



COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE)	Case No.
OF BIG RIVERS ELECTRIC CORPORATION FROM)	2025-00078
NOVEMBER 1, 2023 THROUGH APRIL 30, 2024)	

**Responses to Commission Staff's First Request for Information
in Appendix B of the Commission's Order
dated May 28, 2025**

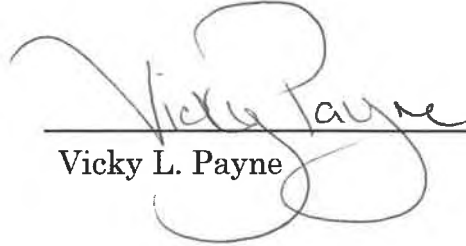
FILED: June 20, 2025

BIG RIVERS ELECTRIC CORPORATION

**AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL
ADJUSTMENT CLAUSE OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078**

VERIFICATION

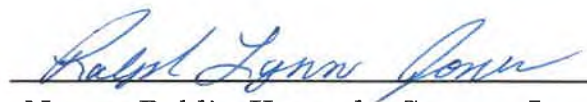
I, Vicky L. Payne, verify, state, and affirm that the data request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Vicky L. Payne

COMMONWEALTH OF KENTUCKY)
COUNTY OF DAVIESS)

19 SUBSCRIBED AND SWORN TO before me by Vicky L. Payne on this the
day of June, 2025.




Notary Public, Kentucky State at Large
Kentucky ID Number KYNP43026
My Commission Expires 1-14-2026

BIG RIVERS ELECTRIC CORPORATION

**AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL
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FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078**

VERIFICATION

I, Jeffrey S. Brown, verify, state, and affirm that the data request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Jeffrey S. Brown

COMMONWEALTH OF KENTUCKY)
COUNTY OF DAVIESS)

SUBSCRIBED AND SWORN TO before me by Jeffrey S. Brown on this the
19 day of June 2025.



Notary Public, Kentucky State at Large

Kentucky ID Number

KYNP43026

My Commission Expires

1-14-2026

BIG RIVERS ELECTRIC CORPORATION

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VERIFICATION

I, Rebecca ("Becky") Shelton, verify, state, and affirm that the data request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Rebecca ("Becky") Shelton

COMMONWEALTH OF KENTUCKY)
COUNTY OF DAVIESS)

SUBSCRIBED AND SWORN TO before me by Rebecca ("Becky") Shelton on
this the 19 day of June, 2025.



Notary Public, Kentucky State at Large

Kentucky ID Number

KYNP43026

My Commission Expires

1-14-2026

BIG RIVERS ELECTRIC CORPORATION

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VERIFICATION

I, Thomas L. Melton., verify, state, and affirm that the data request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Thomas L. Melton

COMMONWEALTH OF KENTUCKY)
COUNTY OF DAVIESS)

19 SUBSCRIBED AND SWORN TO before me by Thomas L. Melton. on this the
day of June 2025.



Notary Public, Kentucky State at Large

Kentucky ID Number KYNP 33026

My Commission Expires 1-14-2026

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
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1 Item 1) *For the period under review, provide the amount of coal*
2 *purchased in tons and the percentage of purchases that were spot versus*
3 *contract.*

4
5 **Response)** Please see the schedules below.

For the Period from November 1, 2023 through April 30, 2024

Purchase Vendor	Fuel Type	Purchase Tonnage	Contract Type
Rhino/ Alliance (BRE-19-003A)	Coal	58,502.90	Contract
ACNR ¹ (BRE-20-001A)	Coal	82,799.18	Contract
ACNR (BRE-22-001)	Coal	329,193.44	Contract
Alliance (BRE-22-002)	Coal	188,683.49	Contract
Foresight (BRE-24-001)	Coal	6,248.35	Spot
Total Tonnage		<u>665,427.36</u>	

For the Period from November 1, 2023 through April 30, 2024

Percentage Spot Purchase Tons	-	0.9390%
Percentage Contract Purchase Tons		<u>99.0610%</u>
Percentage Total Purchase Tons		<u>100.000 %</u>

¹ ACNR = American Consolidated Natural Resources, Inc.

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1

2 **Witness)** Vicky L. Payne

3

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- 1 **Item 2)** *For the period under review, list each coal purchase made under*
2 *a long-term contract (one year or greater). For each purchase, list:*
- 3 *a. Contract or purchase order number;*
4 *b. Supplier's name;*
5 *c. Location(s) of production facilities from which the coal is sourced;*
6 *d. The method of delivery, (i.e., barge, truck, rail, other);*
7 *e. The actual quantity received; and*
8 *f. Price paid per ton.*

9
10 **Response)** Please see the attached schedule.

11

12 **Witness)** Vicky L. Payne

13

Big Rivers Electric Corporation
Case No. 2025-00078
Long-Term Fuel Contract Information

Rhino Energy LLC / Alliance Coal, LLC

A. CONTRACT NUMBER:	BRE-19- 003A
B. SUPPLIER'S NAME/ADDRESS:	Alliance Coal, LLC 1717 South Boulder, Suite 400 Tulsa, OK 74119
C. PRODUCTION FACILITY:	River View Mine
D. METHOD OF DELIVERY:	Barge
E. ACTUAL TONNAGE:	Nov 2023-Apr 2024 – 58,503 Tons
F. PRICE PAID PER TON:	Nov 2023-Apr 2024 – \$41.67 per Ton

Big Rivers Electric Corporation
Case No. 2025-00078
Long-Term Fuel Contract Information

American Consolidated Natural Resources, Inc. (“ACNR”)

A. CONTRACT NUMBER:	BRE-20- 001A
B. SUPPLIER’S NAME/ADDRESS:	American Consolidated Natural Resources, Inc. 46226 National Road St. Clairsville, OH 43950
C. PRODUCTION FACILITY:	Pride Mine
D. METHOD OF DELIVERY:	Truck
E. ACTUAL TONNAGE:	Nov 2023-Apr 2024 – 64,236 Tons Nov 2023-Apr 2024 Option – 18,563 Tons
F. PRICE PAID PER TON:	Nov 2023-Apr 2024 – \$44.15 per Ton Nov 2023-Apr 2024 Option – \$44.80 per Ton

Big Rivers Electric Corporation
Case No. 2025-00078
Long-Term Fuel Contract Information

American Consolidated Natural Resources, Inc. (“ACNR”)

A. CONTRACT NUMBER:	BRE-22-001
B. SUPPLIER’S NAME/ADDRESS:	American Consolidated Natural Resources, Inc. 46226 National Road St. Clairsville, OH 43950
C. PRODUCTION FACILITY:	Pride Mine
D. METHOD OF DELIVERY:	Truck
E. ACTUAL TONNAGE:	Nov 2023-Dec 2023 – 98,125 Tons Jan 2024-Apr 2024 – 231,069 Tons
F. PRICE PAID PER TON:	Nov 2023-Dec 2023 – \$42.54 per Ton Jan 2024-Apr 2024 – \$42.93 per Ton

Big Rivers Electric Corporation
Case No. 2025-00078
Long-Term Fuel Contract Information

Alliance Coal, LLC

A. CONTRACT NUMBER:	BRE-22-002			
B. SUPPLIER'S NAME/ADDRESS:	Alliance Coal, LLC 1717 South Boulder, Suite 400 Tulsa, OK 74119			
C. PRODUCTION FACILITY:	River View Mine			
D. METHOD OF DELIVERY:	Barge			
E. ACTUAL TONNAGE:	Nov 2023-Dec 2023	–	40,968	Tons
	Jan 2024-Apr 2024	–	147,715	Tons
F. PRICE PAID PER TON:	Nov 2023-Dec 2023	–	\$44.00	per Ton
	Jan 2024-Apr 2024	–	\$46.00	per Ton

Big Rivers Electric Corporation
Case No. 2025-00078
Long-Term Fuel Contract Information

Foresight Coal Sales, LLC

A. CONTRACT NUMBER:	BRE-24-001
B. SUPPLIER'S NAME/ADDRESS:	Foresight Coal Sales, LLC 211 North Broadway, Suite 2600 St Louis, MO 63102
C. PRODUCTION FACILITY:	Hillsboro/Sugar Camp
D. METHOD OF DELIVERY:	Barge
E. ACTUAL TONNAGE:	Nov 2023-Apr 2024 – 6,248 Tons
F. PRICE PAID PER TON:	Nov 2023-Apr 2024 – \$46.75 per Ton

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- 1 Item 3) *As of the last day of the review period:*
- 2 *a. State the coal inventory level in tons and in number of days'*
- 3 *supply. Provide this information by generating station and in the aggregate.*
- 4 *b. Describe the criteria used to determine number of days'*
- 5 *supply.*
- 6 *c. State the target coal inventory level for each generating*
- 7 *station, and for the total system.*
- 8 *d. If actual coal inventory exceeds the target inventory by ten*
- 9 *days' supply, state the reasons for the excess inventory.*
- 10 *e. State whether any significant changes in the current coal*
- 11 *inventory target are expected within the next 12 months. If so, state the*
- 12 *expected change and the reasons for this change.*

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16

BIG RIVERS ELECTRIC CORPORATION
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1 **Response)**

2 a. As of April 30, 2024, Big Rivers' generating stations individually, and in
3 the aggregate, had the inventory levels and days' supply shown in the table
4 below.

Location	Inventory Level (Tons)¹	Number of Days' Supply ²	Duration (In Days)	Preceding 6 Months Burn (In Tons)
Wilson Station	896,380	218	139	572,921

5

6 b. Number of Days' Supply =

$$\frac{\text{Current Inventory (Tons)}}{\text{Preceding 6 Months Burn (Tons)}} \times \text{Duration (In Days)}$$

7

8

9

Footnotes to table in sub-part a. above -

1.- Wilson Station had no pet coke inventory.

2.- Number of days' supply is rounded to reflect whole days.

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- 1 c. Big Rivers Electric Corporation's Target Supply is the following range for
2 each Station in days based on the projected annual fuel burn:

Big Rivers Electric Corporation
Coal Inventory Target Ranges

Wilson	30 – 60 Days
--------	--------------

3

- 4 d. Actual coal inventory did exceed the target inventory by ten days' supply
5 during the period under review. Big Rivers nominated maximum tonnage
6 on all contracts to utilize full advantage of the lower pricing contracts while
7 market prices continue to be much higher.

- 8 (1) No significant changes expected in the current coal inventory
9 targets expected within the next 12 months.

- 10 (2) Not Applicable.

11

12 **Witness)** Vicky L. Payne

13

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1 Item 4) *List each written coal supply solicitation issued during the*
2 *period under review.*

3 a. *For each solicitation, provide the date of the solicitation, the type of*
4 *solicitation (contract or spot), the quantities solicited, a general*
5 *description of the quality of coal solicited, the period over which*
6 *deliveries were requested, and the generating unit(s) for which the*
7 *coal was intended.*

8 b. *For each solicitation, state the number of vendors to whom the*
9 *solicitation was sent, the number of vendors who responded, and the*
10 *selected vendor. Provide the bid tabulation sheet or corresponding*
11 *document that ranked the proposals. (This document should*
12 *identify all vendors who made offers.) State the reasons for each*
13 *selection. For each lowest-cost bid not selected, explain why the bid*
14 *was not selected.*

15

16

BIG RIVERS ELECTRIC CORPORATION
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1 **Response)**

2 BREC 24-01 (Spot and/or Term Solicitation)

3 a.

4 i. Date solicitation was issued: February 26, 2024.

5 Date solicitation was returned: April 4, 2024.

6 ii. Type of solicitation: Spot January 2025 through December 2025 and Term
7 (2025 – 2035) written bid solicitation (web-based distribution).

8 iii. Quantities solicited: Spot up to 1,500,000 tons; Term – up to 2,000,000
9 tons per year.

10 iv. Quality of coal and petroleum coke solicited:

11 (a) BTU/lb: 10,500 to 13,500;

12 (b) Ash (lbs./MMBTU): 0.74 to 14.29;

13 (c) Moisture (lbs./MMBTU): 8.89 to 11.90;

14 (d) Sulfur (lbs. SO₂): 5.50 to 6.50 (coal); and

15 (e) Sulfur (lbs. SO₂): up to 8.50 (petroleum coke).

16

BIG RIVERS ELECTRIC CORPORATION
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1 v. Time period over which deliveries were requested:

2 (a) Spot solicitation: January 1, 2025, through December 31, 2025;

3 (b) Term solicitation: Years 2025 through 2035.

4 vi. Generating unit for which coal intended: D. B. Wilson Station.

5 b.

6 i. Number of vendors solicited: The coal solicitation was posted to Big
7 Rivers' website for supplier review, print-out, and written bid proposal
8 submission. Big Rivers also notified coal and petroleum coke newsletters
9 and journals of the solicitation and its placement on Big Rivers' website,
10 referring to the web address for review and download.

11 ii. Responding vendors: Eight (8) vendors replied to the spot and/or term bid
12 solicitation.

13 iii. Selected Vendors:

14 (a) Spot fuel supply:

15 No spot bids or awards.

16

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1 (b) Term fuel supply:

2 Big Rivers executed two term supply agreements due to start
3 January 2025. One agreement to continue through December 2027
4 and one to continue through December 2029.

5 Alliance Coal, LLC / River View Mine (BRE-25-002). Alliance
6 Coal, LLC will provide, via barge, 1,000,000 tons for years 2025-
7 2027. The yearly prices (\$/MMBTU) for 2025 through 2027 are
8 \$2.0742, \$2.2052, and \$2.3362, respectively. D.B. Wilson Station has
9 burned River View coal in the past with success. The River View
10 Mine is located in close proximity to the station which allows for a
11 less expensive transportation cost and quicker turnaround
12 timeframe for loading and unloading. However, this fuel cannot be
13 burned at 100% due to the higher chlorine content. Therefore, Knight
14 Hawk Coal was also awarded.

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1 Knight Hawk Coal, LLC / Lone Eagle Mine (BRE-25-001).
2 Knight Hawk Coal, LLC will provide, via barge, 500,000 tons for
3 years 2025 – 2029. The yearly prices (\$/MMBTU) for 2025 through
4 2029 are \$1.7969, 1.8862, \$1.9420, \$2.0201, and \$2.0759,
5 respectively.

6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]

BIG RIVERS ELECTRIC CORPORATION
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1

[REDACTED]

2

[REDACTED]

3

[REDACTED]

4

[REDACTED]

5

[REDACTED]

6

[REDACTED]

7

[REDACTED]

8

[REDACTED]

9

10 iv. A confidential bid tabulation file is attached to this response.

11

12 **Witness)** Vicky L. Payne

13



In the Matter of:

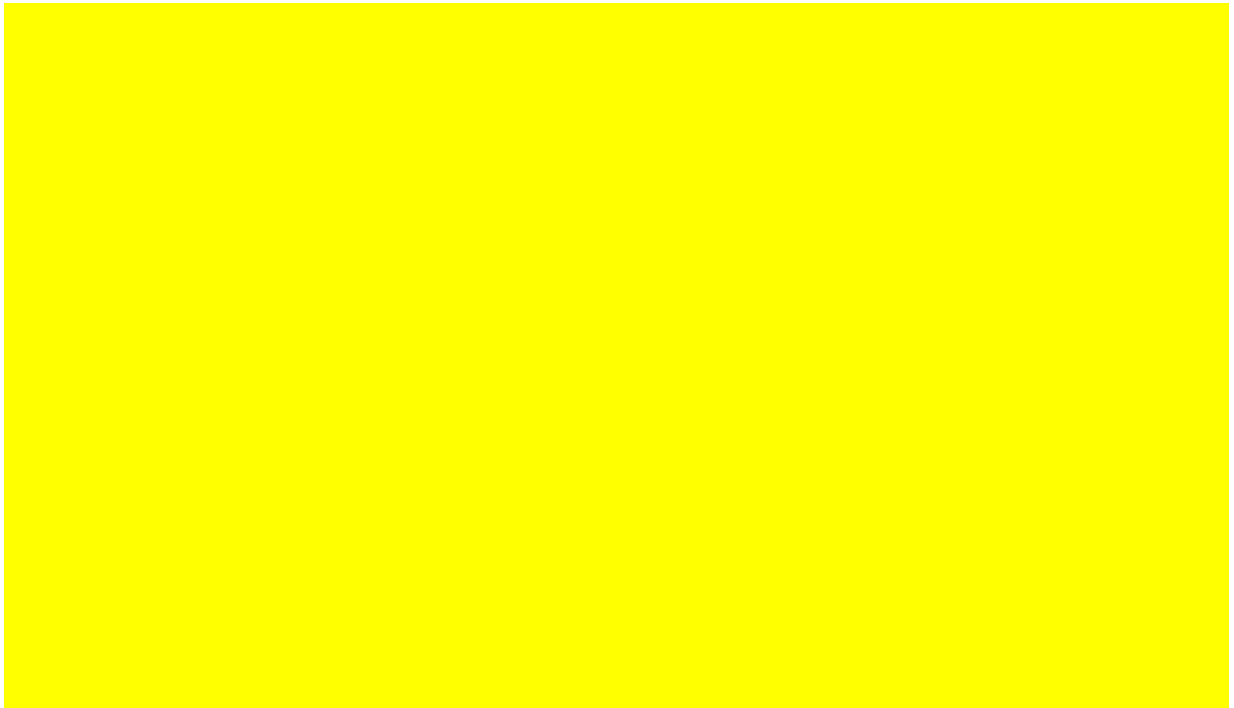
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NOVEMBER 1, 2023 THROUGH APRIL 30, 2024)**

**Case No.
2025-00078**

CONFIDENTIAL

**INFORMATION SUBMITTED WITH
MOTION FOR CONFIDENTIAL TREATMENT**

Attachment to Response to PSC 1-4



BIG RIVERS ELECTRIC CORPORATION
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1
2 **Item 5)** *List each oral coal supply solicitation issued during the period*
3 *under review.*

4 *a. For each solicitation, state why the solicitation was not written, the*
5 *date(s) of the solicitation, the quantities solicited, a general*
6 *description of the quality of coal solicited, the period over which*
7 *deliveries were requested, and the generating unit(s) for which the*
8 *coal was intended.*

9 *b. For each solicitation, identify all vendors solicited and the vendor*
10 *selected. Provide the tabulation sheet or other document that ranks*
11 *the proposals. (This document should identify all vendors who*
12 *made offers.) State the reasons for each selection. For each lowest-*
13 *cost bid not selected, explain why the bid was not selected.*

14

15

BIG RIVERS ELECTRIC CORPORATION
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1 **Response)**

2 a. and b.

3 There were no oral coal supply solicitations issued during the period under review,
4 *i.e.*, November 1, 2023 through April 30, 2024.

5

6

7 **Witness)** Vicky L. Payne

8

BIG RIVERS ELECTRIC CORPORATION
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1 Item 6) *For the period under review, list each vendor from whom natural*
2 *gas was purchased for generation and the quantities and the nature of each*
3 *purchase (i.e., spot or contract).*

4

5 **Response)** Please see the listing on the following page for vendors from whom
6 natural gas was purchased for generation and the quantity and nature of each
7 purchase from November 1, 2023 through April 30, 2024.

8 Starting in July 2010, Big Rivers began purchasing natural gas under a North
9 American Energy Standard Board ("NAESB") base contract for sale and purchase of
10 natural gas. Actual purchases of gas are made using transaction confirmations that
11 are governed by the NAESB contract. Big Rivers also entered into a contract with
12 Texas Gas Transmission, LLC for the transportation and storage and borrowing of
13 gas to Big Rivers' delivery point. All of these contracts are on file with the Kentucky
14 Public Service Commission.

15

16

BIG RIVERS ELECTRIC CORPORATION
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1

2

For the Period from November 1, 2023 through April 30, 2024			
Purchase Vendor	Fuel Type	MMBtu	Contract Type
CIMA Energy, LTD	Natural Gas	350,533	Spot
Eco-Energy Natural Gas	Natural Gas	599,204	Spot
NRG Business Marketing, LLC	Natural Gas	25,000	Spot
Southwest Energy, LP	Natural Gas	156,065	Spot
Tenaska Marketing Ventures	Natural Gas	1,301,313	Spot
		2,432,115	100% Spot

3

4

5 Witness) Vicky L. Payne

6

BIG RIVERS ELECTRIC CORPORATION
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1 **Item 7)** *For the period under review, state whether there were any*
2 *instances in which a natural gas generating unit could not be operated when*
3 *it otherwise would have run due to pipeline constraints or natural gas being*
4 *unavailable.*

5

6 **Response)** Due to Winter Storm Heather, ranging from January 17 through
7 January 22 of 2024, natural gas supply was unavailable for Big Rivers' gas
8 generating units. The Reid CT and both Green Station units were placed on forced
9 outage due to gas being unavailable. It is unknown as to whether MISO would have
10 called upon the units to run during this time.

11

12 **Witness)** Vicky L. Payne

13

BIG RIVERS ELECTRIC CORPORATION
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1 **Item 8)** *State whether there have been any changes to hedging activities*
2 *for coal or natural gas purchases used for generation since the previous Fuel*
3 *Adjustment Clause (FAC) review proceeding. If so, describe the changes in*
4 *detail.*

5

6 **Response)** Big Rivers does not engage in financial hedging activities regarding its
7 coal or natural gas purchases used for generation. Big Rivers does, however, stagger
8 its purchases of coal to create a natural hedge on price volatility pursuant to Policy
9 No. 111 – Hedge Policy. There have been no changes to these hedging activities since
10 the previous FAC review. Please see the response to Request No. 11 below, regarding
11 a revision to Policy No. 111-Hedge Policy.

12

13

14 **Witness)** Vicky L. Payne

15

BIG RIVERS ELECTRIC CORPORATION
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Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 **Item 9)** *State whether BREC has audited any of its fuel or transportation*
2 *contracts during the period under review. If so, for each audited contract:*

3 *a. Identify the contract;*

4 *b. Identify the auditor;*

5 *c. State the results of the audit; and*

6 *d. Describe the actions that BREC took as a result of the audit.*

7

8 **Response)** No formal audits were performed during the review period.

9

10 **Witness)** Vicky L. Payne

11

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 Item 10) *State whether BREC is currently involved in any litigation with*
2 *its current or former fuel suppliers or transportation vendors.*

3 a. *If so, for each litigation:*

4 (1) *Identify the supplier or vendor;*

5 (2) *Identify the contract involved;*

6 (3) *State the potential liability or recovery to BREC;*

7 (4) *List the issues presented; and*

8 (5) *Provide a copy of the complaint or other legal pleading*
9 *that initiated the litigation and any answers or counterclaims. If a copy has*
10 *previously been filed with the Commission, provide the date on which it was*
11 *filed and the case in which it was filed.*

12 b. *Identify and provide the current status of all litigation with*
13 *suppliers or vendors.*

14

15

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 **Response)** Big Rivers is not currently involved in any litigation with its current or
2 former fuel suppliers or transportation vendors.

3

4

5 **Witness)** Vicky L. Payne

6

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 Item 11) *For the period under review, state whether there have been any*
2 *changes to BREC's written policies and procedures regarding its fuel*
3 *procurement.*

4 a. *If yes:*

5 (1) *Describe the changes;*

6 (2) *Provide the written policies and procedures as changed;*

7 (3) *State the date(s) the changes were made; and*

8 (4) *Explain why the changes were made.*

9 b. *If no, provide the date BREC's current fuel procurement policies*
10 *and procedures were last changed, provide the date when they were*
11 *last provided to the Commission, and identify the proceeding in which*
12 *they were provided. If any current fuel procurement policies and*
13 *procedures have not been provided to the Commission, provide those*
14 *fuel procurement policies and procedures and explain why they were*
15 *not previously provided.*

16

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
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June 20, 2025

1
2 **Response)**

3 a. During the review period (i.e., November 1, 2023 – April 30, 2024), there
4 were no changes to Big Rivers' fuel procurement policies and procedures.

5 Four policies and Appendix A to Policy No. 105 have changed since the end of
6 the review period and subsequent to the changes reported in Big Rivers' response to
7 Request No. 1 of the Commission Staff's First Request for Information in Case No.
8 2024-00141.

9 (1)-(4).

10 Policy No. 105 – Energy Related Transaction Authority was revised on
11 January 17, 2025, to clarify the authority limits related to sales of renewable energy
12 credits.

13 Appendix A to Policy No. 105- Energy Related Transaction Authority was
14 revised on January 9, 2025, to update the policy to reflect organizational changes and
15 recommendations from ACES to better align the policy with current market
16 conditions.

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
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June 20, 2025

1 Policy No. 111 – Hedge Policy was revised on May 16, 2025, to incorporate
2 changes recommended by ACES in light of Big Rivers' moving to a short energy
3 position.

4 Policy No. 120 – Fuel Procurement and Procedures was revised on October 18,
5 2024, to update the policy to reflect organizational changes.

6 Policy No. 122 – Energy Related Transaction Credit Policy was revised on
7 January 17, 2025, to update the policy to reflect organizational changes and
8 recommendations from ACES to better align the policy with current market
9 conditions.

10 Copies of these policies are attached to this response along with redlines
11 thereof showing the changes from the prior versions of these policies.

12 b. Big Rivers' other fuel procurement policies and procedures were not
13 changed during the period under review. In the following table, Big Rivers lists these
14 other written policies and procedures regarding fuel procurement, the date of their
15 last changes, and the proceedings in which Big Rivers provided them to the
16 Commission.

