its pole attachment regulation by adopting a full cost recovery methodology. As an LPC subject to the terms and conditions of TVA's pole attachment regulation outlined in the 2016 TVA Board resolution and further outlined in an amendment to the wholesale power contract executed between Tri-County Electric Membership Corporation and TVA on November 22, 2017, Tri-County Electric Membership Corporation is required to apply to any/all new or renewing attaching parties the pole attachment rates approved on an annual basis by TVA.

TVA's Regulatory Assurance has reviewed Tri-County Electric Membership Corporation's 2017 Pole Attachment Rate Template and agrees that the following rates shall apply. These rates are valid until the earlier of March 30, 2019, or until a new pole attachment rate has been approved by TVA.

• [REDACTED]
• [REDACTED]

**If applicable, LPC will be required to apply the Guideline Adjustment scale prior to charging above rates.

If you have any questions, please contact your customer service manager, me (423-751-8397; jbrogdon@tva.gov) or Cameron Heck (865-832-2445; check@tva.gov).

Thank you,

A handwritten signature in cursive script that reads "Jennifer Brogdon".

Jennifer Brogdon
Director TVA Regulatory Assurance



Tennessee Valley Authority, 1101 Market Street, MR 6D-C, Chattanooga, Tennessee 37402

February 9, 2019

Tri-County Electric Membership Corporation

Tennessee Valley Authority (TVA) is the exclusive retail rate regulator for local power companies (LPCs) that distribute TVA power. A primary objective of TVA is to ensure that power is sold at rates as low as feasible, and accordingly, LPC electric systems must be appropriately compensated for the use of electric system assets for non-electric purposes.

To ensure that LPCs are being appropriately compensated for the use of electric system assets for cable and/or telecommunications pole attachments, the TVA Board passed a resolution on February 11, 2016 further clarifying its pole attachment regulation by adopting a full cost recovery methodology. As an LPC subject to the terms and conditions of TVA's pole attachment regulation outlined in the 2016 TVA Board resolution and further outlined in an amendment to the wholesale power contract executed between Tri-County Electric Membership Corporation and TVA on November 22, 2017, Tri-County Electric Membership Corporation is required to apply to any/all new or renewing attaching parties the pole attachment rates approved on an annual basis by TVA.

TVA's Regulatory Assurance has reviewed Tri-County Electric Membership Corporation's 2018 Pole Attachment Rate Template and agrees that the following rates shall apply. These rates are valid until the earlier of March 30, 2020, or until a new pole attachment rate has been approved by TVA.

:

**If applicable, LPC will be required to apply the Guideline Adjustment scale prior to charging above rates.

If you have any questions, please contact your customer service manager, me (423-751-8397; jnbrogdon@tva.gov) or Cameron Heck (865-632-2445; crheck@tva.gov).

Thank you,

Jennifer Brogdon
Director TVA Regulatory Assurance

APPENDIX B

POLE ATTACHMENT REGULATION AMENDMENT

TV-52337A, Supp. No. 115

This agreement is between TRI-COUNTY ELECTRIC MEMBERSHIP CORPORATION ("**Distributor**") and TENNESSEE VALLEY AUTHORITY ("**TVA**").

Distributor purchases all of its power requirements from TVA for resale under contract number TV-52337A, effective August 16, 1979, as amended ("**Power Contract**").

As detailed in Section 10 of the TVA Act, the TVA Board is authorized to provide for such rules and regulations in the Power Contract as in its judgment may be necessary or desirable for carrying out the purposes of the TVA Act.

As Distributor's exclusive retail rate regulator, TVA seeks to ensure that Distributor's electric system operates for the benefit of electric consumers, and that rates are kept as low as feasible.

So that Distributor's electric system assets and funds are not used to subsidize non-electric activities, Distributor's electric system must be properly compensated for the use of electric system assets, including use by cable and telecommunication providers making or maintaining wireline attachments on Distributor's electric system poles. Rates for such pole attachments that fail to appropriately recover Distributor's costs cause the electric system ratepayers to subsidize other lines of business.

In February 2016, the TVA Board refined its pole attachment rate regulation to include a fully-allocated cost methodology for determining the pole attachment rate to be applied by Distributor ("**Pole Attachment Rate Methodology**"). The fully-allocated cost methodology is designed to ensure both the proper recovery of Distributor's costs and that electric system ratepayers are not subsidizing other lines of business that have a non-electric purpose. The Board also determined that such pole attachment regulation will not include regulation of the rates charged in Reciprocal Agreements between Distributor and any Attaching Party, and this Amendment will not apply to such Reciprocal Agreements.

Distributor and TVA want to amend the Power Contract to memorialize TVA's regulation of pole attachment rates, and to agree to the Pole Attachment Rate Methodology to be applied by Distributor.

In consideration of the premises and the agreements below, the parties therefore agree:

SECTION 1 - TERM

This Amendment will be effective on the date of TVA's signature below ("**Effective Date**") and will remain in effect until the expiration or termination of the Power Contract unless sooner terminated as provided below.

SECTION 2 - DEFINITIONS

"**Attaching Party**" - A provider of telecommunications, cable television, internet access, or other information services (except those providers in a Reciprocal Agreement), who attaches to Distributor's distribution poles.

"Collectively Negotiated Agreement" - An agreement that was negotiated in good faith by multiple distributors with a single Attaching Party (which is also an ILEC), and which contains a pole attachment rate that is identical within all such Collectively Negotiated Agreements.

"Current Rate" - The Pole Attachment Rate Distributor charged an Attaching Party before executing this Amendment.

"DARS" - TVA's Distributors Annual Reporting System.

"Evergreen Party" - An Attaching Party whose pole attachment contract with Distributor automatically renews on a periodic basis without further action by either party.

"Incumbent Local Exchange Carrier" (ILEC) - With respect to a particular geographic area, the local exchange carrier that, as of February 8, 1996, both provided telephone exchange service in such area; and either was a member of the National Exchange Carrier Association (NECA), or is a person or entity that became a successor or assignee of a NECA member after February 8, 1996.

"Guideline Adjustment Scale" - Sets forth how Distributor must transition from the Current Rate to the Pole Attachment Rate by providing for a period of time for Distributor to adjust its pole attachment rates, based on the degree of variance between the Current Rate and the Pole Attachment Rate. The TVA Board-approved Guideline Adjustment Scale is attached as Exhibit B.

"One-Foot Attaching Party" - An Attaching Party occupying up to one-foot of usable space on Distributor's distribution poles.

"Pole Attachment" - The attachment of wires and related wireline equipment to an electric distribution pole, owned or controlled by Distributor, for the purposes of telecommunication service; cable television service; internet access service; or other related information services. This definition does not include attachments to transmission poles or streetlight poles.

"Pole Attachment Rate" - The rate the Distributor charges an Attaching Party for a Pole Attachment using the Pole Attachment Rate Methodology.

"Pole Attachment Template" - The worksheet annually submitted by Distributor to TVA that details items impacting Distributor's cost of pole ownership, and that allocates space to Attaching Parties based on their physical location on a pole.

"Reasonable Efforts" - With respect to section 5(G), the efforts that a reasonable person in the position of the Distributor would use so as to collect the TVA-approved Pole Attachment Rates from Attaching Parties.

"Reciprocal Agreement" - An agreement between Distributor and an Attaching Party (which is also an ILEC), under which the parties each own poles within a shared area, where Distributor can demonstrate that:

- 1) the pole attachment rate is based on a full-cost recovery approach, and
- 2) Distributor receives sufficient Reciprocal Benefits to justify the rate applied.



In situations where either: a) one party to the agreement is not on at least [REDACTED] of the poles owned by the other party; or b) there is a Collectively Negotiated Agreement, Distributor must provide information, in a form acceptable to TVA, to demonstrate that such agreement meets the two requirements enumerated above. TVA will determine, in its sole discretion, whether such agreement will be considered a Reciprocal Agreement for the purposes of this Amendment, and will provide to Distributor written notification of its determination. In the case of Collectively Negotiated Agreements, TVA may consider both the full-cost recovery approach and the Reciprocal Benefits in the aggregate.