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
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CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
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June 20, 2025

1

Big Rivers Electric Corporation Policies and Procedures for Fuel Procurement				
Number	Name	Date Last Change	Provided In	Date Provided
121	Solid Fuel Inventory	2022-08-18	Case No. 2023-00013	2023-09-22

2

3

4 **Witness)** Vicky L. Payne

5

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

1. Purpose

The purpose of this appendix is to define the authority granted by the Big Rivers CEO (“CEO”) to Big Rivers’ staff and ACES to execute energy-related transactions.

2. Objective

The objective of this appendix is to extend authority within Policy 105 to Big Rivers’ internal staff and ACES.

3. Procedural Requirements

As an appendix to Policy 105, all requirements and criteria stated within Policy 105 apply to this appendix.

Delegation of authority regarding Contract Requirements

The CEO delegates his authority to use a long form confirmation as a valid agreement in lieu of a master agreement when necessary to the VP Energy Services, the Director of Resources and Forecasting, Senior Power Portfolio Optimization Analyst, and Manager Power Marketing and Member Relations.

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

4. Bilateral Energy and Capacity Purchases Transaction Authority

The following outlines Big Rivers' staff and ACES bilateral transaction limits for energy and capacity transactions.

Purchases		Per Transaction Limits (up to)				Aggregate Limits	
Title	Product	Term	Lead Time	MW Size	Min. \$/MWH	Total Volume MWH	Total \$
VP Energy Services	Energy	≤ 1 Year	≤ 2 Years	≤ 200	No Limit	1,752,000	\$87.6 Million
	Capacity	≤ 1 Year	≤ 1 Year	≤ 100	No Limit	878,400	\$2.4 Million
Director Resources & Forecasting	Energy	≤ 3 Months	≤ 1 Year	≤ 100	No Limit	220,800	\$11.1 Million
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Energy	≤ 1 Week	≤ 1 Month	≤ 200	No Limit	33,600	\$1.68 Million
ACES	Energy	≤ 1 Day*	≤ 1 Week	≤ 200	No Limit	9,600	\$480,000

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

5. Bilateral Energy and Capacity Sales Transaction Authority

The following outlines Big Rivers' staff and ACES bilateral transaction limits for energy and capacity transactions.

Sales		Per Transaction Limits (up to)				Aggregate Limits	
Title	Product	Term	Lead Time	MW Size	Min. \$/MWH	Total Volume MWH	Total \$
VP Energy Services	Energy	≤ 1 Year	≤ 2 Years	≤ 200	No Limit	3,508,800	No Limit
	Capacity	≤ 1 Year	≤ 1 Year	≤ 200	No Limit	1,756,800	No Limit
Director Resources & Forecasting	Energy	≤ 3 Months	≤ 1 Year	≤ 200	No Limit	1,756,800	No Limit
	Capacity	≤ 3 Months	≤ 1 Year	≤ 200	No Limit	1,756,800	No Limit
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Energy	≤ 1 Week	≤ 1 Month	≤ 200	No Limit	148,800	No Limit
ACES	Energy	≤ 1 Day*	≤ 1 Week	≤ 200	No Limit	33,600	No Limit

* ≤ 1 Day will be a transaction that runs through hour ending 24 of the following business day, as such this would encompass all weekends and holidays for trading so long as the lead time and aggregate limits are followed.

Delegation of authority regarding Firmness of Power

The CEO delegates his authority to sell power that is more firm than the supply source to the VP Energy Services.

Delegation of authority regarding Restricted Delivery Locations

The CEO delegates his authority to execute transactions outside of Unrestricted Delivery Locations to the VP Energy Services.

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

6. MISO Transaction Authority

The following outlines Big Rivers' staff and ACES transaction limits for MISO products.

		MISO Per Transaction Limits (up to)			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
VP Energy Services	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1750	
	Ancillary Service Awards			425	
	Capacity	≤ 1 Year	≤ 3 Months	425	CONE
	Financial Transmission Rights	≤ 1 Year	≤ 3 Months	425	MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	No Max	MISO Price Cap
	Imports/Exports			No Max	
Director Resources & Forecasting	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1700	
	Ancillary Service Awards			425	
	Capacity	≤ 1 Year	≤ 3 Months	425	CONE
	Financial Transmission Rights	≤ 1 Year	≤ 3 months	425	MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	400	MISO Price Cap
	Imports/Exports			500	
Manager Power Marketing & Member Relations	Capacity	≤ 1 Year	≤ 3 Months	425	CONE
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1675	
	Ancillary Service Awards			425	
	Financial Transmission Rights	≤ 1 Year	≤ 3 Months	425	MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	400	MISO Price Cap
	Imports/Exports			450	
Energy Services Analyst	Demand Award	As Required by MISO	1 Operating Day	1675	MISO Price Cap
ACES	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1650	
	Ancillary Service Awards			425	
	Financial Transmission Rights	≤ 1 Year	≤ 3 Months	425	MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	400	MISO Price Cap
	Imports/Exports			400	

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

7. PJM Transaction Authority (Non-Bilateral)

The following outlines Big Rivers' staff and ACES transaction limits for PJM products.

		PJM Per Transaction Limits (up to)			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
VP Energy Services	Generation Awards	Not Presently Transacted			
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	≤ 1 Year	≤ 1 Year	210	\$20
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	No Max	PJM Price Cap
	Imports/Exports			No Max	
Director Resources & Forecasting	Generation Awards	Not Presently Transacted			
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	≤ 1 Year	≤ 3 months	105	\$12
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	400	PJM Price Cap
	Imports/Exports			500	
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Generation Awards	Not Presently Transacted			
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	Not Authorized			
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	400	PJM Price Cap
	Imports/Exports			450	
ACES	Generation Awards	Not Presently Transacted			
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	Not Authorized			
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	400	PJM Price Cap
	Imports/Exports			400	

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

8. SPP Transaction Authority

(SPP transaction authority is granted here for the purpose of fulfilling the Nebraska Contracts approved by Big Rivers Board of Directors on December 20, 2013.)

The following outlines Big Rivers' staff and ACES transaction limits for SPP products.

		SPP Per Transaction Limits (up to)			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
VP Energy Services	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap
	Demand Awards			110	
	Virtual Transaction Awards	Not Presently Transacted			
	Ancillary Service Awards				
	Imports/Exports	As Required by SPP	1 Operating Day	No Max	SPP Price Cap
	Transmission Congestion Rights	≤ 1 Year	≤ 3 Months	80	SPP Price Cap
Director Resources & Forecasting	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap
	Demand Awards			110	
	Virtual Transaction Awards	Not Presently Transacted			
	Ancillary Service Awards				
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap
	Transmission Congestion Rights	≤ 1 Year	≤ 3 months	80	SPP Price Cap
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap
	Demand Awards			110	
	Virtual Transaction Awards	Not Presently Transacted			
	Ancillary Service Awards				
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap
	Transmission Congestion Rights	≤ 1 Year	≤ 3 Months	80	SPP Price Cap
Energy Services Analyst	Generation Awards	None			
	Demand Award	As Required by SPP	1 Operating Day	110	SPP Price Cap
	Virtual Transaction Awards	Not Presently Transacted			
	Ancillary Service Awards				
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap
	Transmission Congestion Rights	None			
ACES	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap
	Demand Awards			110	
	Virtual Transaction Awards	Not Presently Transacted			
	Ancillary Service Awards				
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap
	Transmission Congestion Rights	< 1 Month	< 1 Month	80	SPP Price Cap

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

SPP Authority Matrix Explanations

- Generation Award Limits are per generating unit.
- Demand Award Limits are per each load location.
- Imports and exports are per location and are monitored separately.
- Only Transmission Congestion Rights (TCRs) that are bought and sold via the annual and monthly auctions are monitored per the limits above. Participation in the Annual Allocation of TCRs is not considered a transaction subject to this Policy.
- Delivery lead time represents the time period between trade execution and start of flow.
- Transaction Limits represent the MW volume per hour and dollars/MWh for each transaction executed.
- Bilateral Settlement Schedules are not monitored. Bilateral power trades are monitored per the limits identified in the Bilateral Energy, Capacity and Transmission Purchases and Sales Transaction Authority Matrix.

Note that SPP RTO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from SPP are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

9. Natural/Synthetic Gas and Transportation Transaction Authority

The following outlines Big Rivers' staff and ACES transaction limits for natural/synthetic gas (Gas) and transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical MMBtu Volume per Day	\$/MMBtu	Total Physical Volume MMBtu	Total \$
VP Energy Services	Physical	≤ 1 Year > 1 Month	≤ 1 Year	144,000	\$12	3.6 Million	\$43.2 Million
		≤ 1 Month		No Max	No Max		
Manager Fuels Procurement	Physical	≤ 1 Month > 1 Week	≤ 1 Year	144,000	\$12	2.9 Million	\$34.8 Million
		≤ 1 Week	≤ 1 Month	No Max.	No Max.		
ACES	Physical*	≤ 1 Week	≤ 1 Week	144,000	\$12	1 Million	\$12.1 Million
	Pipeline Payback			144,000	\$12	1 Million	\$12.1 Million

***Excludes purchases for pipeline payback. Purchases for pipeline payback are addressed separately in the row below.**

Delegation of authority regarding Gas Firmness

The CEO delegates his authority to sell gas that is more firm than the supply source and/or is excess to the VP Generation.

Delegation of authority regarding Transportation Firmness and Volume

The CEO delegates his authority to approve the transport natural gas transactions on less firm transportation to the VP Generation.

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

10. Renewable Energy Credits Trading Authority

The following outlines transaction limits, definitions, and procedural requirements for renewable energy credit transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Total Volume MWh	\$/MWh	Total Volume MWh	Total \$
VP Energy Services	Renewable Energy Credits	≤ 2 Years	≤ 3 Years	200,000	\$10	400,000	\$4 Million
Director Resources & Forecasting	Renewable Energy Credits	≤ 1 Year	≤ 18 Months	100,000	\$5	200,000	\$1 Million
ACES	Renewable Energy Credits	As Directed					

Renewable Energy Credits Trading Authority Matrix Explanations

- The authority matrix above addresses authority for Renewable Energy Credits (REC's).
- Transaction Limits represent the total MWh volume and dollars/MWh for each REC transaction executed.
- Aggregate Limits represent the sum total MWh volume and dollars for all forward transactions.
- Term limits only apply to forward transactions, not spot transactions.
- Lead time represents the time period between trade execution and delivery of the REC's. Lead time limits only apply to forward transactions and not to spot transactions.

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

11. Fuel Oil Transaction Authority

The following outlines Big Rivers' staff transaction limits for fuel oil transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical Volume Gallons	\$/Gallon	Total Volume Gallons	Total \$
VP Generation	Physical Fuel Oil	≤ 1 Year > 1 Month	≤ 1 Year	750,000	\$6	4,000,000	\$24 Million
		≤ 1 Month		No Max	No Max		
Manager Fuels Procurement	Physical Fuel Oil	≤ 1 Month > 1 Week	≤ 1 Year	500,000	\$6	1,000,000	\$6 Million
		≤ 1 Week	≤ 1 Month	No Max	No Max		

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

12. Solid Fuel Transaction Authority

The following outlines Big Rivers' staff transaction limits for solid fuel.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/MMBtu	Total Volume Tons	Total \$
VP Generation	Physical Solid Fuel	≤ 1 Year > 3 Months	≤ 1 Year	500,000	\$2.50	1.0 Million	\$60 Million
		≤ 3 Months		100,000	\$2.85		
Manager Fuels Procurement	Physical Solid Fuel	≤ 6 Months > 3 Months	≤ 1 Year	250,000	\$2.50	500,000	\$30 Million
		≤ 3 Months		50,000	\$2.85		

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

13. Transportation Transaction Authority

The following outlines Big Rivers' staff transaction limits for transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
VP Generation	Barge, Rail or Truck Transportation	≤ 1 Years > 3 Months	≤ 1 Year	1 Million	\$25	2 Million	\$50 Million
		≤ 3 Months		No Max	No Max		
Manager Fuels Procurement	Barge, Rail or Truck Transportation	≤ 6 Months > 1 Month	≤ 1 Year	500,000	\$25	1 Million	\$25 Million
		≤ 1 Month	≤ 1 Month	No Max	No Max		

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

14. Emission Allowance Transaction Authority

The following outlines Big Rivers' staff and ACES transaction limits for emission allowance transactions.

		Per Transaction Limits (up to)				Aggregate Limits (up to)	
Title	Product	Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Chief Administrative Officer	Federal SO2 Emission Allowances	≤ 1 Year	≤ 1 Year	2,500	\$300	10,000	\$3 Million
	Federal NOx Emission Allowances	≤ 1 Year		1,250	\$2,000	5,000	\$10 Million
ACES	Federal SO2 Emission Allowances	As Directed					
	Federal NOx Emission Allowances	As Directed					

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

15. Limestone Reagent Transaction Authority

The following outlines Big Rivers' staff transaction limits for limestone reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
VP Generation	Physical Limestone Reagent	≤ 1 Year	≤ 1 Year	187,500	\$18	375,000	\$6.75 Million
Manager Fuels Procurement	Physical Limestone Reagent	≤ 3 Months	≤ 1 Year	93,750	\$18	187,500	\$3.375 Million

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

16. Bulk Lime and Lime Hydrate Reagent Transaction Authority

The following outlines Big Rivers' staff transaction limits for bulk lime and lime hydrate reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
VP Generation	Physical Lime Reagent	≤ 1 Year	≤ 1 Year	250,000	\$200	250,000	\$50 Million
Manager Fuels Procurement	Physical Lime Reagent	≤ 3 Months	≤ 1 Year	62,500	\$200	62,500	\$12.5 Million

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

17. MATS Reagent Transaction Authority

The following outlines Big Rivers' staff transaction limits for MATS reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
VP Generation	MATS Reagent	≤ 1 Year	≤ 1 Year	8,500	\$4,000	8,500	\$ 34 Million
Manager Fuels Procurement	MATS Reagent	≤ 3 Months	≤ 1 Year	3,000	\$4,000	3,000	\$ 12 Million

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

18. Acknowledgements

Violations and Sanctions

Violations of this Authority Policy must not occur. Any person covered by this policy who becomes aware of a violation of the Authority Policy has an affirmative duty to report the violation to the department head in which the violation occurred and to the General Counsel who in turn shall inform the CEO. However, if it is believed that the CEO is involved then the Big Rivers Chairman of the Board shall be notified. The responsible party(ies) will be sanctioned according to Big Rivers Risk Management Sanctions Policy (for Big Rivers Employees only, ACES employees are governed by the ACES Trading Sanctions Policy).

Appendix Effective

This Transaction Authority Appendix is in effect upon the CEO's approval and shall remain in effect until a replacement appendix has been approved by the CEO.

Responsibility

It shall be the responsibility of the CEO, VP Energy Services, VP Generation and the Big Rivers-IRMC and the ACES-IRMC to ensure compliance with this policy.

Revisions

Appendix A to Policy 105 - Energy Related Transaction Authority				
Original Effective Date	11/4/2009	Date Last Reviewed	1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	1/09/2025	

Big Rivers Policy 105/Appendix A Revision Record			
Number	Date	Notes	Approved by
Rev. 0	11-04-2009	Energy Related Trans	Mark Bailey
Rev. 1	11-22-2010	MISO and other misc. updates	Mark Bailey
Rev. 2	01-04-2011	Updated Solid Fuel Transaction Authority	Mark Bailey
Rev. 3	03-18-2011	Added Limestone and Lime, general cleanup	Mark Bailey
Rev. 4	12-05-2011	Update Bi-Lateral and Emission limits, add authority for PJM FTRs, add VP of Production	Mark Bailey
Rev. 5	05-07-2012	Remove Senior VP Energy Services from document due to retirement/elimination of role	Mark Bailey
Rev. 6	07-12-2012	Change Director of Power Portfolio Optimization to Managing Director Energy Services	Mark Bailey
Rev. 7	02-01-2013	Updated MISO capacity and Natural Gas limits, changed VP Production to Chief Operating Officer, changed Managing Director Energy Services to VP Energy Services, added Manager Power Supply & Market Operations, changed Power Scheduling Analyst to Power Portfolio Optimization Analyst and added Energy Services Analyst	Mark Bailey
Rev. 8	12-18-2013	Updated aggregate limits for VP Energy Services, increased offer price caps for capacity, updated VP Energy Services gas authorization to ensure ability to execute standard Texas Gas contracts, changed Power Portfolio Optimization Analyst title to reflect Senior status, replaced Manager Power Supply & Market Operations with Director Power Supply & Market Operations	Mark Bailey
Rev. 9	07-21-2014	Allocate authority previously held by Chief Operating Officer to VP Energy Services and VP Production	Robert W. Berry

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Rev. 10	04-05-2016	Updated table under Section 4 to reflect new bilateral sales limits and deleted purchase authority, combined transaction authority for transportation, added to lime to be bulk lime and lime hydrate, and added MATS reagent limits.	Robert W. Berry
Rev. 11	04-15-2016	Added a footnote to the table in Section 4 to clearly define Big Rivers' interpretation for ACES pertaining to ≤ 1 Day.	Robert W. Berry
Rev. 12	12-21-2016	Updated to reflect changes in Policy 105 adopted by the Board on December 16, 2016.	Robert W. Berry
Rev. 13	12-18-2017	Added SPP matrix to convey CEO's authority granted by Board resolution to Big Rivers' staff and ACES to conduct daily transactions for the Nebraska contracts.	Robert W. Berry
Rev. 14	10-31-2019	Added renewable energy credits trading authority added to Policy 105 adopted by the Board on August 16, 2019. Added bilateral energy and capacity purchases transaction authority & modified limits on sales. Removed Director Power Supply & Market Operations. Added Manager Marketing & Member Relations to authority matrix.	Robert W. Berry
Rev. 15	03-17-20	Changed authority for as transactions to Executive VP Operations. Also, changed title of VP Production to Executive VP Operations throughout appendix.	Robert W. Berry
Rev. 16	04-12-21	Changed title of Executive VP Operations to VP Production throughout appendix.	Robert W. Berry
Rev. 17	12-17-21	Change of titles; update authority limits to reflect current market conditions; grammatical fixes	Robert W. Berry
Rev. 18	05-26-22	Change titles; update authority limits to reflect current market conditions along with usage limits for gas conversion; change gas unit of measure from mcf to mmbtu	Robert W. Berry
Rev. 19	08-04-22	Change titles; update MISO per transaction authority limits to reflect how MISO market operates	Robert W. Berry

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Rev. 20	11-29-23	Increase MISO per transaction limits for VP of Energy Services to reflect current market conditions	CEO
Rev. 21	01-09-25	Updated to reflect organizational changes and ACES recommendations	CEO

Approved by CEO

CEO Signature: _____

Approval Date: _____



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1. Purpose

The purpose of this appendix is to define the authority granted by the Big Rivers CEO (“CEO”) to Big Rivers’ staff and ACES to execute energy-related transactions.

2. Objective

The objective of this appendix is to extend authority within Policy 105 to Big Rivers’ internal staff and ACES.

3. Procedural Requirements

As an appendix to Policy 105, all requirements and criteria stated within Policy 105 apply to this appendix.

Delegation of authority regarding Contract Requirements

The CEO delegates his authority to use a long form confirmation as a valid agreement in lieu of a master agreement when necessary to the VP Energy Services, the Director of Resources and Forecasting, Senior Power Portfolio Optimization Analyst, and Manager Power Marketing and Member Relations.



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4. Bilateral Energy and Capacity Purchases Transaction Authority

The following outlines Big Rivers' staff and ACES bilateral transaction limits for energy and capacity transactions.

Purchases		Per Transaction Limits (up to)				Aggregate Limits	
Title	Product	Term	Lead Time	MW Size	Min. \$/MWH	Total Volume MWH	Total \$
VP Energy Services	Energy	≤ 1 Year	≤ 2 Years	≤ 200	No Limit	1,752,000	\$87,600,000 6 Million
	Capacity	≤ 1 Year	≤ 1 Year	≤ 100	No Limit	878,400	\$2,400,000 4 Million
Director Resources & Forecasting	Energy	≤ 3 Months	≤ 1 Year	≤ 100	No Limit	220,800	\$11,100,000 1 Million
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Energy	≤ 1 Week	≤ 1 Month	≤ 200	No Limit	33,600	\$1,680,000 6 8 Million
ACES	Energy	≤ 1 Day*	≤ 1 Week	≤ 200	No Limit	9,600	\$480,000



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5. Bilateral Energy and Capacity Sales Transaction Authority

The following outlines Big Rivers' staff and ACES bilateral transaction limits for energy and capacity transactions.

Sales		Per Transaction Limits (up to)				Aggregate Limits	
Title	Product	Term	Lead Time	MW Size	Min. \$/MWH	Total Volume MWH	Total \$
VP Energy Services	Energy	≤ 1 Year	≤ 2 Years	≤ 200	No Limit	3,508,800	No Limit
	Capacity	≤ 1 Year	≤ 1 Year	≤ 200	No Limit	1,756,800	No Limit
Director Resources & Forecasting	Energy	≤ 3 Months	≤ 1 Year	≤ 200	No Limit	1,756,800	No Limit
	Capacity	≤ 3 Months	≤ 1 Year	≤ 200	No Limit	1,756,800	No Limit
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Energy	≤ 1 Week	≤ 1 Month	≤ 200	No Limit	148,800	No Limit
ACES	Energy	≤ 1 Day*	≤ 1 Week	≤ 200	No Limit	33,600	No Limit

* ≤ 1 Day will be a transaction that runs through hour ending 24 of the following business day, as such this would encompass all weekends and holidays for trading so long as the lead time and aggregate limits are followed.

Delegation of authority regarding Firmness of Power

The CEO delegates his authority to sell power that is more firm than the supply source to the VP Energy Services.



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Delegation of authority regarding Restricted Delivery Locations

The CEO delegates his authority to execute transactions ~~at other Eastern interconnection locations~~outside of Unrestricted Delivery Locations to the VP Energy Services.



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6. MISO Transaction Authority

The following outlines Big Rivers' staff and ACES transaction limits for MISO products.

		MISO Per Transaction Limits (up to)			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
VP Energy Services	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1750	
	Ancillary Service Awards			425	
	Capacity	≤ 2 Years 1 Year	≤ 2 Years 3 Months	425	CONE
	Financial Transmission Rights	≤ 1 Year	≤ 1 Year 3 Months	425	\$20/MWh MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	No Max	MISO Price Cap
Director Resources & Forecasting	Imports/Exports			No Max	
	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1700	
	Ancillary Service Awards			425	
	Capacity	≤ 1 Year	≤ 1 Year 3 Months	425	CONE
	Financial Transmission Rights	≤ 6 months 1 Year	≤ 63 months	425	\$12/MWh MISO Price Cap
Manager Power Marketing & Member Relations	Virtual Transaction Awards	As Required by MISO	1 Operating Day	400	MISO Price Cap
	Imports/Exports			500	
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Capacity	≤ 1 Year	≤ 1 Year 3 Months	425	CONE
	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1675	
	Ancillary Service Awards			425	
	Financial Transmission Rights	≤ 6 Months 1 Year	≤ 63 Months	425	\$10/MWh MISO Price Cap
Energy Services Analyst	Virtual Transaction Awards	As Required by MISO	1 Operating Day	400	MISO Price Cap
	Imports/Exports			450	
ACES	Demand Award	As Required by MISO	1 Operating Day	1675	MISO Price Cap
	Generation Awards	As Required by MISO	1 Operating Day	425	MISO Price Cap
	Demand Awards			1650	
	Ancillary Service Awards			425	



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	Financial Transmission Rights	≤ 6 Months 1 Year	≤ 63 Months	425	\$10/MWh MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	400	MISO Price Cap
	Imports/Exports			400	



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7. PJM Transaction Authority (Non-Bilateral)

The following outlines Big Rivers' staff and ACES transaction limits for PJM products.

		PJM Per Transaction Limits (up to)			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
VP Energy Services	Generation Awards	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	≤ 1 Year	≤ 1 Year	210	\$20
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	No Max	PJM Price Cap
	Imports/Exports			No Max	
Director Resources & Forecasting	Generation Awards	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	≤ 1 Year	≤ 3 months	105	\$12
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	400	PJM Price Cap
	Imports/Exports			500	
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Generation Awards	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	Not Authorized	Not Authorized	Not Authorized	Not Authorized
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	400	PJM Price Cap
	Imports/Exports			450	
ACES	Generation Awards	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Demand Awards				
	Ancillary Service Awards				
	Capacity				

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	Financial Transmission Rights	Not Authorized	Not Authorized	Not Authorized	
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	400	PJM Price Cap
	Imports/Exports			400	



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8. SPP Transaction Authority

(SPP transaction authority is granted here for the purpose of fulfilling the Nebraska Contracts approved by Big Rivers Board of Directors on December 20, 2013.)

The following outlines Big Rivers' staff and ACES transaction limits for SPP products.