"Reciprocal Benefits" - The identifiable and quantifiable benefits that are unique to, and which stem from, the efficiency and economy of joint use or other similar reciprocal arrangements between a distributor and an Attaching Party, and that are relevant to TVA for purposes of determining the reasonableness of the pole attachment rate in any joint use or other similar reciprocal agreement. Examples include, but are not limited to: pole ownership, operational support, sharing of other property or personnel, and standardization of operating terms.

"Renewing Party" - An Attaching Party whose pole attachment contract with Distributor will terminate if neither party takes further action.

"Two-Foot Attaching Party" - An Attaching Party occupying greater than one foot and up to two feet of usable space on Distributor's distribution poles.

SECTION 3 - SCOPE OF REGULATION

TVA regulates Pole Attachment Rates within Distributor's service territory pursuant to the TVA Act, the Power Contract, and the Pole Attachment Rate Methodology. TVA's regulation includes but is not limited to establishing, reviewing, and enforcing a rate calculation methodology, along with its implementation guidelines and periodic reporting requirements.

SECTION 4 - POLE ATTACHMENT RATE METHODOLOGY

A) **Fully-Allocated Cost Methodology**. Distributor will use the below formula to calculate pole attachment rates to be charged. Exhibit A includes a more detailed explanation of the formula components and other associated terms, and provides guidance for Distributor data input for Pole Attachment Rate calculation.

Pole Attachment Rate: [REDACTED]

B) **Assumptions**. The Pole Attachment Rate Methodology for each Attaching Party uses certain assumptions which are set forth in Exhibit A to this Amendment.

It is recognized that there may be circumstances in which it is appropriate for Distributor to use its actual system data, where such data is available. If Distributor provides sufficient justification to TVA supporting the use of actual data, TVA may approve the use of such data.

Further, TVA may re-evaluate the assumptions used in the formula periodically, as well as the appropriateness of using assumptions or actual data in the formula, and may make adjustments as it deems appropriate, provided that any such changes are consistent with the Pole Attachment Rate Methodology. Whenever TVA deems it necessary to modify or replace the assumptions as outlined in this section and in Exhibit A, either party (or its representative) may request that the parties (or their representatives) meet and endeavor to reach agreement on

such changes. If the parties' representatives have not reached agreement on the changes within 90 days after any request for such changes, then TVA may make its proposed modifications effective by modifying or replacing Exhibit A, with at least [REDACTED] prior written notice to Distributor.

SECTION 5 - APPLICATION OF POLE ATTACHMENT RATE

A) Rate Approval. Prior to Distributor applying a Pole Attachment Rate, such Pole Attachment Rate must be approved by TVA in the manner described as follows:

Following both the execution of this Amendment and Distributor's submittal of its Pole Attachment Template, TVA will provide Distributor with a letter documenting its TVA-approved Pole Attachment Rate.

Beginning in 2018 and thereafter, between January 1 and March 31 of each calendar year, TVA will provide Distributor its most updated TVA-approved Pole Attachment Rate.

B) Rate Implementation. Following the Effective Date of this Amendment and TVA's approval of Distributor's Pole Attachment Rate as provided for in section 5(A), Distributor will apply the Pole Attachment Rate to all new Attaching Parties and Renewing Parties until Distributor receives its new Pole Attachment Rate in accordance with section 5(A) above.

Following the Effective Date of this Amendment and TVA's approval of Distributor's Pole Attachment Rate as provided for in section 5(A), Distributor will terminate its pole attachment agreements with Evergreen Parties at the earliest opportunity that is permissible under and in accordance with the termination provisions of those agreements.

Nothing in TVA's regulation should be interpreted to supersede or modify any rate of a voluntarily-negotiated written agreement regarding the rates for Pole Attachment entered into by Distributor and an existing Attaching Party prior to the Effective Date of this Amendment.

C) Guideline Adjustment Scale. In instances when there is a variance between the Current Rate and the TVA-approved Pole Attachment Rate, as outlined in Exhibit B, then Distributor must use the Guideline Adjustment Scale to transition from the Current Rate to the TVA-approved, fully-allocated Pole Attachment Rate, according to the degree of variance between the two rates.

D) Maximum Pole Attachment Rate. The Pole Attachment Rate derived from the fully-allocated cost methodology is subject to a cap that TVA will calculate from time to time for One-Foot Attaching Parties and Two-Foot Attaching Parties.

TVA may modify, adjust, or remove any mechanism or methodology related to addressing rates that fall outside of certain statistical parameters. Whenever TVA deems it necessary to make any such changes to this mechanism or methodology, either party (or its representative) may request that the parties (or their representatives) meet and endeavor to reach agreement on such changes. If the parties' representatives have not reached agreement on the changes within 90 days after any request for such changes, then TVA may make its proposed modifications effective with at least 30 days' prior written notice to Distributor.

E) Escalation Options. Once Distributor's Current Rate reaches the TVA-approved Pole Attachment Rate, after any necessary application of the Guideline Adjustment Scale, Distributor must adjust its Pole Attachment Rate in accordance with either of the options below. Distributor

will not apply either option to any Pole Attachment Rate for as long as it is subject to the Guideline Adjustment Scale.

Distributor will use one of the following options to adjust the Pole Attachment Rate during the term of the pole attachment contracts with its Attaching Parties:

- 1) the Handy-Whitman Index, on a monthly, semi-monthly, or yearly basis (as determined by agreement between Distributor, Attaching Parties, or Distributor's electric, broadband, and any other legally-affiliated divisions), and up to any maximum rate that may be established by TVA in accordance with the TVA Board's Determination on Pole Attachment Rate Regulation and communicated to Distributor from time to time;
or
- 2) the most recent TVA-approved Pole Attachment Rate.

In the event that the Handy-Whitman Index decreases, Distributor will adjust its Pole Attachment Rate accordingly.

If adjustment of the Pole Attachment Rate using the Handy-Whitman Index results in a rate that exceeds the most recent TVA-approved Pole Attachment Rate by [REDACTED], based on the most current available data ("Escalated Pole Attachment Rate"), then Distributor must submit the Escalated Pole Attachment Rate to TVA for a new Pole Attachment Rate. In these cases, Distributor will then use the new TVA-approved Pole Attachment Rate in its agreements with those affected Attaching Parties. Any subsequent increase that results in a rate that exceeds the most recent TVA-approved Pole Attachment Rate by [REDACTED] will also require a new TVA-approved Pole Attachment Rate.

Distributor must include in any pole attachment contracts with new Attaching Parties and Renewing Parties provisions to ensure compliance with this section.

Notwithstanding the above, after the Effective Date of this Amendment, if:

- 1) Distributor chooses to adjust using the TVA-approved Pole Attachment Rate; and
- 2) Distributor enters into a contract with an Attaching Party prior to January 1 of a calendar year and said contract has an effective date of sometime after January 1 of that same calendar year; then

Distributor will only be able to adjust its Pole Attachment Rate after TVA approves and provides the Pole Attachment Rate between January 1 and March 31 of the following calendar year. Thereafter, Distributor will continue adjusting its Pole Attachment Rate annually using the TVA-approved Pole Attachment Rate.

F) Distributor's Non-Electric Service Fiber. Distributor is responsible for calculating and allocating Pole Attachment Rates for Pole Attachments owned, controlled, or utilized by Distributor -- which includes Distributor's electric, broadband, and any other legally-affiliated divisions -- by applying the following framework:

- 1) Each Attaching Party is responsible for the space it occupies on a pole plus its share of the support space (not to exceed one share);
- 2) The safety space is shared by all Attaching Parties within the communications space on an equal basis (not to exceed one share).

- 3) Upon any proportional allocation of Distributor's Pole Attachment Rate, Distributor will be required, at a minimum, to allocate to the Attaching Party utilizing fiber for any non-electric purpose the amount required to appropriately compensate the electric system. However, Distributor may charge more than the required amount to its broadband division, as may be necessary to comply with any applicable state law.

G) Collection of Rate Payments. Distributor will undertake Reasonable Efforts to collect the TVA-approved Pole Attachment Rates from Attaching Parties, in accordance with any and all agreements between the parties setting forth same.

SECTION 6 - DISTRIBUTOR REPORTING

Distributor must submit to TVA its Pole Attachment Template within 15 days of submitting its annual report, as required by subsection 1(C) of the Power Contract's Schedule of Terms and Conditions, by using DARS (or in such form as may be requested).