		SPP Per Transaction Limits (up to)				
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh	
VP Energy Services	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap	
	Demand Awards			110		
	Virtual Transaction Awards	Not Presently Transacted		Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Ancillary Service Awards					
	Imports/Exports	As Required by SPP	1 Operating Day	No Max	SPP Price Cap	
	Transmission Congestion Rights	≤ 1 Year	≤ 4 Year 3 Months	80	\$20/MWh SPP Price Cap	
Director Resources & Forecasting	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap	
	Demand Awards			110		
	Virtual Transaction Awards	Not Presently Transacted		Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Ancillary Service Awards					
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap	
	Transmission Congestion Rights	≤ 6 months 1 Year	≤ 63 months	80	\$12/MWh SPP Price Cap	
Senior Power Portfolio Optimization Analyst or Manager Power Marketing & Member Relations	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap	
	Demand Awards			110		
	Virtual Transaction Awards	Not Presently Transacted		Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Ancillary Service Awards					
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap	
	Transmission Congestion Rights	≤ 6 Months 1 Year	≤ 63 Months	80	\$10/MWh SPP Price Cap	
	Generation Awards	None				

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Energy Services Analyst	Demand Award	As Required by SPP	1 Operating Day	110	SPP Price Cap	
	Virtual Transaction Awards	Not Presently Transacted		Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Ancillary Service Awards					
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap	
	Transmission Congestion Rights	None				
ACES	Generation Awards	As Required by SPP	1 Operating Day	30	SPP Price Cap	
	Demand Awards			110		
	Virtual Transaction Awards	Not Presently Transacted		Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Ancillary Service Awards					
	Imports/Exports	As Required by SPP	1 Operating Day	110	SPP Price Cap	
	Transmission Congestion Rights	≤ 6 Months 1 Month	≤ 6 Months 1 Month	80	\$10/MWh SPP Price Cap	

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SPP Authority Matrix Explanations

- Generation Award Limits are per generating unit.
- Demand Award Limits are per each load location.
- Imports and exports are per location and are monitored separately.
- Only Transmission Congestion Rights (TCRs) that are bought and sold via the annual and monthly auctions are monitored per the limits above. Participation in the Annual Allocation of TCRs is not considered a transaction subject to this Policy.
- Delivery lead time represents the time period between trade execution and start of flow.
- Transaction Limits represent the MW volume per hour and dollars/MWh for each transaction executed.
- Bilateral Settlement Schedules are not monitored. Bilateral power trades are monitored per the limits identified in the Bilateral Energy, Capacity and Transmission Purchases and Sales Transaction Authority Matrix.



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Note that SPP RTO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from SPP are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.



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9. Natural/Synthetic Gas and Transportation Transaction Authority

The following outlines Big Rivers' staff and ACES transaction limits for natural/synthetic gas (Gas) and transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical MMBTU Volume MMBTU Volume per Day	\$/MMBTU \$/MMBTU	Total Physical Volume MMBTU MMBTU tu	Total \$
Chief Operating Officer VP Energy Services	Physical	≤ 1 Year > 1 Month ≤ 1 Year	≤ 1 Year	144,000	\$12	3.6 millionMi llion	\$43.2 millionMi llion
		≤ 1 Month		No Max	No Max		
Manager Fuels Procurement	Physical	≤ 1 Month > 1 Week ≤ 1 Month	≤ 1 Year	144,000	\$12	2.9 millionMi llion	\$34.8 millionMi llion
		≤ 1 Week	≤ 1 Month	No Max.	No Max.		
ACES	Physical*	≤ 1 Week	≤ 1 Week	144,000	\$12	1 millionMi llion	\$12.1 millionMi llion
	Pipeline Payback			144,000	\$12	1 millionMi llion	\$12.1 millionMi llion

***Excludes purchases for pipeline payback. Purchases for pipeline payback are addressed separately in the row below.**

Delegation of authority regarding Gas Firmness

The CEO delegates his authority to sell gas that is more firm than the supply source and/or is excess to the ~~Chief Operating Officer~~VP Generation.



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Delegation of authority regarding Transportation Firmness and Volume

The CEO delegates his authority to ~~execute transportation purchases not of equal firmness and volume to the gas component that such transportation purchase is associated with to the Chief Operating Officer~~ approve the transport natural gas transactions on less firm transportation to the VP Generation.



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10. Renewable Energy Credits Trading Authority

The following outlines transaction limits, definitions, and procedural requirements for renewable energy credit transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Total Volume MWh	\$/MWh	Total Volume MWh	Total \$
VP Energy Services	Renewable Energy Credits	≤ 2 Years	≤ 3 Years 3 Years	200,000	\$10	400,000	\$4 Million
Director Resources & Forecasting	Renewable Energy Credits	≤ 1 Year	≤ 18 Months	100,000	\$5	200,000	\$1 Million
ACES	Renewable Energy Credits	As Directed	As Directed	As Directed	As Directed	As Directed	As Directed

Renewable Energy Credits Trading Authority Matrix Explanations

- The authority matrix above addresses authority for Renewable Energy Credits (REC's).
- Transaction Limits represent the total MWh volume and dollars/MWh for each REC transaction executed.
- Aggregate Limits represent the sum total MWh volume and dollars for all forward transactions.
- Term limits only apply to forward transactions, not spot transactions.
- Lead time represents the time period between trade execution and delivery of the REC's. Lead time limits only apply to forward transactions and not to spot transactions.

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11. Fuel Oil Transaction Authority

The following outlines Big Rivers' staff transaction limits for fuel oil transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical Volume Gallons	\$/Gallon	Total Volume Gallons	Total - \$
Chief Operating Officer VP Generation	Physical Fuel Oil	< 1 Year > 1 Month < 1 Year	≤ 1 Year	750,000	\$6	4,000,000	\$24 Million
		≤ 1 Month		No Max	No Max		
Manager Fuels Procurement	Physical Fuel Oil	> 1 Week ≤ 1 Month > 1 Week	≤ 1 Year	500,000	\$6	1,000,000	\$6 millionMi llion
		≤ 1 Week	≤ 1 Month	No Max	No Max		



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12. Solid Fuel Transaction Authority

The following outlines Big Rivers' staff transaction limits for solid fuel.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/MMBtu	Total Volume Tons	Total - \$
Chief Operating Officer VP Generation	Physical Solid Fuel	≤ 1 Year > 3 Months ≤ 1 Year	≤ 1 Year	500,000	\$2.50	1.0 millionMi llion	\$60 millionMi llion
		≤ 3 Months		100,000	\$2.85		
Manager Fuels Procurement	Physical Solid Fuel	≤ 6 Months > 3 Months ≤ 6 Months	≤ 1 Year	250,000	\$2.50	500,000	\$30 millionMi llion
		≤ 3 Months		50,000	\$2.85		



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13. Transportation Transaction Authority

The following outlines Big Rivers' staff transaction limits for transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Chief Operating Officer VP Generation	Barge, Rail or Truck Transportation	< 1 Years > 3 Months < 1 Years	≤ 1 Year	1 millionMillion	\$25	2 millionMillion	\$50 millionMillion
		≤ 3 Months		No Max	No Max		
Manager Fuels Procurement	Barge, Rail or Truck Transportation	> 1 Month ≤ 6 Months > 1 Month	≤ 1 Year	500,000	\$25	1 millionMillion	\$25 millionMillion
		≤ 1 Month	≤ 1 Month	No Max	No Max		



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14. Emission Allowance Transaction Authority

The following outlines Big Rivers' staff and ACES transaction limits for emission allowance transactions.

		Per Transaction Limits (up to)				Aggregate Limits (up to)	
Title	Product	Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Chief Administrative Officer	Federal SO ₂ Emission Allowances	≤ 1 Year	≤ 1 Year	2,500	\$300	10,000	\$3 million million
	Federal NO _x Emission Allowances	≤ 1 Year		1,250	\$2,000	5,000	\$10 million million
ACES	Federal SO ₂ Emission Allowances	As directed Directed	As directed	As directed	As directed	As directed	As directed
	Federal NO _x Emission Allowances	As directed Directed		As directed	As directed		

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15. Limestone Reagent Transaction Authority

The following outlines Big Rivers' staff transaction limits for limestone reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total -\$
Chief Operating Officer VP Generation	Physical Limestone Reagent	≤ 1 Year	≤ 1 Year	187,500	\$18	375,000	\$6.75 million Mil lion
Manager Fuels Procurement	Physical Limestone Reagent	≤ 3 Months	≤ 1 Year	93,750	\$18	187,500	\$3.375 million Mil lion



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16. Bulk Lime and Lime Hydrate Reagent Transaction Authority

The following outlines Big Rivers' staff transaction limits for bulk lime and lime hydrate reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Chief Operating Officer VP Generation	Physical Lime Reagent	≤ 1 Year	≤ 1 Year	250,000	\$200	250,000	\$50 million Mil lion
Manager Fuels Procurement	Physical Lime Reagent	≤ 3 Months	≤ 1 Year	62,500	\$200	62,500	\$12.5 million Mil lion



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17. MATS Reagent Transaction Authority

The following outlines Big Rivers' staff transaction limits for MATS reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total -\$
Chief Operating Officer VP Generation	MATS Reagent	≤ 1 Year	≤ 1 Year	8,500	\$4,000	8,500	\$ 34 million Mil lion
Manager Fuels Procurement	MATS Reagent	≤ 3 Months	≤ 1 Year	3,000	\$4,000	3,000	\$ 12 million Mil lion



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Appendix A to Policy 105 - Energy Related Transaction Authority

Original Effective Date	11/4/2009	Date Last Reviewed	11/29/2023 1/09/2025	Approved by CEO
Original Approval Date	11/4/2009	Date Last Revised	11/29/2023 1/09/2025	

18. Acknowledgements

Violations and Sanctions

Violations of this Authority Policy must not occur. Any person covered by this policy who becomes aware of a violation of the Authority Policy has an affirmative duty to report the violation to the department head in which the violation occurred and to the General Counsel who in turn shall inform the ~~Big Rivers~~ CEO. However, if it is believed that the ~~Big Rivers~~ CEO is involved then the Big Rivers Chairman of the Board shall be notified. The responsible party(ies) will be sanctioned according to Big Rivers Risk Management Sanctions Policy (for Big Rivers Employees only, ACES employees are governed by the ACES ~~Power Marketing~~ Trading Sanctions Policy).

Appendix Effective

This Transaction Authority Appendix is in effect upon the CEO's approval and shall remain in effect until a replacement appendix has been approved by the CEO.

Responsibility

It shall be the responsibility of the CEO, VP Energy Services, ~~Chief Operating Officer~~VP Generation and the Big Rivers-IRMC and the ACES-IRMC to ensure compliance with this policy.



CEO POLICY

Policy Number: **105 Appendix A**

Appendix A to Policy 105 - Energy Related Transaction Authority

Original Effective Date	11/4/2009	Date Last Reviewed	11/29/2023 1/09/2025	Approved by CEO
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Revisions

Big Rivers Policy 105/Appendix A Revision Record			
Number	Date	Notes	Approved by
Rev. 0	11-04-2009	Energy Related Trans	Mark Bailey
Rev. 1	11-22-2010	MISO and other misc. updates	Mark Bailey
Rev. 2	01-04-2011	Updated Solid Fuel Transaction Authority	Mark Bailey
Rev. 3	03-18-2011	Added Limestone and Lime, general cleanup	Mark Bailey
Rev. 4	12-05-2011	Update Bi-Lateral and Emission limits, add authority for PJM FTRs, add VP of Production	Mark Bailey
Rev. 5	05-07-2012	Remove Senior VP Energy Services from document due to retirement/elimination of role	Mark Bailey
Rev. 6	07-12-2012	Change Director of Power Portfolio Optimization to Managing Director Energy Services	Mark Bailey
Rev. 7	02-01-2013	Updated MISO capacity and Natural Gas limits, changed VP Production to Chief Operating Officer, changed Managing Director Energy Services to VP Energy Services, added Manager Power Supply & Market Operations, changed Power Scheduling Analyst to Power Portfolio Optimization Analyst and added Energy Services Analyst	Mark Bailey
Rev. 8	12-18-2013	Updated aggregate limits for VP Energy Services, increased offer price caps for capacity, updated VP Energy Services gas authorization to ensure ability to execute standard Texas Gas contracts, changed Power Portfolio Optimization Analyst title to reflect Senior status, replaced Manager Power Supply & Market Operations with Director Power Supply & Market Operations	Mark Bailey



CEO POLICY

Policy Number: **105 Appendix A**

Appendix A to Policy 105 - Energy Related Transaction Authority

Original Effective Date	11/4/2009	Date Last Reviewed	11/29/2023 1/09/2025	Approved by CEO
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Rev. 9	07-21-2014	Allocate authority previously held by Chief Operating Officer to VP Energy Services and VP Production	Robert W. Berry
Rev. 10	04-05-2016	Updated table under Section 4 to reflect new bilateral sales limits and deleted purchase authority, combined transaction authority for transportation, added to lime to be bulk lime and lime hydrate, and added MATS reagent limits.	Robert W. Berry
Rev. 11	04-15-2016	Added a footnote to the table in Section 4 to clearly define Big Rivers' interpretation for ACES pertaining to ≤ 1 Day.	Robert W. Berry
Rev. 12	12-21-2016	Updated to reflect changes in Policy 105 adopted by the Board on December 16, 2016.	Robert W. Berry
Rev. 13	12-18-2017	Added SPP matrix to convey CEO's authority granted by Board resolution to Big Rivers' staff and ACES to conduct daily transactions for the Nebraska contracts.	Robert W. Berry
Rev. 14	10-31-2019	Added renewable energy credits trading authority added to Policy 105 adopted by the Board on August 16, 2019. Added bilateral energy and capacity purchases transaction authority & modified limits on sales. Removed Director Power Supply & Market Operations. Added Manager Marketing & Member Relations to authority matrix.	Robert W. Berry
Rev. 15	03-17-20	Changed authority for as transactions to Executive VP Operations. Also, changed title of VP Production to Executive VP Operations throughout appendix.	Robert W. Berry
Rev. 16	04-12-21	Changed title of Executive VP Operations to VP Production throughout appendix.	Robert W. Berry
Rev. 17	12-17-21	Change of titles; update authority limits to reflect current market conditions; grammatical fixes	Robert W. Berry



CEO POLICY

Policy Number: **105 Appendix A**

Appendix A to Policy 105 - Energy Related Transaction Authority

Original Effective Date	11/4/2009	Date Last Reviewed	11/29/2023 1/09/2025	Approved by CEO
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Rev. 18	05-26-22	Change titles; update authority limits to reflect current market conditions along with usage limits for gas conversion; change gas unit of measure from mcf to mmbtu	Robert W. Berry
Rev. 19	08-04-22	Change titles; update MISO per transaction authority limits to reflect how MISO market operates	Robert W. Berry
Rev. 20	11-29-23	Increase MISO per transaction limits for VP of Energy Services to reflect current market conditions	CEO
<u>Rev. 21</u>	<u>01-09-25</u>	<u>Updated to reflect organizational changes and ACES recommendations</u>	<u>CEO</u>

Approved by CEO

CEO Signature: _____

Approval Date: _____

Energy Related Transaction Authority Policy				
Original Effective Date	06/15/2007	Date Last Reviewed	1/17/2025	Approved by BOARD
Original Approval Date	06/15/2007	Date Last Revised	1/17/2025	

1. Policy Purpose

The purpose of this policy is to define the authority granted by the Big Rivers Electric Corporation (“Big Rivers”) Board of Directors (“Board”) to the President & Chief Executive Officer (“CEO”) to execute, or to delegate authority to execute energy-related transactions. Furthermore, it sets forth clarity and empowerment among those with transaction authority and is designed to encourage communication among individuals with transaction authority and the Board.

2. Objective

The objective of Big Rivers’ Energy Related Transaction Authority Policy is to define:

- Who has authority to execute transactions,
- The commodities and products that can be transacted,
- The authorized lead-time and term for each transaction,
- The authorized maximum price and volume,
- Counterparty contract and credit requirements,
- The process for approving new commodities, products or locations,
- Big Rivers’ intention regarding hedging and speculating,
- Other relevant factors associated with due diligence in authorizing transactions to be executed.

3. Procedural Requirements

The following defines the procedural requirements that apply to all commodities and products transacted pursuant to this policy.

Execution Authority

Execution Authority is outlined by commodity in the authority matrix sections found below. All column limits in these matrices are applied independently of one another for each authority level, in that no individual column limit may be exceeded without authorization, regardless of whether a transaction does not exceed another column limit for that same authority level. Limits for each level of authority are cumulative, and include all column limits up to and including that level. Limits are to be applied separately to each individual title listed in a matrix Title field.

The authority granted in this policy should not violate any other policy limits.

The transaction limits apply to both purchases and sales.

This policy identifies Board-authorized levels for the CEO and explicitly gives the CEO the authority to delegate authority levels to Big Rivers’ staff and ACES Power Marketing (“ACES”). The CEO has the authority to modify delegated authority levels (noted in Appendix A) at his sole discretion as long as the delegated authority does not exceed his own authority per this policy.

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Contract Requirements

Transactions with counterparties shall only be permitted if Big Rivers has either:

- An active, valid, and executed agreement enabling such transaction activity with that counterparty,
- Long-form confirmations may be used as a valid agreement in lieu of a permanent agreement, when necessary if approved in writing by the CEO.

Credit Requirements

Credit limits for each counterparty shall not be intentionally exceeded. *(Note: Since credit exposures are a function of not only positions transacted, but also a function of market pricing and volatility, credit exposure to counterparty may unintentionally exceed a credit limit purely due to changes in the forward market.)*

Entering into unsecured transactions with a counterparty that has total credit exposure greater than or equal to its open line of credit and the total of any security currently provided will not be allowed unless approved in writing by the CEO.

Credit Sleeving

This policy prohibits BREC from acting as a credit sleeve for any counterparty. *(Note: Sleeving is an arrangement where a more financially reputable entity acts as middleman for a smaller, undercapitalized entity in the purchase or sale of power.)*

Contract Sleeving

This policy does not prohibit Big Rivers from being positioned between another member or customer of ACES and an external counterparty in order to bridge a contract gap that exists. The sleeve must:

- Be only for physical power, transmission or physical natural gas, not transportation,
- Be only for terms of one month or less.

Contract sleeving on behalf of Big Rivers is approved when it is either the only or the most economical path to pursue at the discretion of ACES, with prompt after-the-fact notice to the CEO.

Transaction Communications

All communications for bilateral electric power transactions must be transacted via a recorded communication method. Examples include, but are not limited to, voice recorded communication, instant messaging, email or via an online broker account. Recorded communications must be maintained and controlled by personnel who are independent of the transaction function.

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Deal Capture

Any transaction executed by a Big Rivers employee must be promptly forwarded to ACES after the deal execution for capture in ACES risk management system.

Speculation

Speculation refers to a purchase or sale transaction in which the intent was to realize a profit without an underlying long or short generation position. No speculative transaction activities shall be permitted, and no speculative transaction positions shall be initiated. Transactions will be permitted only for purposes of hedging and portfolio optimization.

Non-Standard Products

The Board must pre-approve any transaction that involves commodities or products not listed in this policy.

Transactions Requiring Board Approval

Transactions which meet any of the following criteria must be pre-approved by the Board prior to execution:

- The transaction is a new commodity or within the list of commodities not previously transacted by Big Rivers,
- The transaction is at a location in which no transactions are permitted,
- The transaction is for something other than: physical spot or forward electricity, natural gas, fuel oil, solid fuel, ancillary services, capacity, power transmission, financial transmission rights, gas transportation, gas imbalance and storage, solid fuel transportation, exchange transacted energy products, over-the-counter (OTC) financial energy transactions, OTC energy options, federal SO₂ or NO_x emission allowances, renewable energy credits or a unit outage insurance product.

Examples of new instruments would include the use of derivatives with different risk characteristics or the use of derivatives to implement different business strategies or goals. New instruments or locations would also include those instruments or locations that may be transacted on a “one-off” basis, which would be implementation of a derivative instrument or entry into a commodity market that, despite the anticipation of being transacted just once, would still fit the definition of a new instrument or location.

The purpose of defining a process for such transactions as noted above is to ensure that the exposures associated with them are thoroughly reviewed and understood by the Board and appropriate transaction controls are in place. The Board must approve the use of such transactions prior to execution using the process defined below:

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- a) Transaction Proposal - The proposal is the responsibility of the person or business group proposing the transaction. The proposal should address the business need, risks, transaction controls, valuation methodology, accounting methodology, operations workflow/ methodology, and assessment of legal and regulatory issues.
- b) Board Review - The Board will perform a review of the benefits and risks of the proposed transaction. The Board will assess the proposed transaction and make a determination whether to add the proposed transaction to the approved list.
- c) Approval (Pilot Program) – The Board may approve limited use of the proposed transaction to ensure that proper controls are in place to monitor the activity. The Board may approve the proposed transaction without instituting a Pilot Program if the proposed transaction is going to be used once (one off), where it would not be prudent to test it in a shorter time frame or smaller quantity due to constraints such as liquidity or length of term of product. The Board will use more scrutiny in approval of one-off transactions.

Prior to entering into Dodd Frank energy swaps or related trading strategies that are recommended by an applicable Dodd Frank swap dealer, such Dodd Frank energy swaps or trading strategies will be evaluated by individuals who have adequate knowledge of Big Rivers' portfolio to determine that such Dodd Frank energy swaps or trading strategies are economically appropriate to the reduction of risks in the conduct and management of Big Rivers.

All Dodd Frank swap dealer recommendations regarding non-energy Dodd Frank swaps will be reviewed and approved by the CEO.

Emergencies

In the event of an emergency, as determined by the CEO, the CEO may approve transactions that exceed the limits or restrictions of this policy. The CEO may also delegate this authority. If any emergency transactions are executed that would otherwise require Board approval, the CEO or his designee shall report such transactions to the Board as soon as practical.

Energy Related Transaction Authority Policy				
Original Effective Date	06/15/2007	Date Last Reviewed	1/17/2025	Approved by BOARD
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4. Bilateral Energy, Capacity and Transmission Purchases and Sales Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for energy, capacity and transmission transactions.

Purchases		Per Transaction Limits (up to)				Aggregate Limits (up to)	
Title	Product	Term	Lead Time	MW Size	Max. \$	Total Volume	Total \$
Board	Energy, Capacity and Transmission	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
CEO	Energy	≤ 2 Years	≤ 3 Years	≤ 400	≤ \$150/MWh	7,008,000 MWh	\$350.4 Million
	Capacity	≤ 3 Years	≤ 4 Years	≤ 100	CONE	1200 MW- Year	\$86.4 Million
	Transmission	≤ 2 Years	≤ 3 Years	≤ 200	Tariff	400 MW- Year	Tariff

Sales		Per Transaction Limits (up to)				Aggregate Limits (up to)	
Title	Product	Term	Lead Time	MW Size	Min. \$	Total Volume	Total \$
Board	Energy, Capacity and Transmission	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
CEO	Energy	≤ 2 Years	≤ 3 Years	≤ 400	No Limit	11,100,000 MWh	No Limit
	Capacity	≤ 2 Years	≤ 3 Years	≤ 500	No Limit	1500 MW- Year	No Limit
	Transmission	≤ 2 Years	≤ 3 Years	≤ 100*	No Limit	300 MW- Year	No Limit

*Lesser of 100 MW or rights to transmission capacity owned by Big Rivers.

Energy, Capacity and Transmission Authority Matrix Explanations

- Transaction limits represent the MW volume per hour and dollars/MWH for each transaction executed.
- Aggregate Limits represent the sum total MWH volume and dollars for all physical and financial forward transactions, excluding options.
- Lead time represents the time period from the date the transaction is executed to the start of the transaction.

Energy Related Transaction Authority Policy				
Original Effective Date	06/15/2007	Date Last Reviewed	1/17/2025	Approved by BOARD
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- Authorized products include energy both forwards and options, transmission and capacity, including both physical and financial derivatives. Options may only be entered into by the CEO or his designee.
- Authority for PJM and MISO products is defined in the authority matrices below.

Delivery Locations

Transactions at delivery locations outside of the Unrestricted Delivery Locations listed below are not permitted, unless approved by the CEO. Transaction at delivery locations that are normal to the daily course of business for Big Rivers, to the extent transmission is available, are authorized as follows:

Unrestricted Delivery Locations

- SERC Reliability Region
- MISO
- PJM
- RFC Reliability Region
- SPP

Firmness of Energy

The product firmness of all transactions must be provided for in an executed agreement between Big Rivers and the appropriate counterparty. Sales commitments must never be more firm than the supply source, including the purchase side of back-to-back sales, sleeves or spreads unless the CEO gives explicit written authority to sell power that is more firm than the supply source. Energy purchased as firm liquidated damages may be resold as such.

Transmission Firmness and Volume

Transmission purchases need to be of equal firmness and volume to the energy component that such transmission purchase is associated with, unless pre-approved otherwise by the CEO. (Note: Purchasing small percentages of additional transmission to cover transmission losses is permitted.) In addition, transmission may be reserved but not utilized if an energy schedule is not confirmed prior to scheduling deadlines outside of Big Rivers' or ACES's control. When this occurs, it is not considered a violation of this policy.

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5. MISO Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for MISO products.