SECTION 7 - INCORPORATION OF ATTACHMENTS

The attachments entitled "Exhibit A" and "Exhibit B" are made a part of this Amendment. In the event of any conflict between the body of this Amendment and either attachment, the former controls. Any modification or replacement of either exhibit will not affect the existing contracts between Distributor and an Attaching Party prior to the effective date of the modification or replacement.

SECTION 8 - CHOICE OF LAW AND VENUE

Federal law governs the validity, interpretation, and enforceability of this Amendment. To the extent there is no body of Federal law for guidance, the laws of the State of Tennessee, but not its choice of law provisions, will govern. Any action against TVA under or on account of this Amendment will be brought only in the United States District Court for the Eastern District of Tennessee, and the parties waive any right to trial by jury in any such action.

SECTION 9 - COMPLIANCE WITH LAWS

Each party will comply in all respects with all applicable legal requirements governing the duties, obligations, and business practices of that party. Neither party will take any action in violation of any applicable legal requirement that could result in liability being imposed on the other party.

SECTION 10 - CHANGE OF LAW, TERMINATION, AND INDEMNIFICATION

If a change in applicable Federal law ultimately becomes final law, and such final law materially alters the essential terms negotiated and agreed upon by the parties under this Amendment, then the parties will endeavor to negotiate and agree upon new terms and provisions that are consistent with said final Federal law. If the parties are unable to reach agreement on new terms within 180 days from the effective date of the final Federal Law, then this Amendment will automatically terminate at the end of that time period.

Notwithstanding the above, this Amendment may be terminated by TVA upon 60 days' written notice to Distributor if TVA determines, in its sole judgment, that a change in Federal law will result in an impairment of TVA's essential obligations under this Amendment.

Termination of this Amendment will not terminate any existing agreements between Distributor and Its Attaching Parties.

Neither Distributor nor TVA will be held responsible for any failure to perform any part of this Amendment to the extent such delay or failure is a result of a change in Federal law.

For purposes of this Section, a change of law will include, but will not be limited to, a change in regulation, including a change in regulatory requirements of TVA under the Pole Attachment Rate Methodology.

SECTION 11 - ENTIRE AGREEMENT

This Amendment represents the final expression of the parties' intent and agreement between the parties relating to the subject matter of this Amendment. This Amendment contains all the terms the parties agreed to relating to the subject matter, and replaces all the parties' previous discussions, understandings, and agreements relating to the subject matter.

SECTION 12 - NOTICE

Written notice will be deemed properly given if provided electronically, either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose.

SECTION 13 - RATIFICATION OF POWER CONTRACT

The Power Contract, as amended by this Amendment, is agreed to be the continuing obligation of the parties.

The remainder of this page is intentionally blank.

The parties are signing this Amendment to be effective on the date of TVA's signature.

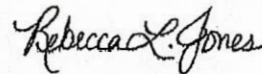
**TRI-COUNTY ELECTRIC
MEMBERSHIP CORPORATION**

By 

Title: Exec. V.P. & G.M.

Date: Nov. 16, 2017

TENNESSEE VALLEY AUTHORITY

By  Rebecca L. Jones

Director
Power Customer Contracts

Date: November 22, 2017

EXHIBIT A

POLE ATTACHMENT RATE METHODOLOGY

[REDACTED]

OTHER DEFINITIONS

Other definitions applicable to the above formula:

"Administrative Charge" [REDACTED]

[REDACTED]

"Depreciation Charge" [REDACTED]

[REDACTED]

"Maintenance Charge" [REDACTED]

[REDACTED]

"Discount Factor" [REDACTED]

[REDACTED]

"Return on Investment" means [REDACTED]

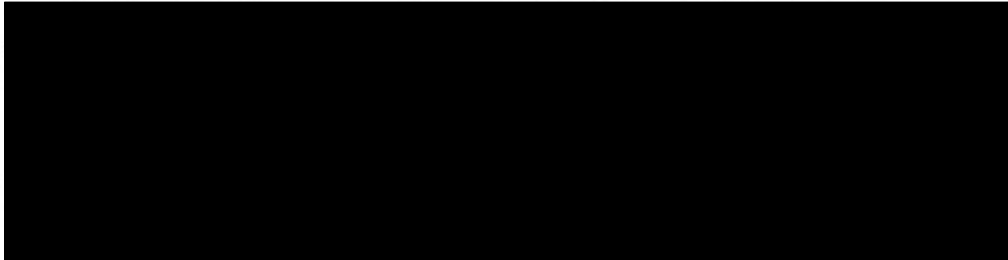
"Space Allocation" is based on a standard average [REDACTED] pole and the actual number of Attaching Parties per pole, including the pole owner.