		MISO Per Transaction Limits			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
Board	All MISO Products	No Limit	No Limit	No Max	No Max
CEO	Generation Awards	As Required by MISO	1 Operating Day	No Max	MISO Price Cap
	Demand Awards				
	Ancillary Service Awards				
	Capacity	≤ 1 Year	≤ 3 Months	500	
	Financial Transmission Rights	≤ 1 Year	≤ 3 Months	425	MISO Price Cap
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	No Max	MISO Price Cap
	Imports/Exports				

MISO Authority Matrix Explanations

- Virtual transaction award limits are per each bid/offer nodal point. Virtual purchase awards and virtual sales awards are monitored separately.
- Imports and exports are per location and are monitored separately.
- Generation Award Limits are per generating unit.
- Demand Award Limits are per each load nodal point.
- Limits for Ancillary Service Awards apply to the Regulation and Operating (Spinning and Supplemental) and Short-Term Reserve Market only.
- Capacity limits apply to capacity transacted via the MISO Capacity Auction for each generating unit and excludes the capacity required for Big Rivers' native load. \$/MWh price limit applies to capacity purchases only and not sales.
- Only Financial Transmission Rights that are bought and sold via the annual and monthly auctions are monitored per the limits above. Participation in the Annual Allocation of financial transmission rights is not considered a transaction subject to this Policy.
- Delivery lead time represents the time period between trade execution and start of flow.

Note that all MISO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from MISO, are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.

Energy Related Transaction Authority Policy				
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6. PJM Transaction Authority (Non-Bilateral)

The following outlines transaction limits, definitions, and procedural requirements for PJM products.

		PJM Per Transaction Limits			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
Board	All PJM Products	No Limit	No Limit	No Max	No Max
CEO	Generation Awards	Not Presently Transacted			
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	≤ 3 Years	≤ 1 Year	425	\$20
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	No Max	PJM Price Cap
	Imports/Exports				

PJM Authority Matrix Explanations

- Virtual transaction award limits are per each bid/offer nodal point. Incremental purchase awards and decremental sales awards are monitored separately.
- Imports and exports are per location and are each monitored separately.
- Only financial transmission rights that are bought and sold via the annual and monthly auctions are monitored per the limits above. Participation in the Annual Allocation of financial transmission rights is not considered a transaction subject to this Policy.

Note that PJM RTO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from PJM are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.

Energy Related Transaction Authority Policy				
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7. SPP Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for SPP products.

		SPP Per Transaction Limits			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
Board	All SPP Products	No Limit	No Limit	No Max	No Max
CEO	Generation Awards	As Required by SPP	1 Operating Day	40	SPP Price Cap
	Demand Awards			120	
	Imports/Exports			No Max	
	Transmission Congestion Rights	≤ 1 Year	≤ 3 Months	100	SPP Price Cap
	Ancillary Service Awards	Not Presently Transacted			
	Virtual Transaction Awards				

SPP Authority Matrix Explanations

- Generation Award Limits are per generating unit.
- Demand Award Limits are per each load location.
- Imports and exports are per location and are monitored separately.
- Only Transmission Congestion Rights (TCRs) that are bought and sold via the annual and monthly auctions are monitored per the limits above. Participation in the Annual Allocation of TCRs is not considered a transaction subject to this Policy.
- Delivery lead time represents the time period between trade execution and start of flow.
- Transaction Limits represent the MW volume per hour and dollars/MWh for each transaction executed.
- Bilateral Settlement Schedules are not monitored. Bilateral power trades are monitored per the limits identified in the Bilateral Energy, Capacity and Transmission Purchases and Sales Transaction Authority Matrix.

Note that SPP RTO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from SPP are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.

Energy Related Transaction Authority Policy				
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8. Natural/Synthetic Gas and Transportation Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for natural/synthetic gas (Gas) and transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical Volume per Day MMBtu	\$/ MMBtu	Total Physical Volume MMBtu	Total \$
Board	Gas Products	No Limit	No Limit	No Max.	No Max.	No Max.	No Max.
CEO	Physical	≤ 2 Years > 1 Year	≤ 2 Years	150,000	\$15	5 Million	\$75 Million
		≤ 1 Year		No Max.	No Max.		

Gas Authority Matrix Explanations

- Transaction limits represent the physical MMBtu volume per day and dollars/MMBtu for each transaction executed.
- Aggregate limits represent the total physical MMBtu volume and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.
- The dollar limits are based upon commodity gas only and do not include transportation, however, the term, lead time, and volume limits do apply to transportation.
- Gas products include physical gas, as well as transportation, imbalance and storage. The above authority matrix applies to both exchange transacted and OTC derivative products.

Firmness

The product firmness of all transactions must be provided for in an executed agreement between Big Rivers and the appropriate counterparty. Sales commitments of Gas must never be more firm than the Gas supply source unless pre-approved by the CEO.

Transportation Firmness and Volume

Natural gas transactions should be delivered using the most firm transportation available unless otherwise pre-approved by the CEO.

Delivery Locations

Gas transactions may only be executed at the following locations:

- Pipelines and hubs that serve Big Rivers' gas powered generation unit(s).

Physical Gas transactions may only be executed at other locations upon approval of the CEO and such transactions must support the hedging needs of Big Rivers.

Energy Related Transaction Authority Policy				
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9. Renewable Energy Credits Trading Authority

The following outlines transaction limits, definitions, and procedural requirements for renewable energy credit transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Total Volume MWh	\$/MWh	Total Volume MWh	Total \$
Board of Directors	Renewable Energy Credits	No Limit	No Limit	No Max.	No Max.	No Max.	No Max.
CEO	Renewable Energy Credits	≤ 3 Years	≤ 4 Years	400,000	\$15	800,000	\$12 Million

Renewable Energy Credits Trading Authority Matrix Explanations

- The authority matrix above addresses authority for Renewable Energy Credits (RECs).
- Transaction Limits represent the total MWh volume and dollars/MWh for each REC forward transaction executed.
- Aggregate Limits represent the sum total MWh volume and dollars for all forward transactions.
- Term limits only apply to forward transactions, not spot transactions.
- Lead time represents the time period between trade execution and delivery of the RECs. Lead time limits only apply to forward transactions and not to spot transactions.
- The Per Transaction Limits and Aggregate Limits do not apply to transactions related to RECs in Big Rivers' current possession.

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10. Fuel Oil Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for physical fuel oil transactions.

Fuel oil hedging will be conducted to hedge price risk associated with fuel oil used for plant start-up or to hedge potential fuel oil or diesel fuel price risk contained within solid fuel contracts.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical - Volume Gallons	\$/Gallon	Total Physical - Volume Gallons	Total \$
Board	Physical Fuel Oil	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Physical Fuel Oil	≤ 3 Years	≤ 2 Years	1 Million	\$6	6 Million	\$36 Million
		> 1 Year		No Max	No Max		

Fuel Oil Authority Matrix Explanations

- Transaction limits represent the total gallons and dollars/gallon for each transaction executed.
- Aggregate limits represent the sum total gallon volume and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

Energy Related Transaction Authority Policy				
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11. Solid Fuel Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for solid fuel transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/MMBtu	Total Volume Tons	Total \$
Board	Physical Solid Fuel	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Physical Solid Fuel	≤ 3 Years > 3 Months	≤ 2 Years	2.5 Million	\$6.00	4 Million	\$240 Million
		≤ 3 Months		200,000	No Max		

Solid Fuel Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars/MMBtu for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

Energy Related Transaction Authority Policy				
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12. Transportation Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	Barge, Rail or Truck Transportation	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Barge, Rail or Truck Transportation	≤ 3 Years > 1 Year	≤ 2 Years	3 Million	\$25	6 Million	\$150 Million
		≤ 1 Year		No Max	No Max		

Transportation Authority Matrix Explanations

- Authorized products include barge, rail and truck transportation transactions.
- Per transaction limits represent the total quantity in tons and dollars/ton for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

Energy Related Transaction Authority Policy				
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13. Emission Allowances Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for emissions transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	Federal SO ₂ and NO _x Emission Allowances	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Federal SO ₂ Emission Allowances	≤ 2 Years > 1 Year	≤ 2 Years	5,000	\$500	20,000	\$10 Million
		≤ 1 Year		No Max	No Max		
	Federal NO _x Emission Allowances	≤ 2 Years > 1 Year		2,500	\$2,500	12,500	\$30 Million
		≤ 1 Year		No Max	No Max		

Emission Allowance Authority Matrix Explanations

- The authority matrix above represents authority for SO₂ and NO_x emission allowances.
- Per transaction limits represent the total quantity in tons and dollars/ton for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

Energy Related Transaction Authority Policy				
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14. Limestone Reagent Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for limestone reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	Physical Limestone Reagent	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Physical Limestone Reagent	≤ 3 Years > 3 Months	≤ 2 Years	750,000	\$30	1.50 Million	\$30 Million
		≤ 3 Months		No Max	No Max		

Limestone Reagent Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

Energy Related Transaction Authority Policy				
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15. Bulk Lime and Lime Hydrate Reagent Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for bulk lime and lime hydrate reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	Physical Lime Reagent	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Physical Lime Reagent	≤ 3 Years > 3 Months	≤ 2 Years	750,000	\$200	750,000	\$150 Million
		≤ 3 Months		No Max	No Max		

Bulk Lime and Lime Hydrate Reagent Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

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16. MATS Reagent Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for MATS reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	MATS Reagent	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	MATS Reagent	≤ 3 Years > 3 Months	≤ 2 Years	25,000	\$4,000	25,000	\$100 Million
		≤ 3 Months		No Max	No Max		

MATS Reagent Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.

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17. Acknowledgements

Clear Authority and Staff and ACES Authority Delegations

Where authority is further downward delegated, it must be approved by written signature of the next authority level up prior to any execution. In no case will the delegation of authority to Big Rivers' staff or ACES exceed that of the CEO.

Violations and Sanctions

Violations of this Authority Policy must not occur. Any person covered by this policy who becomes aware of a violation of the Authority Policy has an affirmative duty to report the violation to their immediate supervisor and to the Director Strategic Planning and Risk Management who in turn shall inform the CEO. However, if it is believed that the CEO is involved, then the Big Rivers Chairman of the Board shall be notified. The responsible party (ies) will be sanctioned according to Big Rivers Risk Management Sanctions Policy (for Big Rivers Employees only, ACES employees are governed by the ACES Power Marketing Trading Sanctions Policy).

Policy Effective

This Transaction Authority Policy is in effect upon the Board's approval and shall remain in effect until a revised policy has been approved by the Board.

Responsibility

It shall be the responsibility of the Board, the CEO, the Big Rivers-IRMC and the ACES-IRMC to ensure compliance with this policy.

Number	Date	Notes	Approved by
		Replaced Risk Management Policy for Power Supply	Board
Original	06/15/2007	Trading Authority Policy w/o matrices	Board
Rev 1	10/16/2009	Name change to Energy Related Transaction Authority Policy with matrices	Board
Rev 2	11/19/2010	MISO Transaction Authority added	Board
Rev 3	12/17/2010	Updated Solid Fuel Transaction Authority	Board
Rev 4	03/18/2011	Added limestone and lime, general cleanup	Board
Rev 5	02/21/2012	Made revisions to account for retirement of Senior VP Energy Services	Board

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Rev 6	02/14/2013	Changed VP Production to Chief Operating Officer. Changed Vice President of Governmental Relations and Enterprise Risk Management to Director Enterprise Risk Management/Strategic Planning. Under MISO, changed Aggregate Planning Resource Credits to Zonal Resource Credits.	
Rev 7	03/21/2014	Add date last reviewed line and correct section 4 to comply with Appendix	Board
Rev 8	08/15/2014	Remove reference to Chief Operating Officer	Board
Rev 9	02/20/2015	Added MATS reagents transaction authority; updated transaction authority for bilateral electric power and transmission and lime reagent; general clean up.	Board
Rev 10	02/23/2016	Made changes to clarify transaction authority for purchases and sales for energy, capacity and transmission. Changes implemented to be inclusive of transportation for items shipped in bulk by barge, rail and truck. Updated transaction authority amounts for various lime and MATS reagents.	Board
Rev 11	12/16/2016	Made changes to clarify language for speculation. Eliminated daily limits for both bilateral energy, capacity and transmission purchases and sales transactions and natural/synthetic gas and transportation transactions.	Board
Rev 12	8/16/2019	Added Renewable Energy Credits trading authority	Board
Rev 13	08/21/2020	Punctuation Changes	Board
Rev 14	11/20/2020	Updated capacity purchase transaction trading authority limits and revised units for capacity and transmission transactions	Board
Rev 15	12/17/2021	Update authority limits to reflect current market conditions	Board
Rev 16	02/16/2024	Update CEO authority limits to reflect current market conditions	Board
Rev 17	12/20/2024	Adopted ACES's suggested revisions clarifying language; added SPP authority matrix; increased CEO transmission transaction authority to align	Board

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with recent history; added an exception for emergencies

Rev 18

01/17/2025

Clarified authority limits matrix with regard to RECs

Board

* Changes to this policy should be sent to ACES



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1. Policy Purpose

The purpose of this policy is to define the authority granted by the Big Rivers Electric Corporation (“Big Rivers”) Board of Directors (“Board”) to the President & Chief Executive Officer (“CEO”) to execute, or to delegate authority to execute energy-related transactions. Furthermore, it sets forth clarity and empowerment among those with transaction authority and is designed to encourage communication among individuals with transaction authority and the Board.

2. Objective

The objective of Big Rivers’ Energy Related Transaction Authority Policy is to define:

- Who has authority to execute transactions,
- The commodities and products that can be transacted,
- The authorized lead-time and term for each transaction,
- The authorized maximum price and volume,
- Counterparty contract and credit requirements,
- The process for approving new commodities, products or locations,
- Big Rivers’ intention regarding hedging and speculating,
- Other relevant factors associated with due diligence in authorizing transactions to be executed.

3. Procedural Requirements

The following defines the procedural requirements that apply to all commodities and products transacted pursuant to this policy.

Execution Authority

Execution Authority is outlined by commodity in the authority matrix sections found below. All column limits in these matrices are applied independently of one another for each authority level, in that no individual column limit may be exceeded without authorization, regardless of whether a transaction does not exceed another column limit for that same authority level. Limits for each level of authority are cumulative, and include all column limits up to and including that level. Limits are to be applied separately to each individual title listed in a matrix Title field.

The authority granted in this policy should not violate any other policy limits.

The transaction limits apply to both purchases and sales.

This policy identifies Board-authorized levels for the CEO and explicitly gives the CEO the authority to delegate authority levels to Big Rivers’ staff and ACES Power Marketing (“ACES”). The CEO has the



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authority to modify delegated authority levels (noted in Appendix A) at his sole discretion as long as the delegated authority does not exceed his own authority per this policy.

Contract Requirements

Transactions with counterparties shall only be permitted if Big Rivers has either:

- An active, valid, and executed agreement enabling such transaction activity with that counterparty,
- Long-form confirmations may be used as a valid agreement in lieu of a permanent agreement, when necessary if approved in writing by the ~~Big Rivers~~ CEO.

Credit Requirements

Credit limits for each counterparty shall not be intentionally exceeded. *(Note: Since credit exposures are a function of not only positions transacted, but also a function of market pricing and volatility, credit exposure to counterparty may unintentionally exceed a credit limit purely due to changes in the forward market.)*

Entering into unsecured transactions with a counterparty that has total credit exposure greater than or equal to its open line of credit and the total of any security currently provided will not be allowed unless approved in writing by the ~~Big Rivers~~ CEO.

Credit Slewing

~~All slewing transactions for credit purposes shall be approved by the CEO. This policy prohibits BREC from acting as a credit sleeve for any counterparty.~~ *(Note: Slewing is an arrangement where a more financially reputable entity acts as middleman for a smaller, undercapitalized entity in the purchase or sale of power.)*

Contract Slewing

This policy does not prohibit Big Rivers from being positioned between another member or customer of ACES and an external counterparty in order to bridge a contract gap that exists. The sleeve must:

- Be only for physical power, transmission or physical natural gas, not transportation,
- Be only for terms of one month or less.



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Contract sleeving on behalf of Big Rivers is approved when it is either the only or the most economical path to pursue at the discretion of ACES, with prompt after-the-fact notice to the ~~Big Rivers~~ CEO.

Transaction Communications

All communications for bilateral electric power transactions must be transacted via a recorded communication method. Examples include, but are not limited to, voice recorded communication, instant messaging, email or via an online broker account. Recorded communications must be maintained and controlled by personnel who are independent of the transaction function.

Deal Capture

~~Power transactions~~Any transaction executed by a Big Rivers employee must be promptly forwarded to ACES after the deal execution for capture in ACES risk management system.

Speculation

Speculation refers to a purchase or sale transaction in which the intent was to realize a profit without an underlying long or short generation position. No speculative transaction activities shall be permitted, and no speculative transaction positions shall be initiated. Transactions will be permitted only for purposes of hedging and portfolio optimization.

Non-Standard Products

The Board must pre-approve any transaction that involves commodities or products not listed in this policy.

Transactions Requiring Board Approval

Transactions which meet any of the following criteria must be pre-approved by the Board prior to execution:

- The transaction is a new commodity or within the list of commodities not previously transacted by Big Rivers,
- The transaction is at a location in which no transactions are permitted,
- The transaction is for something other than: physical spot or forward electricity, natural gas, fuel oil, solid fuel, ancillary services, capacity, power transmission, financial transmission rights, gas transportation, gas imbalance and storage, solid fuel transportation, exchange transacted energy products, over-the-counter (OTC) financial energy transactions, OTC energy options, federal SO₂ or NO_x emission allowances, renewable energy credits or a unit outage insurance product.



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Examples of new instruments would include the use of derivatives with different risk characteristics or the use of derivatives to implement different business strategies or goals. New instruments or locations would also include those instruments or locations that may be transacted on a “one-off” basis, which would be implementation of a derivative instrument or entry into a commodity market that, despite the anticipation of being transacted just once, would still fit the definition of a new instrument or location.

The purpose of defining a process for such transactions as noted above is to ensure that the exposures associated with them are thoroughly reviewed and understood by the Board and appropriate transaction controls are in place. The Board must approve the use of such transactions prior to execution using the process defined below:

- a) Transaction Proposal - The proposal is the responsibility of the person or business group proposing the transaction. The proposal should address the business need, risks, transaction controls, valuation methodology, accounting methodology, operations workflow/ methodology, and assessment of legal and regulatory issues.
- b) Board Review - The Board will perform a review of the benefits and risks of the proposed transaction. The Board will assess the proposed transaction and make a determination whether to add the proposed transaction to the approved list.
- c) Approval (Pilot Program) – The Board may approve limited use of the proposed transaction to ensure that proper controls are in place to monitor the activity. The Board may approve the proposed transaction without instituting a Pilot Program if the proposed transaction is going to be used once (one off), where it would not be prudent to test it in a shorter time frame or smaller quantity due to constraints such as liquidity or length of term of product. The Board will use more scrutiny in approval of one-off transactions.



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Prior to entering into Dodd Frank energy swaps or related trading strategies that are recommended by an applicable Dodd Frank swap dealer, such Dodd Frank energy swaps or trading strategies will be evaluated by individuals who have adequate knowledge of Big Rivers' portfolio to determine that such Dodd Frank energy swaps or trading strategies are economically appropriate to the reduction of risks in the conduct and management of Big Rivers.

All Dodd Frank swap dealer recommendations regarding non-energy Dodd Frank swaps will be reviewed and approved by the CEO.

Emergencies

In the event of an emergency, as determined by the CEO, the CEO may approve transactions that exceed the limits or restrictions of this policy. The CEO may also delegate this authority. If any emergency transactions are executed that would otherwise require Board approval, the CEO or his designee shall report such transactions to the Board as soon as practical.



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4. Bilateral Energy, Capacity and Transmission Purchases and Sales Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for energy, capacity and transmission transactions.

Purchases		Per Transaction Limits (up to)				Aggregate Limits (up to)	
Title	Product	Term	Lead Time	MW Size	Max. \$	Total Volume	Total \$
Board	Energy, Capacity and Transmission	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
CEO	Energy	≤ 2 Years	≤ 3 Years	≤ 400	≤ \$150/MWh	7,008,000 MWh	\$350.4 million Milli on
	Capacity	≤ 3 Years	≤ 4 Years	≤ 100	CONE	1200 MW-Year	\$86.4 million Milli on
	Transmission	≤ 2 Years	≤ 3 Years	≤ 400 200	Tariff	200 400 MW-Year	Tariff

Sales		Per Transaction Limits (up to)				Aggregate Limits (up to)	
Title	Product	Term	Lead Time	MW Size	Min. \$	Total Volume	Total \$
Board	Energy, Capacity and Transmission	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
CEO	Energy	≤ 2 Years	≤ 3 Years	≤ 400	No Limit	11,100,000 MWh	No Limit
	Capacity	≤ 2 Years	≤ 3 Years	≤ 500	No Limit	1500 MW-Year	No Limit
	Transmission	≤ 2 Years	≤ 3 Years	≤ 100*	No Limit	300 MW-Year	No Limit

*Lesser of 100 MW or rights to transmission capacity owned by Big Rivers.

Energy, Capacity and Transmission Authority Matrix Explanations

- Transaction limits represent the MW volume per hour and dollars/MWH for each transaction executed.



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- Aggregate Limits represent the sum total MWH volume and dollars for all physical and financial forward transactions, excluding options.
- Lead time represents the time period from the date the transaction is executed to the start of the transaction.
- Authorized products include energy both forwards and options, transmission and capacity, including both physical and financial derivatives. Options may only be entered into by the ~~Big Rivers~~ CEO or his designee.
- Authority for PJM and MISO products is defined in the authority matrices below.

Delivery Locations

Transactions at delivery locations outside ~~the eastern interconnect~~of the Unrestricted Delivery Locations listed below are not permitted, unless approved by the CEO. Transaction at delivery locations that are normal to the daily course of business for Big Rivers, to the extent transmission is available, are authorized as follows:

Unrestricted Delivery Locations

- SERC Reliability Region
- MISO
- PJM
- RFC Reliability Region
- SPP

~~Transaction at any other delivery locations within the eastern interconnection shall be restricted as follows:~~

Restricted Delivery Locations

~~Other eastern interconnection locations only with approval by the Big Rivers CEO.~~

Firmness of Energy

The product firmness of all transactions must be provided for in an executed agreement between Big Rivers and the appropriate counterparty. Sales commitments must never be more firm than the supply source, including the purchase side of back-to-back sales, ~~swaps~~, sleeves or spreads unless the ~~Big Rivers~~ CEO gives explicit written authority to sell power that is more firm than the supply source. Energy purchased as firm liquidated damages may be resold as such.

Transmission Firmness and Volume

Transmission purchases need to be of equal firmness and volume to the energy component that such transmission purchase is associated with, unless pre-approved otherwise by the ~~Big Rivers~~ CEO. (Note:



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Purchasing small percentages of additional transmission to cover transmission losses is permitted.) In addition, transmission may be reserved but not utilized if an energy schedule is not confirmed prior to scheduling deadlines outside of Big Rivers' or ACES's control. When this occurs, it is not considered a violation of this policy.



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5. MISO Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for MISO products.

MISO Per Transaction Limits (up to)					
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
Board	All MISO Products	No Limit	No Limit	No Max	No Max
CEO	Generation Awards	As Required by MISO	1 Operating Day	No Max	MISO Price Cap
	Demand Awards				
	Ancillary Service Awards				
	Capacity	≤ 3 Years 1 Year	≤ 3 Years Months	500	\$20MISO Price Cap
	Financial Transmission Rights	≤ 4 Years 1 Year	≤ 4 Years 3 Months	425	
	Virtual Transaction Awards	As Required by MISO	1 Operating Day	No Max	MISO Price Cap
	Imports/Exports				

MISO Authority Matrix Explanations

- Virtual transaction award limits are per each bid/offer nodal point. Virtual purchase awards and virtual sales awards are monitored separately.
- Imports and exports are per location and are monitored separately.
- Generation Award Limits are per generating unit.
- Demand Award Limits are per each load nodal point.
- Limits for Ancillary Service Awards apply to the Regulation and Operating (Spinning and Supplemental) and Short-Term Reserve Market only.
- Capacity limits apply to capacity transacted via the MISO Capacity Auction for each generating unit and excludes the capacity required for Big Rivers' native load. \$/MWh price limit applies to capacity purchases only and not sales.
- Only Financial Transmission Rights that are bought and sold via the annual and monthly auctions or in the secondary market are monitored per the limits above. Participation in the Annual Allocation of financial transmission rights is not considered a transaction subject to this Policy.
- Delivery lead time represents the time period between trade execution and start of flow.



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Note that all MISO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from MISO, are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.

6. PJM Transaction Authority (Non-Bilateral)

The following outlines transaction limits, definitions, and procedural requirements for PJM products.

		PJM Per Transaction Limits (up to)			
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
Board	All PJM Products	No Limit	No Limit	No Max	No Max
CEO	Generation Awards	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted	Not Presently Transacted
	Demand Awards				
	Ancillary Service Awards				
	Capacity				
	Financial Transmission Rights	≤ 43 Years	≤ 4 Years1 Year	425	\$20
	Virtual Transaction Awards	As Required by PJM	1 Operating Day	No Max	PJM Price Cap
Imports/Exports					

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Deleted Cells

Deleted Cells

PJM Authority Matrix Explanations

- Virtual transaction award limits are per each bid/offer nodal point. Incremental purchase awards and decremental sales awards are monitored separately.
- Imports and exports are per location and are each monitored separately.
- Only financial transmission rights that are bought and sold via the annual and monthly auctions ~~or in the secondary market~~ are monitored per the limits above. Participation in the Annual Allocation of financial transmission rights is not considered a transaction subject to this Policy.



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Note that PJM RTO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from PJM are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.



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7. ~~Natural/Synthetic Gas and Transportation~~**SPP Transaction Authority**

The following outlines transaction limits, definitions, and procedural requirements for SPP products.

SPP Per Transaction Limits					
Title	Product	Delivery Lead Time	Term	MW Size	\$/MWh
Board	All SPP Products	No Limit	No Limit	No Max	No Max
CEO	Generation Awards	As Required by SPP	1 Operating Day	40	SPP Price Cap
	Demand Awards			120	
	Imports/Exports			No Max	
	Transmission Congestion Rights	≤ 1 Year	≤ 3 Months	100	SPP Price Cap
	Ancillary Service Awards	Not Presently Transacted			
	Virtual Transaction Awards				

SPP Authority Matrix Explanations

- Generation Award Limits are per generating unit.
- Demand Award Limits are per each load location.
- Imports and exports are per location and are monitored separately.
- Only Transmission Congestion Rights (TCRs) that are bought and sold via the annual and monthly auctions are monitored per the limits above. Participation in the Annual Allocation of TCRs is not considered a transaction subject to this Policy.
- Delivery lead time represents the time period between trade execution and start of flow.
- Transaction Limits represent the MW volume per hour and dollars/MWh for each transaction executed.
- Bilateral Settlement Schedules are not monitored. Bilateral power trades are monitored per the limits identified in the Bilateral Energy, Capacity and Transmission Purchases and Sales Transaction Authority Matrix.

Note that SPP RTO day-ahead transactions, such as price-sensitive offers and bids for importing and exporting from SPP are financially firm. Hence an exception from the firmness of power for adjustments to these day ahead transactions intraday is acceptable due to the fact that these adjustments are hourly and non-firm.



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8. Natural/Synthetic Gas and Transportation Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for natural/synthetic gas (Gas) and transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical Volume per Day MefMMBtu MMBtu	\$/ MefMMBtu	Total Physical Volume MefMMBtu	Total \$
Board	Gas Products	No Limit	No Limit	No Max.	No Max.	No Max.	No Max.
CEO	Physical	≤ 2 Years > 1 Year ≤ 2 Years	≤ 2 Years	150,000	\$15	5 millionMilli	\$75 millionMilli
		≤ 1 Year		No Max.	No Max.	on	on

Gas Authority Matrix Explanations

- Transaction limits represent the physical ~~MefMMBtu~~ volume per day and dollars/~~MefMMBtu~~ for each transaction executed.
- Aggregate limits represent the total physical ~~MefMMBtu~~ volume and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.
- The dollar limits are based upon commodity gas only and do not include transportation, however, the term, lead time, and volume limits do apply to transportation.
- Gas products include physical gas, as well as transportation, imbalance and storage. The above authority matrix applies to both exchange transacted and OTC derivative products.

Gas Firmness

The product firmness of all transactions must be provided for in an executed agreement between Big Rivers and the appropriate counterparty. Sales commitments of Gas must never be more firm than the Gas supply source unless pre-approved by the ~~Big Rivers~~ CEO.

Transportation Firmness and Volume



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~~Transportation purchases need to be delivered using the Gas component that such most firm transportation purchase is associated with, available unless otherwise pre-approved otherwise by the Big Rivers CEO.~~
Natural gas transactions should be of equal firmness and volume

Delivery Locations

Gas transactions may only be executed at the following locations:

- Pipelines and hubs that serve Big Rivers' gas powered generation unit(s).

Physical Gas transactions may only be executed at other locations upon approval of the ~~Big Rivers~~ CEO and such transactions must support the hedging needs of Big Rivers.



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89. Renewable Energy Credits Trading Authority

The following outlines transaction limits, definitions, and procedural requirements for renewable energy credit transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Total Volume MWh	\$/ MWh	Total Volume MWh	Total -\$
Board of Directors	Renewable Energy Credits	No Limit	No Limit	No Max.	No Max.	No Max.	No Max.
CEO	Renewable Energy Credits	≤ 3 Years	≤ 4 Years	400,000	\$15	800,000	\$12 Million

Renewable Energy Credits Trading Authority Matrix Explanations

- The authority matrix above addresses authority for Renewable Energy Credits (RECs).
- Transaction Limits represent the total MWh volume and dollars/MWh for each REC forward transaction executed.
- Aggregate Limits represent the sum total MWh volume and dollars for all forward transactions.
- Term limits only apply to forward transactions, not spot transactions.
- Lead time represents the time period between trade execution and delivery of the RECs. Lead time limits only apply to forward transactions and not to spot transactions.



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- ~~9~~The Per Transaction Limits and Aggregate Limits do not apply to transactions related to RECs in Big Rivers' current possession.

10. Fuel Oil Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for physical fuel oil transactions.

Fuel oil hedging will be conducted to hedge price risk associated with fuel oil used for plant start-up or to hedge potential fuel oil or diesel fuel price risk contained within solid fuel contracts.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Physical - Volume Gallons	\$/Gallon	Total Physical - Volume Gallons	Total \$
Board	Physical Fuel Oil	No Limit	No Limit	No Max	No Max	No Max	No Max



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CEO	Physical Fuel Oil	>1 Year	≤ 2 Years	1,000,000	\$6	6,000,000	\$36
		≤ 3 Years		Million			
		> 1 Year		No Max	No Max		
		≤ 1 Year				Million	on

Fuel Oil Authority Matrix Explanations

- Transaction limits represent the total gallons and dollars/gallon for each transaction executed.
- Aggregate limits represent the sum total gallon volume and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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~~1011~~. Solid Fuel Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for solid fuel transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/MMBtu	Total Volume Tons	Total \$
Board	Physical -Solid Fuel	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Physical Solid Fuel	≤ 3 Years > 3 Months	≤ 2 Years	2,500,000 <u>5 Million</u>	\$6.00	4	\$240
		≤ 3 Years				millionMil <u>lion</u>	millionMil <u>lion</u>
		≤ 3 Months		200,000	No Max		

Solid Fuel Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars/MMBtu for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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12. Transportation Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for transportation transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total - \$
Board	Barge, Rail or Truck Transportation	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Barge, Rail or Truck Transportation	> 1 Year	≤ 2 Years	3	\$25	6	\$150
		≤ 3 Years		million M		million Milli	million Milli
		> 1 Year		No Max	No Max	on	on
		≤ 1 Year					

Transportation Authority Matrix Explanations

- Authorized products include barge, rail and truck transportation transactions.
- Per transaction limits represent the total quantity in tons and dollars/ton for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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13. Emission Allowances Transaction Authority^a

The following outlines transaction limits, definitions, and procedural requirements for emissions transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	Federal SO ₂ and NO _x Emission Allowances	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Federal SO ₂ Emission Allowances	> 1 Year ≤ 2 Years	≤ 2 Years	5,000	\$500	20,000	\$10 million <u>Mil</u> <u>lion</u>
		> 1 Year ≤ 1 Year		No Max	No Max		
	Federal NO _x Emission Allowances	> 1 Year ≤ 2 Years		2,500	\$2,500	12,500	\$30 million <u>Mil</u> <u>lion</u>
		> 1 Year ≤ 1 Year		No Max	No Max		

Emission Allowance Authority Matrix Explanations

- The authority matrix above represents authority for SO₂ and NO_x emission allowances.
- Per transaction limits represent the total quantity in tons and dollars/ton for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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~~1314~~. Limestone Reagent Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for limestone reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total -\$
Board	Physical Limestone Reagent	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	Physical Limestone Reagent	≤ 3 Years	≤ 2 Years	750,000	\$30	1.50	\$30
		> 3 Months				millionMil	millionMil
		≤ 3 Years		No Max	No Max	lion	lion
		≤ 3 Months		No Max	No Max		

Limestone Reagent Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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1415. Bulk Lime and Lime Hydrate Reagent Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for bulk lime and lime hydrate reagent transactions.

		Per Transaction Limits (up to)				Aggregate Limits (up to)		
Title	Product	Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total -\$	
Board	Physical Lime Reagent	No Limit	No Limit	No Max	No Max	No Max	No Max	
CEO	Physical Lime Reagent	≤ 3 Years > 3 Months	≤ 2 Years	750,000	\$200	750,000	\$150 million Mil lion	
		≤ 3 Years		No Max	No Max			
		≤ 3 Months						

Bulk Lime and Lime Hydrate Reagent Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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~~15~~16. MATS Reagent Transaction Authority

The following outlines transaction limits, definitions, and procedural requirements for MATS reagent transactions.

Title	Product	Per Transaction Limits (up to)				Aggregate Limits (up to)	
		Term	Lead Time	Volume Tons	\$/Ton	Total Volume Tons	Total \$
Board	MATS Reagent	No Limit	No Limit	No Max	No Max	No Max	No Max
CEO	MATS Reagent	≤ 3 Years	≤ 2 Years	25,000	\$4,000	25,000	\$100 million Mil lion
		> 3 Months					
		≤ 3 Years		No Max	No Max		
		≤ 3 Months					

MATS Reagent Authority Matrix Explanations

- Authorized products include physical spot and forward transactions and options on physical forwards.
- Per transaction limits represent the total quantity in tons and dollars for each transaction executed.
- Aggregate limits represent the sum total quantity in tons and dollars for all forward transactions.
- Lead time represents the time period from the date a transaction is executed to the start of the transaction.



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~~1617~~. Acknowledgements

Clear Authority and Staff and ACES Authority Delegations

Where authority is further downward delegated, it must be approved by written signature of the next authority level up prior to any execution. In no case will the delegation of authority to Big Rivers' staff or ACES exceed that of the ~~Big Rivers~~ CEO.

Violations and Sanctions

Violations of this Authority Policy must not occur. Any person covered by this policy who becomes aware of a violation of the Authority Policy has an affirmative duty to report the violation to their immediate supervisor and to the Director Strategic Planning and Risk Management who in turn shall inform the ~~Big Rivers~~ CEO. However, if it is believed that the ~~Big Rivers~~ CEO is involved, then the Big Rivers Chairman of the Board shall be notified. The responsible party (ies) will be sanctioned according to Big Rivers Risk Management Sanctions Policy (for Big Rivers Employees only, ACES employees are governed by the ACES Power Marketing Trading Sanctions Policy).

Policy Effective

This Transaction Authority Policy is in effect upon the Board's approval and shall remain in effect until a revised policy has been approved by the Board.

Responsibility

It shall be the responsibility of the Board, the CEO, the Big Rivers-IRMC and the ACES-IRMC to ensure compliance with this policy.

Number	Date	Notes	Approved by
		Replaced Risk Management Policy for Power Supply	Board
Original	06/15/2007	Trading Authority Policy w/o matrices	Board
Rev 1	10/16/2009	Name change to Energy Related Transaction Authority Policy with matrices	Board
Rev 2	11/19/2010	MISO Transaction Authority added	Board
Rev 3	12/17/2010	Updated Solid Fuel Transaction Authority	Board
Rev 4	03/18/2011	Added limestone and lime, general cleanup	Board



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Rev 5	02/21/2012	Made revisions to account for retirement of Senior VP Energy Services	Board
Rev 6	02/14/2013	Changed VP Production to Chief Operating Officer. Changed Vice President of Governmental Relations and Enterprise Risk Management to Director Enterprise Risk Management/Strategic Planning. Under MISO, changed Aggregate Planning Resource Credits to Zonal Resource Credits.	
Rev 7	03/21/2014	Add date last reviewed line and correct section 4 to comply with Appendix	Board
Rev 8	08/15/2014	Remove reference to Chief Operating Officer	Board
Rev 9	02/20/2015	Added MATS reagents transaction authority; updated transaction authority for bilateral electric power and transmission and lime reagent; general clean up.	Board
Rev 10	02/23/2016	Made changes to clarify transaction authority for purchases and sales for energy, capacity and transmission. Changes implemented to be inclusive of transportation for items shipped in bulk by barge, rail and truck. Updated transaction authority amounts for various lime and MATS reagents.	Board
Rev 11	12/16/2016	Made changes to clarify language for speculation. Eliminated daily limits for both bilateral energy, capacity and transmission purchases and sales transactions and natural/synthetic gas and transportation transactions.	Board
Rev 12	8/16/2019	Added Renewable Energy Credits trading authority	Board
Rev 13	08/21/2020	Punctuation Changes	Board
Rev 14	11/20/2020	Updated capacity purchase transaction trading authority limits and revised units for capacity and transmission transactions	Board
Rev 15	12/17/ 24 2021	Update authority limits to reflect current market conditions	Board
Rev 16	02/16/ 24 2024	Update CEO authority limits to reflect current market conditions	Board



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Rev 17 12/20/2024 Adopted ACES's suggested revisions clarifying language; added SPP authority matrix; increased CEO transmission transaction authority to align with recent history; added an exception for emergencies Board

Rev 18 01/17/2025 Clarified authority limits matrix with regard to RECs Board

* Changes to this policy should be sent to ACES

Hedge Policy				
Original Effective Date	07/16/2009	Date Last Reviewed	05/16/2025	Approved by BOARD
Original Approval Date	06/15/2007	Date Last Revised	05/16/2025	

I. Objective

Big Rivers Electric Corporation (“Big Rivers”) recognizes the value of managing its energy market uncertainty and risk through the judicious use of power supply hedging. This Hedge Policy establishes guidelines for the disciplined hedging of Big Rivers’ power supply obligations while maintaining a degree of flexibility. The primary purpose of this Hedge Policy is to manage power supply costs and Fuel Cost Adjustment (“FCA”) risks inherent in Big Rivers’ requirement to supply power to meet its load obligations.

This policy sets forth requirements designed to manage Big Rivers’ energy, capacity, transmission congestion, and emission allowance (collectively, “Power Supply”) exposure associated with its obligations to meet its member-owner, customer, and other related power supply requirements (collectively, “Load Obligations”), in compliance with applicable governmental, market, contractual and other regulations and requirements to which Big Rivers is subject. A key component of this policy is a monthly compliance report for the Board of Directors (“Board”), which is outlined herein.

II. Hedge Policy

Big Rivers will manage its Power Supply exposures and market uncertainty using power, fuel, capacity, and transmission congestion hedging. This policy employs a price-averaging strategy of declining hedge percentage requirements over forward time periods. This strategy protects Big Rivers from potential adverse effects from commodity price movements. The hedge criteria in the following sections represent the risk tolerance of Big Rivers’ Board and identify the processes Big Rivers will employ to manage these key Power Supply risks.

Big Rivers will report any deviations from its Hedge Policy to its Board and seek Board approval of the deviation when applicable.

A. Energy Hedging

A key goal of this policy is to hedge energy exposures and market risks within defined volumetric limits during specified rolling timeframes to meet Big Rivers’ forecasted and anticipated Load Obligations. This policy employs a Total Hedged Energy methodology whereby generation production will generally be considered an energy hedge if (a) the associated energy has an agreed-upon or contracted price or (b) the respective fuel requirements to determine the cost to generate energy are hedged with on-site fuel inventory or natural gas storage, a fixed price physical product, or financial trading instrument. Big Rivers will only hedge fuel associated with the generation to serve its Load Obligations. Big Rivers will not put hedges in place for fuel used to produce energy to sell off-system unless required to support a forward off-system sale.

Hedge Limits

Figure 1 outlines the required Total Hedged Energy as a percentage of Big Rivers’ Load Obligations for a given period. For purposes of this policy, Load Obligations are considered hedged or procured to the extent that the projected need is met by 1) authorized purchase transactions as defined in the Big Rivers Energy Related Transaction Authority Policy (Board

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Policy 105), or 2) authorized fuel transactions combined with physical generation unit ownership, heat rate transactions, or physical capacity transactions.

Additionally, commodity option transactions with out-of-the-money strike prices may be used to hedge forward volumes, provided they do not account for more than 15 percent of the projected energy needs in any given month, and they are not more than 50 percent out-of-the-money at the time of the transaction.

Figure 1.

Portfolio Limits (NOP %)				
	Current Year	Prompt Year	Prompt Year + 1	Prompt Year + 2
Measurement Period	Monthly	Monthly	Monthly	Yearly
Minimum Policy Limit	70%	60%	55%	50%
Target Threshold	Peak Months: 85% Shoulder Months: 75%			
Maximum Policy Limit	150%	175%	175%	175%

- The Net Open Position (%) is defined as the total projected Big Rivers hedged generation, power purchase agreements, power purchases and sales (both Financial and Physical) divided by the total projected Big Rivers tariff retail load and contracted load. KYMEA and OMU are modeled as a contracted load.
 - $$NOP(\%) = \left(\frac{Gen + PPA + Purchases - Sales}{Tariff\ Load + Contracted\ Load} \right)$$
- The Minimum and Maximum Policy Limits reflect the amount of hedged energy that Big Rivers is required to maintain for a given period. Hedge volumes that fall outside these limits require Big Rivers to take action to bring the portfolio into compliance, or it may seek Board Approval to operate outside those limits. The Target Threshold represents the hedge volumes that Big Rivers will strive to meet if potential hedges prove to have high utilization factors, and they provide significant risk reduction and value to the portfolio.
- Peak Months are defined as December, January, February, June, July, and August. Shoulder Months are defined as March, April, May, September, October, and November.
- A grace period will be given to Prompt year + 2 and Prompt Year + 3 as it rolls over to Prompt Year + 1 and Prompt year + 2, respectively, to avoid hedging the portfolio to its minimum hedge targets on a monthly level in the Winter. The new Prompt Year + 1 and Prompt Year + 2 should be hedged to its minimum monthly hedge targets by June 1st of the new year.

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5. The Portfolio will not be considered out-of-compliance due to a portfolio change (e.g., updated load forecast, change in generators availability or economics, etc.) until it has been (1) reported to the Board for two consecutive months, and (2) no action has been taken to correct the position or receive an exemption from its Hedge Policy from its Board.

For the above tables, Big Rivers will hedge projected Energy needs based on the following criteria:

- Lead Time: The amount of time from the current period. Defined in months, quarters, or years.
- Measurement Period: This is the mechanism under which this volumetric limit is measured. There are two measures - rolling, where the measurement period changes monthly and calendar year, where the measurement period is only changed at the change of a calendar year. In the case of conflict, the rolling criterion has precedence over the calendar year.
- Minimum and Maximum Limits: These are the minimum and maximum percentages that must be hedged with fixed price Commodities, of which up to 15% may be covered with options.
- Target Threshold: If Big Rivers is below this threshold, Big Rivers would strive to purchase power to reach this Threshold. If Big Rivers is above this threshold, Big Rivers may sell power to reach this Threshold. Based on Hedge Utilization, this is around the point where on an hourly level Big Rivers is not having to sell back too much power so most of our hedge is being utilized.

Unforeseen Events: Unforeseen events can result in a relatively sudden change in the Total Energy Requirements or Total Hedged Energy that could result in immediate non-compliance with the energy hedging requirements. Big Rivers will act in a timely manner to avoid or mitigate such non-compliance in as fiscally and operationally prudent manner with the primary intent of reducing overall risk to Big Rivers. In instances where non-compliance is unavoidable, it will not be considered a policy deviation.

B. MISO Resource Adequacy Requirements

Big Rivers is a load-serving entity in the MISO market and must comply with seasonal resource adequacy requirements as set forth by the MISO tariff. The general requirement is for Big Rivers to have sufficient accredited capacity to meet its zonal Planning Reserve Margin Requirement (PRMR). Big Rivers' total capacity requirement is established by MISO-defined seasons and Local Resource Zones ("LRZ") for a planning year (i.e., Year 0), which runs from June to May. This load-based requirement reflects Member and Customer forecasted demand coincident with MISO's system-wide peak demand, including MISO-prescribed adjustments for delivery system losses, Reliability-Based Demand Curve (RBDC) Adder, and Planning Reserve Margin ("PRM"). Total accredited capacity values (i.e., zonal resource credits) are established by MISO-defined seasons for individual capacity resources.

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Big Rivers will meet the Minimum Capacity Hedge requirements and targets outlined in Figure 2.

Figure 2.

Minimum Capacity Hedge as a Proportion of the Total Capacity Requirement			
Season	Year 1 Requirement	Year 2 Target	Year 3 Target
Summer	80%	60%	45%
Winter	80%	60%	45%
Fall	80%	60%	45%
Spring	80%	60%	45%
Average Annual Target	80%	65%	50%

- **Planning Year:** Year 1 represents the planning year for the next MISO Planning Resource Auction (“PRA”), Year 2 reflects the following planning year, and Year 3 reflects the subsequent planning year. The new planning year for policy compliance measurement purposes begins once capacity offers are submitted into MISO’s PRA. Year 2 will become Year 1, Year 3 will become Year 2, and so forth
- **Capacity Hedge Requirements:** Big Rivers will hedge its Total Capacity Requirement for each season in Year 1 and the Average Annual Target, according to the minimum hedge percentages in Figure 2 at least 15 days prior to the start of the MISO PRA.
- **Capacity Hedge Targets:** Big Rivers will analyze Year 1 capacity values, future load requirements, and any approved changes to future MISO resource adequacy rules to develop strategies that are reasonably expected to achieve the minimum hedge percentage targets for Years 2 and 3. Big Rivers will attempt to meet hedge targets for Year 2 and Year 3 before MISO publishes the results of the upcoming PRA.
- **Unplanned Loss of Capacity:** An unexpected loss of capacity (e.g., loss or derate of an asset, change in MISO rules, etc.) in any season(s) shall not constitute policy non-compliance. To the extent such an unexpected loss impacts hedging estimates or strategies for Years 1 - 3, Big Rivers will take steps to prudently revise its strategies for those years within the timeframe set forth and at the direction of the Board, if necessary.
- **MISO Tariff Changes:** MISO may revise future capacity requirements applicable to load or resources that may cause Big Rivers not to achieve the minimum capacity hedge requirements or targets set forth in Figure 2. Such MISO Tariff changes will not constitute policy non-compliance for the first year after such date that MISO obtains all required regulatory approvals for such capacity-related changes.
- **MISO Zonal Guidelines:** Big Rivers will attempt to procure any ZRC deficiency from Zone 6, where its load is located. If Zone 6 capacity is not available, Big Rivers will attempt to purchase capacity from an LRZ that it expects to clear similarly or better, to minimize zonal capacity price

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differences.

C. Congestion Hedging with Financial Transmission Rights (FTR)

It will be Big Rivers' policy to actively participate in the MISO FTR allocation and auction process with a prudent and predetermined strategy for addressing the planning year congestion risk.

Big Rivers will target to mitigate a minimum of 50% of congestion exposure (measured by annual native load and non-member sales requirements) prior to or by the end of the MISO annual FTR auction.

Big Rivers will target to mitigate a minimum of 70% of congestion exposure prior to the month of delivery.

D. Emission Allowance Hedging

This hedging policy calls for the establishment of an emission allowance procurement process to meet expected future requirements. Fixed price hedges for emission allowances include (1) actual or expected emission allowances allocated to Big Rivers from the Environmental Protection Agency ("EPA"), (2) fixed price allowance purchases and sales, and (3) projected, budgeted, and Board-approved emission control equipment additions. Big Rivers will adopt dollar-cost averaging when it needs to purchase emission allowances, like its approach for other Commodities. Big Rivers will maintain fixed price allowance hedges based on Figure 3.

Figure 3.

Lead Time	Current Calendar Year	Calendar Year Two	Calendar Year Three
Minimum (%)	80	70	60

Per applicable regulatory requirements, Big Rivers will hold enough allowances in all compliance accounts to cover emissions for the current reporting period. Specifically, all compliance accounts shall be populated with sufficient allowances to cover emissions for the current reporting period prior to the accounts being closed by the EPA, which is currently two (2) consecutive calendar months after the end of the reporting period. Furthermore, the Designated Representative will ensure that all compliance accounts have an adequate number of allowances prior to running "Final Compliance True up" after the accounts have been closed by the EPA.

Big Rivers will not buy emission allowances from the market for any given year if it results in emission allowances that exceed 105 percent of its expected needs without prior CEO approval.

III. Risk Measurement and Compliance Reporting

Risk measurement and policy compliance within the volumetric and lead time criteria will be provided to Big Rivers' Board monthly. This report will generally cover five years of projections.

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Original Approval Date	06/15/2007	Date Last Revised	05/16/2025	

Responsibility

It shall be the responsibility of the Board, CEO, and Internal Risk Management Committee (IRMC) to ensure compliance with this policy. Implementation of this policy shall adhere to the authority granted in the Energy Related Transaction Authority Policy (Board Policy 105).