"Tax and Tax-Equivalent Charges" means the quotient of the Distributor's tax and/or tax-equivalent payments shown in FERC Account 408.1, divided by all of the Distributor's electric plant, net of accumulated depreciation.

(continued on next page)

ASSUMPTIONS

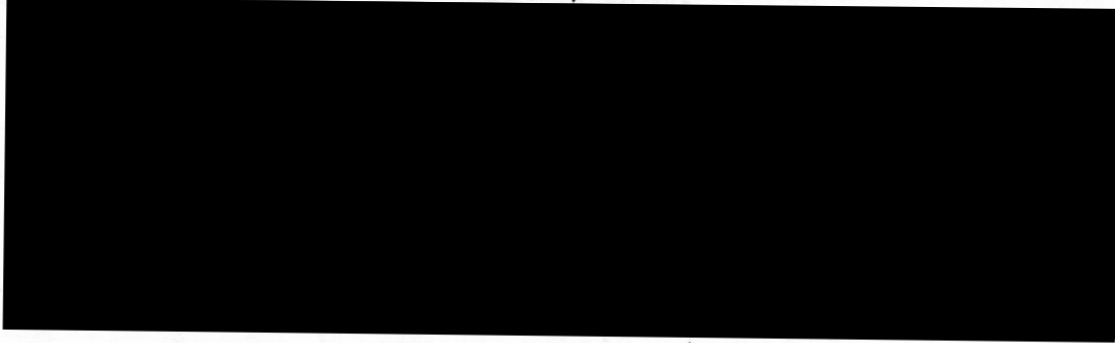
The Pole Attachment Rate Methodology uses the following assumptions:



These assumptions and their appropriateness are subject to change in accordance with Section 4(B) of the Pole Attachment Regulation Amendment.

EXHIBIT B

Guideline Adjustment Scale:



APPENDIX C



Tennessee Valley Authority, 1101 Market Street, MR 6D-C, Chattanooga, Tennessee 37402

February 14, 2018

Tri-County Electric Membership Corporation

Tennessee Valley Authority (TVA) is the exclusive retail rate regulator for local power companies (LPCs) that distribute TVA power. A primary objective of TVA is to ensure that power is sold at rates as low as feasible, and accordingly, LPC electric systems must be appropriately compensated for the use of electric system assets for non-electric purposes.

To ensure that LPCs are being appropriately compensated for the use of electric system assets for cable and/or telecommunications pole attachments, the TVA Board passed a resolution on February 11, 2016 further clarifying its pole attachment regulation by adopting a full cost recovery methodology. As an LPC subject to the terms and conditions of TVA's pole attachment regulation outlined in the 2016 TVA Board resolution and further outlined in an amendment to the wholesale power contract executed between Tri-County Electric Membership Corporation and TVA on November 22, 2017, Tri-County Electric Membership Corporation is required to apply to any/all new or renewing attaching parties the pole attachment rates approved on an annual basis by TVA.

TVA's Regulatory Assurance has reviewed Tri-County Electric Membership Corporation's 2017 Pole Attachment Rate Template and agrees that the following rates shall apply. These rates are valid until the earlier of March 30, 2019, or until a new pole attachment rate has been approved by TVA.

- [REDACTED]
- [REDACTED]

**If applicable, LPC will be required to apply the Guideline Adjustment scale prior to charging above rates.

If you have any questions, please contact your customer service manager, me (423-751-8397; jnbrogdon@tva.gov) or Cameron Heck (865-632-2445; crheck@tva.gov).

Thank you,

A handwritten signature in cursive script that reads "Jennifer Brogdon".

Jennifer Brogdon
Director TVA Regulatory Assurance