Number	Date	Notes	Approved by
Original	06/15/2007	Approved to be effective at close of unwind	Board
Rev 1	03/16/2012	Update out-of-date language (joining MISO, old policy reference), general cleanup	Board
Rev 2	09/18/2015	Update terminology (I.E. energy to Commodity, coal to solid fuel, electricity to purchased power), removed Appendix A (out-of-date examples) and Appendix B (no longer applicable), updated emission allowance section to be more concise and clarified resource diversity language.	Board
Rev 3	09/16/2016	Clarified Policy Reference	Board
Rev 4	08/10/2018	Removed capacity resources from resource diversity management	Board
Rev 5	08/16/2019	Modified the resource diversity management requirements	Board
Rev 6	08/21/2020	Coal hedge percentage changes	Board
Rev 7	12/17/2021	Update to reflect limited number of suppliers in current fuel market	Board
Rev 8	05/16/2025	Updated to reflect our energy short position	Board



BOARD POLICY

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Original Effective Date	07/16/2009	Date Last Reviewed	04/17/05/16/2025	Approved by BOARD
Original Approval Date	06/15/2007	Date Last Revised	12/17/202105/16/2025	

I. Objective

The Big Rivers Electric Corporation ("Big Rivers") Hedge Policy will guide recognizes the value of managing its energy market uncertainty and risk through the judicious use of power supply hedging. This Hedge Policy establishes guidelines for the disciplined hedging of forward natural gas, solid fuel, fuel oil and purchased power resources ("Commodity/Commodities"). This Hedge Policy is designed to reduce Member Owners' wholesale rate volatility and to maintain rates within desired tolerances. Big Rivers' power supply obligations while maintaining a degree of flexibility. The primary purpose of this policy is Hedge Policy is to manage power supply costs and Fuel Cost Adjustment ("FCA") risks inherent in Big Rivers' requirement to supply power to identify specific time and volume (as a percent of total projected generation) criteria for procuring projected Commodity-related needs. meet its load obligations.

This policy sets forth requirements designed to manage Big Rivers' energy, capacity, transmission congestion, and emission allowance (collectively, "Power Supply") exposure associated with its obligations to meet its member-owner, customer, and other related power supply requirements (collectively, "Load Obligations"), in compliance with applicable governmental, market, contractual and other regulations and requirements to which Big Rivers is subject. A key component of this policy is a monthly compliance report for the Board of Directors ("Board"), which is outlined herein.

II. Hedge Policy largely

Big Rivers will manage its Power Supply exposures and market uncertainty using power, fuel, capacity, and transmission congestion hedging. This policy employs a price-averaging strategy of declining hedge percentage of Commodity supply positions held requirements over forward time periods. This strategy protects Big Rivers from potential adverse impacts that could result in either significant Commodity effects from commodity price increases or decreases. The strategy also maintains some elements of procurement flexibility. For example, during times of extremely attractive market conditions, this policy allows for increasing the amount of forward Commodities hedged above the stated ranges with the concurrence of the Board of Directors ("Board"). A key component of the policy is a monthly compliance report for the Board, which is outlined herein.

Although this document is primarily concerned with managing Commodity costs and risks, a limited amount of discussion on capacity adequacy, transmission congestion risk, emission allowances and fuel transportation based on similar principles is included.

2. movements. The Hedge Policy Criteria

The hedging criteria identified within this policy address the primary Commodity supply portfolio components that affect rates and reliability the most. Accordingly, the hedge criteria in the following sections represent the risk tolerance of Big RiversRivers' Board and identify the processes Big Rivers will employ to manage these key Commodity supplyPower Supply risks.

a. Volumetric and Lead Time Criteria for Hedging

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Hedge Policy				
Original Effective Date	07/16/2009	Date Last Reviewed	04/17/05/16/2025	Approved by BOARD
Original Approval Date	06/15/2007	Date Last Revised	12/17/202105/16/2025	

This policy employs a total Commodity hedging methodology whereby the MWh equivalent of all Commodity hedges are compared to the expected generation of Big Rivers. To apply as a Commodity hedge, fuel purchases must be combined with physical generation ownership or contracted capacity. The MWh equivalent hedge from fuel purchases will be the volume of mmbtus of fuel procured for the unit or contract divided by the expected average heat rate of the generation unit or contract divided by 1,000. The total Commodity hedge is the MWh equivalent of the sum of fuel purchases and electricity purchases.

Rolling-Big Rivers will report any deviations from its Hedge Policy to its Board and seek Board approval of the deviation when applicable.

A. Energy Hedging

A key goal of this policy is to hedge energy exposures and market risks within defined volumetric limits during specified rolling timeframes to meet Big Rivers' forecasted and anticipated Load Obligations. This policy employs a Total Hedged Energy methodology whereby generation production will generally be considered an energy hedge if (a) the associated energy has an agreed-upon or contracted price or (b) the respective fuel requirements to determine the cost to generate energy are hedged with on-site fuel inventory or natural gas storage, a fixed price physical product, or financial trading instrument. Big Rivers will only hedge fuel associated with the generation to serve its Load Obligations. Big Rivers will not put hedges in place for fuel used to produce energy to sell off-system unless required to support a forward off-system sale.

Hedge Limits

Figure 1 outlines the required Total Hedged Energy as a Monthly Hedge Ranges. One criteria of this policy is to have Commodities procured within defined volumetric ranges during the following rolling timeframes. These ranges identify the percentage of Big Rivers' projected total Commodity needs that will be procured with fixed price Commodities over a Load Obligations for a given time period. For purposes of this policy, Commodity needsLoad Obligations are considered hedged or procured to the extent that the projected need is met by 1) authorized purchase transactions as defined in the Big Rivers Energy Related Transaction Authority Policy (Board Policy 105), or 2) authorized fuel transactions combined with physical generation unit ownership, heat rate transactions, or physical capacity transactions.

Additionally, Commoditycommodity option transactions with out-of-the-money strike prices may be used to hedge forward volumes, provided that they do not account for more than 15 percent of the projected Commodityenergy needs in any given month, and they are not more than 50 percent out-of-the-money at the time of the transaction.

Figure 1.

Lead	Month s	Months 4 thru 12	Quarters 5 thru 8	Quarters 9 thru 12	Years
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Time Portfolio Limits (NOP %)					
Measurement Period	Rolling Current Year	Rolling Prompt Year	Rolling Prompt Year + 1	Rolling Prompt Year + 2	Calendar Prompt Year
Measurement Period Hedging Frequency	Monthly	Monthly	Quarterly	Monthly	Quarterly
Minimum Policy Limit	70%	60%	55%	50%	
Range (%) Target Threshold	75-100 Peak Months: 85% Shoulder Months: 75%	50-100	25-75	0-75	0-50
Maximum Policy Limit	150%	175%	175%	175%	

1. The Net Open Position (%) is defined as the total projected Big Rivers hedged generation, power purchase agreements, power purchases and sales (both Financial and Physical) divided by the total projected Big Rivers tariff retail load and contracted load. KYMEA and OMU are modeled as a contracted load.

$$a. \text{NOP}(\%) = \frac{(\text{Gen} + \text{PPA} + \text{Purchases} - \text{Sales})}{(\text{Tariff Load} + \text{Contracted Load})}$$

2. The For the above table, Big Rivers will hedge projected Commodity Minimum and Maximum Policy Limits reflect the amount of hedged energy that Big Rivers is required to maintain for a given period. Hedge volumes that fall outside these limits require Big Rivers to take action to bring the portfolio into compliance, or it may seek Board Approval to operate outside those limits. The Target Threshold represents the hedge volumes that Big Rivers will strive to meet if potential hedges prove to have high utilization factors, and they provide significant risk reduction and value to the portfolio.
3. Peak Months are defined as December, January, February, June, July, and August. Shoulder Months are defined as March, April, May, September, October, and November.
4. A grace period will be given to Prompt year + 2 and Prompt Year + 3 as it rolls over to Prompt Year + 1 and Prompt year + 2, respectively, to avoid hedging the portfolio to its minimum hedge targets on a monthly level in the Winter. The new Prompt Year + 1 and Prompt Year + 2 should be hedged to its minimum monthly hedge targets by June 1st of the new year.



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5. The Portfolio will not be considered out-of-compliance due to a portfolio change (e.g., updated load forecast, change in generators availability or economics, etc.) until it has been (1) reported to the Board for two consecutive months, and (2) no action has been taken to correct the position or receive an exemption from its Hedge Policy from its Board.

For the above tables, Big Rivers will hedge projected Energy needs based on the following criteria:

- Lead Time: The amount of time from the current period. Defined in months, quarters, or years.
- Measurement Period: This is the mechanism under which this volumetric ~~range~~limit is measured. There are two measures - rolling, where the measurement period changes monthly and calendar year, where the measurement period is only changed at the change of a calendar year. In the case of conflict, the rolling criterion has precedence over ~~the~~ calendar year.
- ~~Hedging Frequency: This is primarily useful in conjunction with the rolling measurement period. This is the frequency that the rolling measurement period changes for policy compliance reporting purposes. The hedging frequency period prevents, for example, a situation where the transaction execution staff would have to hedge month 36 (the last month of quarter 12) at a time where monthly purchases~~
Minimum and Maximum Limits: These are ~~very illiquid (not readily available).~~
- Range: This is the ~~range of overall Commodity needs~~minimum and maximum percentages that ~~will~~must be hedged with fixed price Commodities, of which up to 15 ~~percent~~% may be covered with options.

~~Commodity procurements that deviate from the stated range will require approval of the Board, and will be part of the regular reporting to the Board.~~

~~Commodity hedging will be a complementary hedging activity since Big Rivers has natural gas and coal-fired generation. Big Rivers may also hedge with Commodities if it enters a transaction that uses a natural gas, fuel oil, or coal index price to derive its electricity cost. Such natural gas, fuel oil, and coal-related generation or purchase transactions, while considered capacity, would not be considered Commodity hedges until the projected Commodity volumes are procured. In order to allow flexibility in overall Commodity hedging decisions, specific sub-targets for natural gas hedging are not set within this policy.~~

- Target Threshold: If Big Rivers is below this threshold, Big Rivers would strive to purchase power to reach this Threshold. If Big Rivers is above this threshold, Big Rivers may sell power to reach this Threshold. Based on Hedge Utilization, this is around the point where on an hourly level Big Rivers is not having to sell back too much power so most of our hedge is being utilized.



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Unforeseen Events: Unforeseen events can result in a relatively sudden change in the Total Energy Requirements or Total Hedged Energy that could result in immediate non-compliance with the energy hedging requirements. Big Rivers will act in a timely manner to avoid or mitigate such non-compliance in as fiscally and operationally prudent manner with the primary intent of reducing overall risk to Big Rivers. In instances where non-compliance is unavoidable, it will not be considered a policy deviation.

A.B. MISO Resource Adequacy Requirements

Big Rivers will comply with all MISO capacity requirement rules. Big Rivers is a load-serving entity in the MISO market and must comply with seasonal resource adequacy requirements as set forth by the MISO tariff. The general requirement is for Big Rivers to have sufficient accredited capacity to meet its zonal Planning Reserve Margin Requirement (PRMR). Big Rivers' total capacity requirement is established by MISO-defined seasons and Local Resource Zones ("LRZ") for a planning year (i.e., Year 0), which runs from June to May. This load-based requirement reflects Member and Customer forecasted demand coincident with MISO's system-wide peak demand, including MISO-prescribed adjustments for delivery system losses, Reliability-Based Demand Curve (RBDC) Adder, and Planning Reserve Margin ("PRM"). Total accredited capacity values (i.e., zonal resource credits) are established by MISO-defined seasons for individual capacity resources.

Big Rivers will meet the Minimum Capacity Hedge requirements and targets outlined in Figure 2.

Figure 2.

Minimum Capacity Hedge as a Proportion of the Total Capacity Requirement			
Season	Year 1 Requirement	Year 2 Target	Year 3 Target
Summer	80%	60%	45%
Winter	80%	60%	45%
Fall	80%	60%	45%
Spring	80%	60%	45%
Average Annual Target	80%	65%	50%

- Planning Year: Year 1 represents the planning year for the next MISO Planning Resource Auction ("PRA"), Year 2 reflects the following planning year, and Year 3 reflects the subsequent planning year. The new planning year for policy compliance measurement purposes begins once capacity offers are submitted into MISO's PRA. Year 2 will become Year 1, Year 3 will become Year 2, and so forth
- Capacity Hedge Requirements: Big Rivers will hedge its Total Capacity Requirement for each



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season in Year 1 and the Average Annual Target, according to the minimum hedge percentages in Figure 2 at least 15 days prior to the start of the MISO PRA.

- Capacity Hedge Targets: Big Rivers will analyze Year 1 capacity values, future load requirements, and any approved changes to future MISO resource adequacy rules to develop strategies that are reasonably expected to achieve the minimum hedge percentage targets for Years 2 and 3. Big Rivers will attempt to meet hedge targets for Year 2 and Year 3 before MISO publishes the results of the upcoming PRA.
- Unplanned Loss of Capacity: An unexpected loss of capacity (e.g., loss or derate of an asset, change in MISO rules, etc.) in any season(s) shall not constitute policy non-compliance. To the extent such an unexpected loss impacts hedging estimates or strategies for Years 1 - 3, Big Rivers will take steps to prudently revise its strategies for those years within the timeframe set forth and at the direction of the Board, if necessary.
- MISO Tariff Changes: MISO may revise future capacity requirements applicable to load or resources that may cause Big Rivers not to achieve the minimum capacity hedge requirements or targets set forth in Figure 2. Such MISO Tariff changes will not constitute policy non-compliance for the first year after such date that MISO obtains all required regulatory approvals for such capacity-related changes.
- MISO Zonal Guidelines: Big Rivers will attempt to procure any ZRC deficiency from Zone 6, where its load is located. If Zone 6 capacity is not available, Big Rivers will attempt to purchase capacity from an LRZ that it expects to clear similarly or better, to minimize zonal capacity price differences.

B.C. Congestion Hedging with Financial Transmission Rights (FTR)

It will be Big Rivers' policy to actively participate in the MISO FTR allocation and auction process with a prudent and predetermined strategy for addressing the planning year congestion risk.

Big Rivers will target to mitigate a minimum of 50% of congestion ~~risk~~exposure (measured by annual native load and non-member sales requirements) prior to or by the end of the MISO annual FTR auction.

Big Rivers will target to mitigate a minimum of 70% of congestion ~~risk~~exposure prior to the month of delivery.

C.D. Emission Allowance Hedging

This hedging policy calls for the establishment of an emission allowance procurement process to meet expected future requirements. Fixed price hedges for emission allowances include (1) actual or expected emission allowances allocated to Big Rivers from the Environmental Protection Agency ("EPA,") (2) fixed price allowance purchases and sales, and (3) projected, budgeted, and Board-approved emission



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control equipment additions. Big Rivers will ~~price average into its emission allowance position~~ adopt dollar-cost averaging when ~~purchasing~~ it needs to purchase emission allowances. ~~Emission allowance needs will be managed similar to, like~~ its approach for other Commodities. ~~Big Rivers will maintain fixed price allowance hedges based on the following table~~ Figure 3.

Figure 3.

Lead Time	Current Calendar Year	Calendar Year Two	Calendar Year Three
Minimum (%)	80	70	60

Per applicable regulatory requirements, Big Rivers will hold enough allowances in all compliance accounts to cover emissions for the current reporting period. Specifically, all compliance accounts shall be populated with sufficient allowances to cover emissions for the current reporting period prior to the accounts being closed by the EPA, which is currently two (2) consecutive calendar months after the end of the reporting period. Furthermore, the Designated Representative will ensure that all compliance accounts have an adequate number of allowances prior to running "Final Compliance True up" after the accounts have been closed by the EPA.

Big Rivers will not buy emission allowances from the market for any given year if it results in emission allowances that exceed 105 percent of its expected needs without prior CEO approval.

H.III. Risk Measurement and Compliance Reporting

Risk measurement and policy compliance within the volumetric and lead time criteria will be provided to Big Rivers' Board monthly. This report will generally cover five years of projections.

Responsibility

It shall be the responsibility of the Board, CEO, and Internal Risk Management Committee (IRMC) to ensure compliance with this policy. Implementation of this policy shall adhere to the authority granted in the Energy Related Transaction Authority Policy (Board Policy 105).

Number	Date	Notes	Approved by
Original	06/15/2007	Approved to be effective at close of unwind	Board
Rev 1	03/16/2012	Update out-of-date language (joining MISO, old policy reference), general cleanup	Board



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Rev 2	09/18/2015	Update terminology (I.E. energy to Commodity, coal to solid fuel, electricity to purchased power), removed Appendix A (out-of-date examples) and Appendix B (no longer applicable), updated emission allowance section to be more concise and clarified resource diversity language.	Board
Rev 3	09/16/2016	Clarified Policy Reference	Board
Rev 4	08/10/2018	Removed capacity resources from resource diversity management	Board
Rev 5	08/16/2019	Modified the resource diversity management requirements	Board
Rev 6	08/21/2020	Coal hedge percentage changes	Board
Rev 7	12/17/2021	Update to reflect limited number of suppliers in current fuel market	Board
<u>Rev 8</u>	<u>05/16/2025</u>	<u>Updated to reflect our energy short position</u>	<u>Board</u>

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Policy Purpose

The purpose of Big Rivers Electric Corporation (“Big Rivers”) Fuel Procurement Policies and Procedures is to present the principles that govern the procurement of fuel, reagent, and associated transportation. This policy is not intended to provide a step-by-step procedural flow, but place an emphasis on procurement policies and a concise overview of appropriate procurement practices. The awarding of Contracts and Purchase Orders will comply with business controls including corporate governance, authority limit matrices, auditing recommendations, and other established practices and limitations.

FUEL PROCUREMENT POLICIES AND PROCEDURES

A. Definitions:

1. "Agreement" means a legally binding document, in which one party agrees to sell and the other agrees to buy fuel, reagent, or transportation services for such, which is executed by both Buyer and Seller.
2. "Award Recommendation" means Big Rivers’ approval process for the review and approval by Senior Management of a recommended fuel, reagent, or transportation purchase that fall outside the limits established in Big Rivers’ granted authority limits outlined in the Energy Related Transaction Authority Policy (Board Policy 105).
3. "Contract" is an Agreement, Letter Agreement, Purchase Order, or Spot Contract for fuel supply, reagent, or such transportation with certain terms and conditions that describe the business transaction under which the Company procures fuel, reagent, and related transportation.
4. "Contract purchase" means any purchase of fuel, reagent, or transportation on behalf of the Company under a contract, typically more than one year’s duration.
5. "Department" means the Big Rivers’ Fuels Procurement Department.
6. "Manager" means the Big Rivers’ Manager Fuels Procurement.
7. “Emergency” means extraordinary conditions affecting fuel production, transportation, or usage, including but not limited to strikes, lockouts or other labor problems, embargoes, mining impediments and other problems affecting the production or transportation of fuel, existing and/or forecasted extreme weather conditions, or any other conditions or circumstances that could be reasonably foreseen as impairing the continued supply of fuel to Big Rivers facilities.
8. "Environmental standards" mean the legal requirements for compliance with emission levels or other environmental requirements applicable to one or more of the Big Rivers’ generating units.
9. "Fuel" means combustibles purchased by Big Rivers for one or more of its generating stations.

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10. "Solicitation" means the process of soliciting bids (written or oral) for the supply of fuel, reagent, and/or related transportation services.
11. "Spot Contract" is a type of agreement that may be issued by Big Rivers for the supply of fuel, reagent, or related transportation of such with a term of typically one year or less.
12. "Spot Purchase" means any purchase of fuel, reagent, or related transportation on behalf of Big Rivers where the terms and conditions are incorporated in the Letter Agreement, Purchase Order or Spot Contract and the term is typically of one year or less.
13. "Station" means one of Big Rivers' generating facilities.
14. "Supplier" means the seller or counterparty to an agreement who is obligated to comply with and fulfill the agreement's terms and conditions.
15. "Unit" means a generating unit at a station.
16. "Unit bus bar cost" is the total variable production cost including the maintenance cost associated with burning the fuel.
17. "VP Generation" means Big Rivers' Vice President of Generation or other principal individual responsible for power generation and fuel procurement, among other duties.

B. Fuel Procurement Policies:

This policy provides guidance to ensure an adequate supply of fuel and reagent of sufficient quality at the most competitive overall evaluated cost on a unit bus bar basis consistent with Big Rivers' obligations to provide adequate and reliable service to its customers, to meet operational and environmental standards, and to meet any other applicable legal requirements. Big Rivers will use its best efforts to secure its fuel and reagent supply at competitive prices through solicitation for such.

Implementation of this policy is of highest priority to Big Rivers. The Department shall be organized and staffed, and fuel procurement procedures and administration shall be conducted, in an efficient and practical manner consistent with this policy. Fuel, reagent, and related transportation shall be purchased at competitive prices considering all material factors. The factors include but are not limited to: quantity needed to maintain an adequate supply, quality necessary to ensure generating unit operating and maintenance characteristics and environmental standards, reliability of the supplier, creditworthiness, and forward planning to meet projected system requirements, and meeting emergency or other unusual circumstances that might affect operating conditions. From time to time, the Manager will review this policy and recommend updates as appropriate.

C. Organization:

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1. Department Structure. The Department shall be organized and staffed to effectively administer Big Rivers' fuel procurement function.
2. Organizational Responsibility. The VP Generation to whom the Manager reports, has the responsibility for fuel procurement. The Manager is responsible for the Department. Other departments may be called upon by the Department to the extent the Manager or VP Generation considers advisable in the execution of the functions of the Department.
3. Approval Authority (Award Recommendation). An Award Recommendation will be prepared for all fuel purchases that exceed the term, tenor, or notional amount of authority of the Manager which is specified in the Energy Related Transaction Authority Policy (Board Policy 105). The Award Recommendation will be drafted by the Manager. Contractual agreements and amendments for procurement shall be reviewed by legal counsel, and executed by the VP Generation within the authority granted by Appendix A to the Energy Related Transaction Authority Policy (Board Policy 105). Greater expenditures shall require the signature of Big Rivers' President and Chief Executive Officer when such expenditure is within his trading authority as established by the Board of Directors ("Board"). These levels of authority may be amended, supplemented, or superseded as dictated by Big Rivers.
4. Reports. The Manager will instruct the Department to prepare, maintain and distribute reports to management and others as deemed necessary for business operations and regulatory requirements.
5. Records. The Department shall maintain the following records:
 - a. Open Contract Files. The Department shall maintain the following on open status for at least one-year or longer as the contract term or other conditions warrant:
 1. For each current contract supplier, the files will contain:
 - a) Contract documents, amendments, purchase orders and escalation documentation;
 - b) General correspondence;
 - c) Invoices and invoice verification data;
 - d) Delivery records and quality analyses data;
 - e) Inspection reports and other data.
 2. A record of transportation equipment owned or leased by Big Rivers (as applicable).
 3. A list containing current suppliers and known potential Suppliers of fuel.
 - b. Closed Contract Files. The Department shall maintain its files according to Big Rivers' record retention plan.
6. General Administrative Duties. The Department shall subscribe to and have membership in appropriate trade and industry publications and/or associations, to include reports of governmental or consulting agencies concerning fuel, reagent, and related transportation market information, to include fuel prices and/or projections. Department personnel shall use their best efforts to keep current with fuel market conditions, prices and availability, and other developments relating to fuel procurement.

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D. Fuel Supply Procedures:

1. Projections. In conjunction with other departments of Big Rivers, the Department shall prepare annually a projection of fuel usage and cost at each Station for the number of years required for use in Big Rivers' planning process.
2. Contract/Spot Mix. Subject to the approval of the VP Generation, the Manager shall determine whether a contract purchase is advisable, considering the following factors: (a) the availability of adequate supplies from qualified suppliers, (b) the advisability or need to have an adequate supply committed for an existing or planned unit (subject to inventory limits specified by Big Rivers), (c) the desire to maintain practical flexibility as to market conditions and other factors affecting price and availability, (d) existing and anticipated environmental standards, (e) such other factors as may reasonably affect the implementation of this policy and (f) fuel impact on generation facilities' operation and maintenance.
3. Current Requirements. The Department shall review and analyze the data available to the Department for purposes of conducting fuel and reagent purchases in a timely manner to meet the requirements of Big Rivers.
4. Supplier Qualifications. Big Rivers shall select potential suppliers on the basis of evaluation, market intelligence, performance information (as available), industry research, and creditworthiness, as determined by the Manager and staff. No potential qualified supplier shall be preferred or discriminated against because of race, religion, color, sex, age or marital status of the supplier or any of its representatives.

A supplier evaluation (to include site visit and mine engineering and/or performance report) may be performed to determine if a supplier has the ability to deliver in the time frame requested the quantity and quality of coal or reagent bid at the offered price.

5. Solicitations. The Department shall maintain a current list of Suppliers and shall review that list from time to time to ensure that it remains current. Normally, Big Rivers shall purchase its fuel and reagent through sealed bid solicitations; however, Big Rivers reserves the right to utilize its market intelligence to seize opportunity purchases of fuels and reagent, request oral, written, or electronic offers, potentially followed by negotiations, when in its judgment market conditions provide an opportunity to obtain fuel or reagent more advantageously than through mailed bid solicitations and usual procedures. When Big Rivers foregoes the solicitation process, documentation shall be appended to the resulting purchase order file describing the conditions. A notice of a request for quotation ("RFQ") shall be provided to normal industry newsletters and information postings. The normal solicitation process shall require that potential suppliers be notified in writing as to the general quantities, terms and quality specifications required. An RFQ number will be assigned to for the quotation package. An RFQ will include: instructions to bidders (date and time due); scope of supply (quantity and quality); potential term; standard terms and conditions of typical agreements.

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Offers from potential suppliers shall be returned by the requested date and time or they will be rejected. A bid log shall be kept for logging in receipt of bid offers. Attendees viewing the opening of the bid shall initial the bid document as opened and the log as at the completion of the opening. Offers shall be opened and logged in the presence of the VP Generation and Manager or their representative in their absence, and another selected representative outside of the Department.

All appropriate bid data shall be documented and electronically categorized for the process of evaluation of the various offerings of fuel and reagent. The documents shall be maintained in a secured area and shall be kept pursuant to normal record keeping practices.

6. Contract Awards. The Department shall review and analyze each Contract offer. The Manager, or his/her representative, may engage in preliminary negotiations to determine which offers warrant further consideration. The Manager and/or representative shall investigate the potential supplier and proposed source of supply; and, as to any offer for fuel, the Department shall verify the adequacy of the proposed source of supply as to quantity, quality, and timely deliverability.

The evaluation shall include, but not necessarily be limited to, the response to the RFQ (items required by the RFQ for satisfactory operational, environmental, and economic criteria); diversity of supply; supplier credit assessment; transportation mode and cost; and diversity of suppliers to provide the lowest evaluated cost of electrical energy to the Unit bus bar over the long term consistent with Kentucky Public Service Commission regulations.

From this initial evaluation, a select group of potential suppliers (a "short-list") of suppliers shall be developed for more in-depth evaluation. The Department may then engage in preliminary discussions to ensure that the offer warrants further evaluation and consideration. The objective of the negotiating discussions is to ensure that Big Rivers achieves balanced terms and conditions and the lowest evaluated electrical energy delivered to the Unit bus bar and reliable supply consistent with other qualifiers related to supplier reliability, environmental restraints, transportation options, legal requirements, etc.

The recommended Supplier(s) shall be selected based upon the evaluation criteria and the results of the negotiating discussions. The Department shall prepare a detailed Award Recommendation for approval. The Award Recommendation shall document the selection criteria and pertinent factors, and in circumstances where more than one company is selected, the recommendation shall describe the tonnage requirements and other responsibilities of each of the other recommended Suppliers.

All contracts for which the term, tenor or notional amount exceed the limits specified for the Manager must be approved and signed by individual(s) authorized per the Energy Related Transaction Authority Policy (Board Policy 105).

7. Spot Purchases. Spot purchases may be made by Big Rivers whenever considered advisable by the Manager in furtherance of Big Rivers' fuel and reagent needs, subject to the limit of authority as outlined by Energy Related Transaction Authority Policy (Board Policy 105).

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8. Documentation. Contracts shall be signed by a duly appointed officer of the Supplier and an Officer of Big Rivers. A purchase order may be issued for a spot purchase. A purchase order shall contain all terms of that purchase. Further, the Department shall maintain documentation of the final list (log) of bidders, a copy of the entire bid package; bidder's responses; and the bid evaluation summary used for decision support.
9. Fuel Oil. Fuel Supply Procedures principally address procurement of solid fuel. Fuel oil is procured on an "as-needed" basis due to the infrequency of use of this fuel and the nature of the oil markets. When the need for oil arises, the Department shall act to solicit vendors for offers. Orders are assigned on the basis of lowest delivered cost per gallon and ability to fill the order. Solicitation results shall be documented and purchase orders issued in the Department for those purchases initiated and completed by the Department.

E. Fuel Supply and Reagent Agreement Administration:

1. Compliance. The Department shall review and analyze daily business and operational reports to properly administer all fuel and transportation agreements.
2. Coal weights. Coal weights shall be obtained by either Big Rivers or by Supplier, upon agreement by Big Rivers. Coal weight is obtained by scale or draft method, depending upon Big Rivers' site or methodology employed by Supplier to ascertain weights. In either event, coal weights are obtained by industry-accepted standards, and in cases where scales are utilized, are duly tested and maintained in proper order for such purpose. In cases where draft weights are utilized, Big Rivers employs processes to verify actions to obtain draft weights and that such measures are by industry-accepted standards. Coal quantity is obtained by Station personnel and reported through the fuels information system or is provided by the Supplier pursuant to the contract agreement.
3. Coal sampling. Coal sampling and analysis shall be performed by either Big Rivers or the Supplier, upon agreement by Big Rivers. Coal sampling and analysis shall be performed according to procedures adopted by Big Rivers' laboratory in accordance with A.S.T.M. standards for coal sampling, coal sample preparation, coal sample identification, handling of sample, and coal analysis. Coal quality is assessed and reported through the fuels information system by Big Rivers' laboratory personnel or is provided by the Supplier pursuant to the contract agreement.
4. Amendments. A contract shall not be materially amended except after analysis by the Department and recommendation of the Manager or the VP Generation. No material contract or purchase order addendum shall be made except upon legal review of such amendment, recommendation of the Manager and the approval of the VP Generation pursuant to the limits of the Energy Related Transaction Authority Policy (Board Policy 105). Material amendments to contracts that were originally approved by the Board shall also be approved by the Board.
5. Contract Administration. The Manager and the Department shall remain informed as to the terms and conditions of each current contract, and maintain the necessary data to administer the

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contracts. Every supplier request for a change in terms, conditions, or prices must be written and supported by adequate data in conformity with the contract. Each such request shall be analyzed by the Department against the contract provisions, and reported with recommendations to the Manager. After review by the Manager, the supplier request and Department's recommendations shall be approved as required by Big Rivers. If any request is not approved in whole or in part, the Manager shall advise the supplier, specifying Big Rivers' objections with an adequate explanation. If the supplier's request is not approved, negotiation between the supplier and Big Rivers as dictated by contract terms shall be the primary method of resolving the issue.

6. Force Majeure. A supplier's claim for relief from compliance with fuel supply agreement terms due to force majeure conditions must be in writing with an adequate description of conditions warranting nonperformance. Each force majeure claim shall be reviewed by the Manager and Big Rivers' legal counsel.
7. Inspections. The Manager shall request inspections of mining and other facilities of a contract fuel and/or reagent supplier or other facilities as required or deemed necessary to manage the performance and contractual relationship (Contract Administration).

F. Fuel and Reagent Supply Agreement Enforcement:

1. General Enforcement Policy. Supplier obligations under Fuel or Reagent Supply Agreements shall be enforced by Big Rivers in a reasonable, fair, and practical manner to achieve supplier compliance with Big Rivers' overall procurement policy and the continuing supply of fuel to meet current and anticipated system requirements.
2. Manager Responsibility. Whenever it is determined that a shipment does not meet Fuel Supply or Reagent Agreement terms, the Manager, or designee, shall inform the supplier and direct that subsequent shipments be in compliance. When necessary the VP Generation and the Manager may determine, or receive advice, as to further action needed to assure fuel or reagent supply agreement compliance.
3. Legal Assistance. The Department shall have access to, and shall receive advice from, legal counsel as provided by Big Rivers on any matter relating to fuel, reagent, and related transportation procurement, contracts and amendments thereto, administration, and enforcement. Should a dispute as to a supplier's performance fail to be satisfactorily resolved by the Manager, the matter shall be referred to legal counsel. Legal counsel may consider further negotiation, arbitration (if provided by the contract), or litigation. No arbitration or litigation shall commence except on the advice of said counsel with approval by Senior Management.

G. Inventory Levels:

Big Rivers has an obligation to ensure continuous low cost, reliable service to its Member-Owners. Decisions affecting fuel inventory shall consider these obligations.

Big Rivers shall maintain an adequate inventory while allowing for enough flexibility to permit inventory levels to be responsive to known and anticipated changes in conditions in an attempt to

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avoid risks and stoppages due to unforeseen conditions. Inventory shall be recommended based upon, but not limited to, supplier performance, environmental conditions, labor matters, logistical issues and concerns, and generation requirements and dispatch. The general level of inventory shall be monitored for such matters and recommendations to adjust inventory to meet anticipated conditions shall be made from time to time. Such inventory recommendations shall be made by the Manager for approval by Senior Management and shall be in accordance with or modify concurrently Solid Fuel Inventory Policy (Board Policy 121).

Solid fuel inventories and reagent shall be monitored and reported regularly via Big Rivers' fuel information system(s).

H. Emergency Procurement:

Any one or more of the procedures described herein may be waived by the VP Generation, when, in the informed judgment of the Manager, and on his recommendation, fuel must be purchased without complying with one or more of such provisions due to extraordinary conditions including strikes, lockouts or other labor problems affecting fuel production, embargoes, mining or other problems affecting production or transportation, existing and/or forecasted extreme weather conditions, or any other conditions or circumstances that can be reasonably foreseen as impairing the continued supply of fuel and reagent to Big Rivers from its existing suppliers. When such a purchase is made, documentation of circumstances will be appended to the purchase order and/or contract file.

I. Transportation Services Contracts:

Transportation services bids shall be requested and Contracts negotiated whenever appropriate. Consideration shall be given to plant requirements, supplier loading capabilities, relative location of supplier to Stations, transportation mix, unloading capabilities and capacities at Stations, logistic constraints, transportation provider economics, Station material handling economics, and any other factor which might affect the delivery of Fuel and reagent to the Stations.

Unless otherwise dictated by Emergency situations, the Solicitation process will be utilized for transportation services. The selection of transportation provider will generally be based upon, but not necessarily limited to cost, reliability, insurance, past / current performance, container availability and suitability for purpose, material handling capacities and constraints, transportation mix, and any other mitigating factors in terms of logistics.

All transportation service agreements shall be in written contractual form duly executed by an authorized supplier of service and Big Rivers.

J. Ethics and Conduct:

Big Rivers recognizes the importance of following appropriate business ethics to guide the conduct of the Department in the performance of its duties and responsibilities. Fuels staff shall adhere to the ethical standards and policies of Big Rivers including, but not limited to, the Board of Directors Ethics Policy (Board Policy 102) and the Conflicts of Interest Policy (Board Policy 108) for Big

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Rivers' Employees. Also, each contractual document shall denote that the contract was prepared and executed in ethical dealing.

Fuels staff shall endeavor to serve the best interests of Big Rivers, its Member-Owners, and stakeholders in the performance of their duties and responsibilities.

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Policy Purpose

The purpose of Big Rivers Electric Corporation ("Big Rivers") Fuel Procurement Policies and Procedures is to present the principles that govern the procurement of fuel, reagent, and associated transportation. This policy is not intended to provide a step-by-step procedural flow, but place an emphasis on procurement policies and a concise overview of appropriate procurement practices. The awarding of Contracts and Purchase Orders will comply with business controls including corporate governance, authority limit matrices, auditing recommendations, and other established practices and limitations.

FUEL PROCUREMENT POLICIES AND PROCEDURES

A. Definitions:

1. "Agreement" means a legally binding document, in which one party agrees to sell and the other agrees to buy fuel, reagent, or transportation services for such, which is executed by both Buyer and Seller.
2. "Award Recommendation" means Big Rivers' approval process for the review and approval by Senior Management of a recommended fuel, reagent, or transportation purchase that fall outside the limits established in Big Rivers' granted authority limits outlined in the Energy Related Transaction Authority Policy (Board Policy 105).
3. "Contract" is an Agreement, Letter Agreement, Purchase Order, or Spot Contract for fuel supply, reagent, or such transportation with certain terms and conditions that describe the business transaction under which the Company procures fuel, reagent, and related transportation.
4. "Contract purchase" means any purchase of fuel, reagent, or transportation on behalf of the Company under a contract, typically more than one year's duration.
- ~~5. "COO" means Big Rivers' Chief Operating Officer or other principal individual responsible for power generation and fuel procurement, among other duties.~~
- ~~6~~
- ~~5~~. "Department" means the Big Rivers' Fuels Procurement Department.
- ~~76~~. "Manager" means the Big Rivers' Manager Fuels Procurement.
- ~~87~~. "Emergency" means extraordinary conditions affecting fuel production, transportation, or usage, including but not limited to strikes, lockouts or other labor problems, embargoes, mining impediments and other problems affecting the production or transportation of fuel, existing and/or forecasted extreme weather conditions, or any other conditions or circumstances that could be reasonably foreseen as impairing the continued supply of fuel to Big Rivers facilities.

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- ~~98.~~ "Environmental standards" mean the legal requirements for compliance with emission levels or other environmental requirements applicable to one or more of the Big Rivers' generating units.
- ~~109.~~ "Fuel" means combustibles purchased by Big Rivers for one or more of its generating stations.
- ~~110.~~ "Solicitation" means the process of soliciting bids (written or oral) for the supply of fuel, reagent, and/or related transportation services.
- ~~121.~~ "Spot Contract" is a type of agreement that may be issued by Big Rivers for the supply of fuel, reagent, or related transportation of such with a term of typically one year or less.
- ~~132.~~ "Spot Purchase" means any purchase of fuel, reagent, or related transportation on behalf of Big Rivers where the terms and conditions are incorporated in the Letter Agreement, Purchase Order or Spot Contract and the term is typically of one year or less.
- ~~143.~~ "Station" means one of Big Rivers' generating facilities.
- ~~1514.~~ "Supplier" means the seller or counterparty to an agreement who is obligated to comply with and fulfill the agreement's terms and conditions.
- ~~1615.~~ "Unit" means a generating unit at a station.
- ~~1716.~~ "Unit bus bar cost" is the total variable production cost including the maintenance cost associated with burning the fuel.
17. "VP Generation" means Big Rivers' Vice President of Generation or other principal individual responsible for power generation and fuel procurement, among other duties.

B. Fuel Procurement Policies:

This policy provides guidance to ensure an adequate supply of fuel and reagent of sufficient quality at the most competitive overall evaluated cost on a unit bus bar basis consistent with Big Rivers' obligations to provide adequate and reliable service to its customers, to meet operational and environmental standards, and to meet any other applicable legal requirements. Big Rivers will use its best efforts to secure its fuel and reagent supply at competitive prices through solicitation for such.

Implementation of this policy is of highest priority to Big Rivers. The Department shall be organized and staffed, and fuel procurement procedures and administration shall be conducted, in an efficient and practical manner consistent with this policy. Fuel, reagent, and related transportation shall be purchased at competitive prices considering all material factors. The factors include but are not limited to: quantity needed to maintain an adequate supply, quality necessary to ensure generating unit operating and maintenance characteristics and environmental

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standards, reliability of the supplier, creditworthiness, and forward planning to meet projected system requirements, and meeting emergency or other unusual circumstances that might affect operating conditions. From time to time, the Manager will review this policy and recommend updates as appropriate.

C. Organization:

1. Department Structure. The Department shall be organized and staffed to effectively administer Big Rivers' fuel procurement function.
2. Organizational Responsibility. The ~~COO~~VP Generation to whom the Manager reports, has the responsibility for fuel procurement. The Manager is responsible for the Department. Other departments may be called upon by the Department to the extent the Manager or ~~COO~~VP Generation considers advisable in the execution of the functions of the Department.
3. Approval Authority (Award Recommendation). An Award Recommendation will be prepared for all fuel purchases that exceed the term, tenor, or notional amount of authority of the Manager which is specified in the Energy Related Transaction Authority Policy (Board Policy 105). The Award Recommendation will be drafted by the Manager. Contractual agreements and amendments for procurement shall be reviewed by legal counsel, and executed by the ~~COO~~VP Generation within the authority granted by Appendix A to the Energy Related Transaction Authority Policy (Board Policy 105). Greater expenditures shall require the signature of Big Rivers' President and Chief Executive Officer when such expenditure is within his trading authority as established by the Board of Directors ("Board"). These levels of authority may be amended, supplemented, or superseded as dictated by Big Rivers.
4. Reports. The Manager will instruct the Department to prepare, maintain and distribute reports to management and others as deemed necessary for business operations and regulatory requirements.
5. Records. The Department shall maintain the following records:
 - a. Open Contract Files. The Department shall maintain the following on open status for at least one-year or longer as the contract term or other conditions warrant:
 1. For each current contract supplier, the files will contain:
 - a) Contract documents, amendments, purchase orders and escalation documentation;
 - b) General correspondence;
 - c) Invoices and invoice verification data;
 - d) Delivery records and quality analyses data;
 - e) Inspection reports and other data.
 2. A record of transportation equipment owned or leased by Big Rivers (as applicable).
 3. A list containing current suppliers and known potential Suppliers of fuel.

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- b. Closed Contract Files. The Department shall maintain its files according to Big Rivers' record retention plan.

6. General Administrative Duties. The Department shall subscribe to and have membership in appropriate trade and industry publications and/or associations, to include reports of governmental or consulting agencies concerning fuel, reagent, and related transportation market information, to include fuel prices and/or projections. Department personnel shall use their best efforts to keep current with fuel market conditions, prices and availability, and other developments relating to fuel procurement.

D. Fuel Supply Procedures:

1. Projections. In conjunction with other departments of Big Rivers, the Department shall prepare annually a projection of fuel usage and cost at each Station for the number of years required for use in Big Rivers' planning process.
2. Contract/Spot Mix. Subject to the approval of the ~~COOP~~ Generation, the Manager shall determine whether a contract purchase is advisable, considering the following factors: (a) the availability of adequate supplies from qualified suppliers, (b) the advisability or need to have an adequate supply committed for an existing or planned unit (subject to inventory limits specified by Big Rivers), (c) the desire to maintain practical flexibility as to market conditions and other factors affecting price and availability, (d) existing and anticipated environmental standards, (e) such other factors as may reasonably affect the implementation of this policy and (f) fuel impact on generation facilities' operation and maintenance.
3. Current Requirements. The Department shall review and analyze the data available to the Department for purposes of conducting fuel and reagent purchases in a timely manner to meet the requirements of Big Rivers.
4. Supplier Qualifications. Big Rivers shall select potential suppliers on the basis of evaluation, market intelligence, performance information (as available), industry research, and creditworthiness, as determined by the Manager and staff. No potential qualified supplier shall be preferred or discriminated against because of race, religion, color, sex, age or marital status of the supplier or any of its representatives.

A supplier evaluation (to include site visit and mine engineering and/or performance report) may be performed to determine if a supplier has the ability to deliver in the time frame requested the quantity and quality of coal or reagent bid at the offered price.

5. Solicitations. The Department shall maintain a current list of Suppliers and shall review that list from time to time to ensure that it remains current. Normally, Big Rivers shall purchase its fuel and reagent through sealed bid solicitations; however, Big Rivers reserves the right to utilize its

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market intelligence to seize opportunity purchases of fuels and reagent, request oral, written, or electronic offers, potentially followed by negotiations, when in its judgment market conditions provide an opportunity to obtain fuel or reagent more advantageously than through mailed bid solicitations and usual procedures. When Big Rivers foregoes the solicitation process, documentation shall be appended to the resulting purchase order file describing the conditions.

A notice of a request for quotation (“RFQ”) shall be provided to normal industry newsletters and information postings. The normal solicitation process shall require that potential suppliers be notified in writing as to the general quantities, terms and quality specifications required. An RFQ number will be assigned to for the quotation package. An RFQ will include: instructions to bidders (date and time due); scope of supply (quantity and quality); potential term; standard terms and conditions of typical agreements.

Offers from potential suppliers shall be returned by the requested date and time or they will be rejected. A bid log shall be kept for logging in receipt of bid offers. Attendees viewing the opening of the bid shall initial the bid document as opened and the log as at the completion of the opening. Offers shall be opened and logged in the presence of the ~~COO~~VP Generation and Manager or their representative in their absence, and another selected representative outside of the Department.

All appropriate bid data shall be documented and electronically categorized for the process of evaluation of the various offerings of fuel and reagent. The documents shall be maintained in a secured area and shall be kept pursuant to normal record keeping practices.

6. Contract Awards. The Department shall review and analyze each Contract offer. The Manager, or his/her representative, may engage in preliminary negotiations to determine which offers warrant further consideration. The Manager and/or representative shall investigate the potential supplier and proposed source of supply; and, as to any offer for fuel, the Department shall verify the adequacy of the proposed source of supply as to quantity, quality, and timely deliverability.

The evaluation shall include, but not necessarily be limited to, the response to the RFQ (items required by the RFQ for satisfactory operational, environmental, and economic criteria); diversity of supply; supplier credit assessment; transportation mode and cost; and diversity of suppliers to provide the lowest evaluated cost of electrical energy to the Unit bus bar over the long term consistent with Kentucky Public Service Commission regulations.

From this initial evaluation, a select group of potential suppliers (a “short-list”) of suppliers shall be developed for more in-depth evaluation. The Department may then engage in preliminary discussions to ensure that the offer warrants further evaluation and consideration. The objective of the negotiating discussions is to ensure that Big Rivers achieves balanced terms and conditions and the lowest evaluated electrical energy delivered to the Unit bus bar and reliable supply consistent with other qualifiers related to supplier reliability, environmental restraints, transportation options, legal requirements, etc.

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The recommended Supplier(s) shall be selected based upon the evaluation criteria and the results of the negotiating discussions. The Department shall prepare a detailed Award Recommendation for approval. The Award Recommendation shall document the selection criteria and pertinent factors, and in circumstances where more than one company is selected, the recommendation shall describe the tonnage requirements and other responsibilities of each of the other recommended Suppliers.

All contracts for which the term, tenor or notional amount exceed the limits specified for the Manager must be approved and signed by individual(s) authorized per the Energy Related Transaction Authority Policy (Board Policy 105).

7. Spot Purchases. Spot purchases may be made by Big Rivers whenever considered advisable by the Manager in furtherance of Big Rivers' fuel and reagent needs, subject to the limit of authority as outlined by Energy Related Transaction Authority Policy (Board Policy 105).
8. Documentation. Contracts shall be signed by a duly appointed officer of the Supplier and an Officer of Big Rivers. A purchase order may be issued for a spot purchase. A purchase order shall contain all terms of that purchase. Further, the Department shall maintain documentation of the final list (log) of bidders, a copy of the entire bid package; bidder's responses; and the bid evaluation summary used for decision support.
9. Fuel Oil. Fuel Supply Procedures principally address procurement of solid fuel. Fuel oil is procured on an "as-needed" basis due to the infrequency of use of this fuel and the nature of the oil markets. When the need for oil arises, the Department shall act to solicit vendors for offers. Orders are assigned on the basis of lowest delivered cost per gallon and ability to fill the order. Solicitation results shall be documented and purchase orders issued in the Department for those purchases initiated and completed by the Department.

E. Fuel Supply and Reagent Agreement Administration:

1. Compliance. The Department shall review and analyze daily business and operational reports to properly administer all fuel and transportation agreements.
2. Coal weights. Coal weights shall be obtained by either Big Rivers or by Supplier, upon agreement by Big Rivers. Coal weight is obtained by scale or draft method, depending upon Big Rivers' site or methodology employed by Supplier to ascertain weights. In either event, coal weights are obtained by industry-accepted standards, and in cases where scales are utilized, are duly tested and maintained in proper order for such purpose. In cases where draft weights are utilized, Big Rivers employs processes to verify actions to obtain draft weights and that such measures are by industry-accepted standards. Coal quantity is obtained by Station personnel and reported through the fuels information system or is provided by the Supplier pursuant to the contract agreement.

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3. Coal sampling. Coal sampling and analysis shall be performed by either Big Rivers or the Supplier, upon agreement by Big Rivers. Coal sampling and analysis shall be performed according to procedures adopted by Big Rivers' laboratory in accordance with A.S.T.M. standards for coal sampling, coal sample preparation, coal sample identification, handling of sample, and coal analysis. Coal quality is assessed and reported through the fuels information system by Big Rivers' laboratory personnel or is provided by the Supplier pursuant to the contract agreement.
4. Amendments. A contract shall not be materially amended except after analysis by the Department and recommendation of the ~~Director~~ Manager or the ~~COO~~ VP Generation. No material contract or purchase order addendum shall be made except upon legal review of such amendment, recommendation of the Manager and the approval of the ~~COO~~ VP Generation pursuant to the limits of the Energy Related Transaction Authority Policy (Board Policy 105). Material amendments to contracts that were originally approved by the Board shall also be approved by the Board.
5. Contract Administration. The Manager and the Department shall remain informed as to the terms and conditions of each current contract, and maintain the necessary data to administer the contracts. Every supplier request for a change in terms, conditions, or prices must be written and supported by adequate data in conformity with the contract. Each such request shall be analyzed by the Department against the contract provisions, and reported with recommendations to the Manager. After review by the Manager, the supplier request and Department's recommendations shall be approved as required by Big Rivers. If any request is not approved in whole or in part, the Manager shall advise the supplier, specifying Big Rivers' objections with an adequate explanation. If the supplier's request is not approved, negotiation between the supplier and Big Rivers as dictated by contract terms shall be the primary method of resolving the issue.
6. Force Majeure. A supplier's claim for relief from compliance with fuel supply agreement terms due to force majeure conditions must be in writing with an adequate description of conditions warranting nonperformance. Each force majeure claim shall be reviewed by the Manager and Big Rivers' legal counsel.
7. Inspections. The Manager shall request inspections of mining and other facilities of a contract fuel and/or reagent supplier or other facilities as required or deemed necessary to manage the performance and contractual relationship (Contract Administration).

F. Fuel and Reagent Supply Agreement Enforcement:

1. General Enforcement Policy. Supplier obligations under Fuel or Reagent Supply Agreements shall be enforced by Big Rivers in a reasonable, fair, and practical manner to achieve supplier compliance with Big Rivers' overall procurement policy and the continuing supply of fuel to meet current and anticipated system requirements.

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2. Manager Responsibility. Whenever it is determined that a shipment does not meet Fuel Supply or Reagent Agreement terms, the Manager, or designee, shall inform the supplier and direct that subsequent shipments be in compliance. When necessary the ~~COOP~~VP Generation and the Manager may determine, or receive advice, as to further action needed to assure fuel or reagent supply agreement compliance.
3. Legal Assistance. The Department shall have access to, and shall receive advice from, legal counsel as provided by Big Rivers on any matter relating to fuel, reagent, and related transportation procurement, contracts and amendments thereto, administration, and enforcement. Should a dispute as to a supplier's performance fail to be satisfactorily resolved by the Manager, the matter shall be referred to legal counsel. Legal counsel may consider further negotiation, arbitration (if provided by the contract), or litigation. No arbitration or litigation shall commence except on the advice of said counsel with approval by Senior Management.

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All transportation service agreements shall be in written contractual form duly executed by an authorized supplier of service and Big Rivers.

J. Ethics and Conduct:

Big Rivers recognizes the importance of following appropriate business ethics to guide the conduct of the Department in the performance of its duties and responsibilities. Fuels staff shall adhere to the ethical standards and policies of Big Rivers including, but not limited to, the Board of Directors Ethics Policy (Board Policy 102) and the Conflicts of Interest Policy (Board Policy 108) for Big Rivers' Employees. Also, each contractual document shall denote that the contract was prepared and executed in ethical dealing.

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<u>Rev 13</u>	<u>10/18/2024</u>	<u>Change COO to VP Generation and correct reference from Director to Manager</u>	<u>Board</u>

Energy Related Transaction Credit Policy				
Original Effective Date	02/21/2003	Date Last Reviewed	01/17/2025	Approved by BOARD
Original Approval Date	02/21/2003	Date Last Revised	01/17/2025	

Objective

The Big Rivers Electric Corporation (“Big Rivers”) Energy-Related Transaction Credit Policy (“Credit Policy”) outlines the credit policies and procedures utilized to guide a disciplined and integrated set of protocols for monitoring, measuring and managing the organization’s counterparty credit risks within the policies and risk tolerance of the organization.

This policy establishes an enterprise-wide program for managing total counterparty risk regarding energy-related transactions for only electric power and transmission. This policy excludes all transactions with Independent System Operators (“ISOs”) and Regional Transmission Organizations (“RTOs”). This policy will set forth clear credit risk management objectives and articulates the credit risk tolerance of the organization. Lastly, this policy will establish a responsibility hierarchy for measuring and mitigating counterparty risk.

Credit Policy Criteria

Forms of credit risk are:

Payment Risk: The cost exposure to the value of accounts receivable and unbilled receivables (delivered but not invoiced).

Performance (mark to market) Risk: The cost exposure of replacing the contractual obligations of open contracts in the relevant market place.

As part of enterprise-wide risk management, credit risk management is a control and oversight activity. It must remain independent from the energy-related transaction authority activity, but work closely with those having responsibility and authority thereunder to ensure that appropriate credit practices are implemented and maintained.

Counterparty Creditworthiness

The creditworthiness of each counterparty must be determined through a fundamental analysis of the counterparty’s financial and operational condition. The credit analysis incorporates two basic components, a business profile (qualitative analysis) and a financial profile (quantitative analysis). A credit limit is established as a result of this due diligence process. A forward term restriction may also be established at this time if necessary. Big Rivers will utilize ACES’ credit staff to conduct counterparty credit analyses at least annually and also at any time when events or circumstances indicate that a counterparty’s creditworthiness may have deteriorated or improved significantly.

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Unsecured Credit limit is established as a result of this due diligence process. Unsecured Credit limits up to \$10,000,000 may be recommended by the Executive Director of Credit of ACES.

This entire process should be repeated for each counterparty at least annually and at any time when events or circumstances indicate that a counterparty's creditworthiness may have deteriorated or improved significantly. More frequent reviews may be necessary, at the discretion of ACES Credit Department or at the request of Big Rivers

The credit analysis of each counterparty is to be performed by the Credit Department of ACES and submitted with recommendations regarding credit limits to the Big Rivers Credit Committee ("BRCC") for approval. The BRCC will be comprised of four voting members (1) President & CEO, (2) CFO, and (3) the VP Energy Services. The BRCC point of contact is the CFO. All formal credit files are to be maintained at the offices of ACES.

Credit Approvals

Counterparties that have an issuer rating or a rating on long-term senior unsecured debt obligations of at least BB from Standard & Poor's or Fitch or Ba2 from Moody's may qualify for the extension of an open line of credit for transactions up to one (1) day forward. In the event that the counterparty does not have rated debt, an internal Credit Rating will be assigned based on the ACES' proprietary credit scoring model and approved by ACES's Executive Director of Credit (or similar title). Counterparties that qualify for an ACES internal rating of at least BB may qualify for an open line of credit for up to one (1) day forward.

Counterparties that have an issuer rating or a rating on long-term senior unsecured debt obligations of at least BBB- from Standard & Poor's or Fitch or Baa3 from Moody's may qualify for the extension of an open line of credit for transactions beyond one (1) day forward.

For unrated counterparties two internal rating models are utilized. One credit scoring model is designed for public counterparties. This includes generation and transmission cooperatives, distribution cooperatives, municipalities, government agencies, public power agencies, and other not-for-profit counterparties. The second credit scoring model is used for assigning a rating to non-public counterparties or for-profit counterparties. The purpose of the two separate credit scoring models is to provide recognition of these two distinct business models and the drivers that meaningfully distinguish and measure the financial and credit risks of each.

Each model measures two sets of risk factors: qualitative and financial indicators. Each model assigns a composite credit score from 1 (best) to 6 (worst) that corresponds to a Credit Rating formatted to mimic the S&P corporate credit rating scale for both public and non-public counterparties.

Energy Related Transaction Credit Policy				
Original Effective Date	02/21/2003	Date Last Reviewed	01/17/2025	Approved by BOARD
Original Approval Date	02/21/2003	Date Last Revised	01/17/2025	

Credit enhancements

Counterparties that do not qualify for an extension of an open line of credit or have a credit rating below BB from Standard & Poor's or Fitch or Ba2 from Moody's must post at least one of the following types of security prior to the execution of a transaction:

- Corporate Guarantee: Counterparties may provide a guarantee from a third party that meets the creditworthiness requirements noted above. If a counterparty provides such a guarantee, the amount of any open line of credit will be determined through an analysis of the financial statements of the guarantor. All guarantees must be in a format that is acceptable to BRCC.
- Letter of Credit: Counterparties may provide an irrevocable letter of credit for an amount sufficient to cover the related transactions. Letters of credit should be for a term of at least 45 days beyond the term of the most forward transaction. Letters of credit must be issued by a bank or a financial institution with a rating of at least A from Standard & Poor's or Fitch or A2 from Moody's.
- Prepayment (margin): Counterparties may provide a prepayment or cash margin deposit that is sufficient to cover the related transactions.

Determination of the Amount of an Open Line of Credit

Once a counterparty has been determined to be creditworthy, an open line of credit may be extended up to 5% of tangible net worth, or, in the case of governmental agencies or non-profit wholesale power suppliers, up to 10% of their average free cash flow for the prior two years.

Counterparty Credit Exposure

The total amount of a counterparty's credit exposure is defined as:

1. The dollar value of all amounts invoiced and unpaid **plus**
2. The dollar amount of all deliveries that have not yet been invoiced **plus**
3. The mark to market value of all forward trades **less**
4. All offsetting amounts that are supported by legally binding netting agreements or Master Agreements.

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Original Approval Date	02/21/2003	Date Last Revised	01/17/2025	

Grouping of Counterparties

Counterparties sharing a common parent or affiliation will be assigned to a group. A credit limit will be assigned to the group with individual credit limits being assigned to each counterparty within the group. The aggregate credit limit of these counterparties will not exceed the established group limit.

Credit File Documentation

Credit analysis, approvals and denials must be documented in writing and all counterparty information shall be contained in formal credit files, which are maintained at the offices of ACES. These credit files are expected to contain audited financial statements (or reference to the website location where the financials can be retrieved) and a credit review analysis report with a credit limit recommendation signed by the Director of Credit of ACES. These files should also contain as much of the following as possible:

- At least the two most recent years of audited financial statement information.
- Rating information as published by Standard & Poor's, Fitch or Moody's.
- General industry information.
- Copies of all credit related correspondence with the counterparty.

Collateral Threshold Approval Authority

Once a counterparty has been determined to be creditworthy, a Collateral Threshold may be extended under the collateral section of a master enabling agreement.

Big Rivers's approvals will take into consideration Unsecured Credit limit recommendations provided by ACES Credit Department. All approvals must be in writing.

Authority to approve a Collateral Threshold amount is as follows for counterparties that are deemed creditworthy:

President & CEO	Up to \$1,000,000
BRCC	Up to \$10,000,000
Board	No limit

Trading Credit Limit Approval Authority

The BRCC has the authority to approve credit limits up to \$10 million.

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Any increase to the existing open line of credit must have the written approval of the BRCC.

Entering into unsecured transactions with a counterparty that will cause the total credit exposure to that counterparty to exceed the sum of its credit line plus any collateral held will not be approved. These transactions must be pre-approved, in writing, by the BRCC. All such transactions in violation of this policy will be reported to the Risk Management Committee of ACES and to Big Rivers' IRMC in a timely manner.

Credit Trading Restriction Approval Authority

The BRCC will have the authority to approve Credit Trading Restrictions. Big Rivers' approvals will take into consideration Credit Trading Restriction recommendations provided by the ACES Credit Department. The BRCC will have the authority to make such approved changes to the counterparty Credit Trading Restrictions via the ACES Credit Portal. ACES recommended trading restrictions are distributed and posted to the ACES Credit Portal.

Credit Controls

An approved list of energy-related transaction counterparties noting credit limits and available credit is distributed by ACES on each business day to all traders via e-mail and posted to Big Rivers' ACES website.

An energy-related transaction restriction report noting counterparties that are credit approved on a secured basis or not approved for energy-related transactions under any scenario is periodically distributed by ACES to Big Rivers and posted to Big Rivers' ACES web site. Restrictions will be noted on the approved list of energy-related transaction counterparties report, which is distributed each business day.

Under no circumstances should a trade be executed with a counterparty that does not appear on the approved list of energy-related transaction counterparties unless the trade has been approved in writing by Big Rivers' President & CEO or CFO.

No credit sleeving transactions shall be executed. However, this policy does not prohibit a member of ACES being positioned between Big Rivers and a counterparty to bridge a contract gap with a counterparty, and vice versa.

The Executive Director of Credit of ACES (or similar title) is to provide general oversight over the credit function, reporting any credit issues to the Risk Management Committee of ACES and to the BRCC.

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No new transactions are to be entered into with counterparties that have exceeded their credit limits except as they may mitigate (offset) existing exposure, or, if those transactions have prior approval of the BRCC. Any new unsecured, unauthorized transactions entered into with a counterparty that has a credit exposure in excess of its assigned credit limit will subject the trader to be sanctioned according to the Big Rivers' Risk Management Sanctions Policy (for Big Rivers Employees only, ACES' employees are governed by the ACES Power Marketing Trading Sanctions Policy).

Receivables/Payables Management

Unless otherwise notified by Big Rivers, ACES will assume all payments are received/sent by Big Rivers on the due date.

Credit Risk Mitigation

Negotiations of agreements and ongoing contractual terms with counterparties shall strive to include prudent industry practice credit provisions. These shall include, but are not limited to, explicit netting agreements and provisions granting the right to call for and receive collateral in the event the counterparty exceeds its approved credit limit or suffers a material adverse credit event.

Collateral Management

ACES is authorized to give Big Rivers' credit information to counterparties in order to establish credit approvals.

ACES is authorized to issue and respond to margin calls on behalf of Big Rivers. ACES will coordinate with Big Rivers regarding the issuance or receipt of collateral to support a transaction. ACES holds no collateral. ACES retains copies of letters of credit and guarantees unless instructed otherwise by BRCC.

Definitions

- ***"Available Credit"*** means Trading Credit Limit minus Credit Exposure for a counterparty at the contract level.
- ***"Collateral Threshold"*** means Unsecured Credit extended to a counterparty per a master enabling agreement.
- ***"Credit Exposure"*** is the total amount of counterparty's credit exposure and is defined as the sum of:
 - The dollar value of all amounts invoiced and unpaid.
 - The dollar amount of all deliveries that have not yet been invoiced.
 - The mark to market value of all forward trades.

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- Less all offsetting amounts that are supported by legally binding netting agreements or Master Agreements.
- **“Credit Rating”** means, with respect to any entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations not supported by third party credit enhancements by S&P or Moody's, or if such entity does not have a rating for its senior unsecured long-term debt obligations, then the entity's issuer credit rating assigned by S&P or Moody's. In the event any counterparty is not rated by either Standard & Poor's or Moody's, then a Credit Rating will be assigned based on the ACES proprietary credit scoring model and approved by ACES Executive Director of Credit.
- **“Credit Trading Restrictions”** means limiting trading by transaction type and tenor of transaction with a counterparty to avoid undue risk or exposure.
- **“Investment Grade”** means a Credit Rating equal to or higher than BBB- by S&P, Baa3 by Moody's, or BBB- by ACES proprietary credit scoring model.
- **“Trading Credit Limit”** means an amount that may consist of approved Unsecured Credit and/or any posted collateral that is assigned to counterparties at a contract level for trading purposes.
- **“Unsecured Credit”** means credit extended only on the basis of the debtor's promise to repay, without any collateral security.
- Forms of credit risk are:
 - **“Payment Risk”** means the cost exposure to the value of accounts receivable and accrued receivables (delivered but not invoiced).
 - **“Performance (mark to market) Risk”**: The cost exposure of replacing the contractual obligations of open contracts in the relevant market place.

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Number	Date	Notes	Approved by
Original	02/21/2003	Originally Power Trading Portfolio Credit Risk Policy	Board
Rev 1	10/08/2004	Amendment to Section 1.3.1 and addition of Addendum	President/CEO
Rev 2	10/21/2011	Revised and renamed to Energy-Related Transaction Credit Policy	Board
Rev 3	02/21/2012	Revised to accommodate retirement of Senior VP Energy Supply	Board
Rev 4	03/14/2013	Revised to accommodate promotions, retirement and replacement	Board
Rev 5	08/15/2014	Change APM to ACES; update titles	Board
Rev 6	11/19/2015	Changed Senior VP Accounting, Rates & CFO to CFO, added President & CEO to trade approval	Board
Rev 7	11/17/2017	Remove Addendum as scoring model is controlled by Board ACES	Board
Rev 8	08/04/2022	Updated to reflect organizational changes per CEO authority under Policy 103	CEO
Rev 9	02/16/2024	Updated to include COO on Credit Committee.	Board
Rev 10	01/17//2025	Updated to reflect organizational changes and ACES recommendations	Board

*** Changes to this policy should be sent to ACES**



BOARD POLICY

Policy Number: ~~122~~

Energy-Related Transaction Credit Policy

Original Effective Date	02/21/2003	Date Last Reviewed	02/16/2024	Approved by
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Objective

The Big Rivers Electric Corporation ("Big Rivers") Energy-Related Transaction Credit Policy ("Credit Policy") outlines the credit policies and procedures utilized to guide a disciplined and integrated set of protocols for monitoring, measuring and managing the organization's counterparty credit risks within the policies and risk tolerance of the organization.

This policy establishes an enterprise-wide program for managing total counterparty risk regarding energy-related transactions for only electric power and transmission. This policy excludes all transactions with Independent System Operators ("ISOs") and Regional Transmission Organizations ("RTOs"). This policy will set forth clear credit risk management objectives and articulates the credit risk tolerance of the organization. Lastly, this policy will establish a responsibility hierarchy for measuring and mitigating counterparty risk.

Credit Policy Criteria

Forms of credit risk are:

Payment Risk: The cost exposure to the value of accounts receivable and unbilled receivables (delivered but not invoiced).

Performance (mark to market) Risk: The cost exposure of replacing the contractual obligations of open contracts in the relevant market place.

As part of enterprise-wide risk management, credit risk management is a control and oversight activity. It must remain independent from the energy-related transaction authority activity, but work closely with those having responsibility and authority thereunder to ensure that appropriate credit practices are implemented and maintained.

~~a-Counterparty Credit Standards~~ ~~Counterparty analysis~~Creditworthiness

The creditworthiness of each counterparty must be determined through a fundamental analysis of the counterparty's financial and operational condition. The credit analysis incorporates two basic components, a business profile (qualitative analysis) and a financial profile (quantitative analysis). A credit limit is established as a result of this due diligence process. A forward term restriction may also be established at this time if necessary. Big Rivers will utilize ACES' credit staff to conduct counterparty credit analyses at least annually and also at any time when events or circumstances indicate that a counterparty's creditworthiness may have deteriorated or improved significantly.

The creditworthiness of each counterparty must be determined through a fundamental analysis of the counterparty's financial and operational condition. The credit analysis incorporates two basic components, a business profile (qualitative analysis) and a financial profile (quantitative analysis). An Unsecured Credit limit is established as a result of this due diligence process. Unsecured Credit limits up to \$10,000,000 may be recommended by the Executive Director of Credit of ACES.

This entire process should be repeated for each counterparty at least annually and at any time when events or circumstances indicate that a counterparty's creditworthiness may have deteriorated or improved significantly. More frequent reviews may be necessary, at the discretion of ACES Credit Department or at the request of Big Rivers

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The credit analysis of each counterparty is to be performed by the Credit Department of ACES and submitted with recommendations regarding credit limits to the Big Rivers Credit Committee ("BRCC") for approval. The BRCC will be comprised of four voting members (1) President & CEO, (2) CFO, ~~(3) COO~~, and ~~(4)~~ the VP Energy Services. The BRCC point of contact is the CFO. All formal credit files are to be maintained at the offices of ACES.



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Credit Approvals

Counterparties that have an issuer rating or a rating on long-term senior unsecured debt obligations of at least BB from Standard & Poor's or Fitch or Ba2 from Moody's may qualify for the extension of an open line of credit for transactions up to one (1) day forward. In the event that the counterparty does not have rated debt, an internal ~~credit rating~~ Credit Rating will be assigned based on the ACES' proprietary credit scoring model and approved by ACES' Executive Director of Credit- (or similar title). Counterparties that qualify for an ACES internal rating of at least BB may qualify for an open line of credit for up to one (1) day forward.

Counterparties that have an issuer rating or a rating on long-term senior unsecured debt obligations of at least BBB- from Standard & Poor's or Fitch or Baa3 from Moody's may qualify for the extension of an open line of credit for transactions beyond one (1) day forward.

For unrated counterparties two internal rating models are utilized. One credit scoring model is designed for public counterparties. This includes generation and transmission cooperatives, distribution cooperatives, municipalities, government agencies, public power agencies, and other not-for-profit counterparties. The second credit scoring model is used for assigning a rating to non-public counterparties or for-profit counterparties. The purpose of the two separate credit scoring models is to provide recognition of these two distinct business models and the drivers that meaningfully distinguish and measure the financial and credit risks of each.

Each model measures two sets of risk factors: qualitative and financial indicators. Each model assigns a composite credit score from 1 (best) to 6 (worst) that corresponds to a Credit Rating formatted to mimic the S&P corporate credit rating scale for both public and non-public counterparties.

Credit enhancements

Counterparties that do not qualify for an extension of an open line of credit or have a credit rating below BB from Standard & Poor's or Fitch or Ba2 from Moody's must post at least one of the following types of security prior to the execution of a transaction:

- Corporate Guarantee: Counterparties may provide a guarantee from a third party that meets the creditworthiness requirements noted above. If a counterparty provides such a guarantee, the amount of any open line of credit will be determined through an analysis of the financial statements of the guarantor. All guarantees must be in a format that is acceptable to BRCC.
- Letter of Credit: Counterparties may provide an irrevocable letter of credit for an amount sufficient to cover the related transactions. Letters of credit should be for a term of at least 45 days beyond the term of the most forward transaction. Letters of credit must be issued by a bank or a financial institution with a rating of at least A from Standard & Poor's or Fitch or A2 from Moody's.
- Prepayment (margin): Counterparties may provide a prepayment or cash margin deposit that is sufficient to cover the related transactions.

~~b.~~ Determination of the Amount of an Open Line of Credit

Once a counterparty has been determined to be creditworthy, an open line of credit may be extended up to 5% of tangible net worth, or, in the case of governmental agencies or non-profit wholesale power suppliers, up to 10% of their average free cash flow for the prior two years.

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• ~~Available Credit~~ is the dollar amount remaining open on the credit limit approved for a counterparty.

• ~~Credit Limit~~ is defined as:

- a. ~~the approved amount of the unsecured credit limit~~ **plus**
- b. ~~the approved guaranteed amount of any guarantee(s) held~~ **plus**
- b. ~~the value of any letter of credit or cash collateral held~~ **plus**
- b. ~~the approved value of any other type of collateral held~~

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Risk rating

ACES will use the unsecured ratings of Standard & Poor's or Fitch or Moody's when available. Otherwise, an internal rating will be calculated based on ACES' credit scoring model that will assign a rating similar to Standard & Poor's.

Each counterparty will be assigned a risk rating based on the results of the credit analysis. Each risk rating will be associated with a default probability. This risk rating system will closely correspond to a Standard & Poor's based rating system with ratings between A and CCC. The Director of Credit of ACES has the authority to approve risk ratings based on the established credit procedures.

ACES Internal Counterparty Rating System

~~For unrated counterparties two internal rating models are utilized. One credit scoring model is designed for public counterparties. This includes generation and transmission cooperatives, distribution cooperatives, municipalities, government agencies, public power agencies, and other not-for-profit counterparties. The second credit scoring model is used for assigning a rating to non-public counterparties or for-profit counterparties. The purpose of the two separate credit scoring models is to provide recognition of these two distinct business models and the drivers that meaningfully distinguish and measure the financial and credit risks of each.~~

~~Each model measures two sets of risk factors: qualitative and financial indicators. Each model assigns a composite credit score from 1 (best) to 6 (worst) that corresponds to a credit rating formatted to mimic the S&P corporate credit rating scale for both public and non-public counterparties~~

e. Counterparty Credit Exposure

The total amount of a counterparty's credit exposure is defined as:

1. The dollar value of all amounts invoiced and unpaid **plus**
2. The dollar amount of all deliveries that have not yet been invoiced **plus**
3. The mark to market value of all forward trades **less**
4. All offsetting amounts that are supported by legally binding netting agreements or Master Agreements.

Grouping of ~~counterparties~~Counterparties

Counterparties sharing a common parent or affiliation will be assigned to a group. A credit limit will be assigned to the group with individual credit limits being assigned to each counterparty within the group. The aggregate credit limit of these counterparties will not exceed the established group limit.

Credit File Documentation

Credit analysis, approvals and denials must be documented in writing and all counterparty information shall be contained in formal credit files, which are maintained at the offices of ACES. These credit files are expected to contain audited financial statements (or reference to the website location where the

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financials can be retrieved) and a credit review analysis report with a credit limit recommendation signed by the Director of Credit of ACES. These files should also contain as much of the following as possible:

- At least the two most recent years of audited financial statement information.
- Rating information as published by Standard & Poor's, Fitch or Moody's.
- General industry information.
- Copies of all credit related correspondence with the counterparty.

Collateral Threshold Approval Authority

Once a counterparty has been determined to be creditworthy, a Collateral Threshold may be extended under the collateral section of a master enabling agreement.

Big Rivers's approvals will take into consideration Unsecured Credit limit recommendations provided by ACES Credit Department. All approvals must be in writing.

Authority to approve a Collateral Threshold amount is as follows for counterparties that are deemed creditworthy:

President & CEO	Up to \$1,000,000
BRCC	Up to \$10,000,000
Board	No limit

Trading Credit Limit Approval Authority

The BRCC has the authority to approve credit limits up to \$10 million.

Any increase to the existing open line of credit must have the written approval of the BRCC.

Entering into unsecured transactions with a counterparty that will cause the total credit exposure to that counterparty to exceed the sum of its credit line plus any collateral held will not be approved. These transactions must be pre-approved, in writing, by the BRCC. All such transactions in violation of this policy will be reported to the Risk Management Committee of ACES and to Big Rivers' IRMC in a timely manner.

Credit Trading Restriction Approval Authority

The BRCC will have the authority to approve Credit Trading Restrictions. Big Rivers' approvals will take into consideration Credit Trading Restriction recommendations provided by the ACES Credit Department. The BRCC will have the authority to make such approved changes to the counterparty Credit Trading Restrictions via the ACES Credit Portal. ACES recommended trading restrictions are distributed and posted to the ACES Credit Portal.

Credit Controls

An approved list of energy-related transaction counterparties noting credit limits and available credit is distributed by ACES on each business day to all traders via e-mail and posted to Big Rivers' ACES website.

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An energy-related transaction restriction report noting counterparties that are credit approved on a secured basis or not approved for energy-related transactions under any scenario is periodically distributed by ACES to Big Rivers and posted to Big Rivers' ACES web site. Restrictions will be noted on the approved list of energy-related transaction counterparties report, which is distributed each business day.

Under no circumstances should a trade be executed with a counterparty that does not appear on the approved list of energy-related transaction counterparties unless the trade has been approved in writing by Big Rivers' President & CEO or CFO.

No credit sleeving transactions shall be executed. However, this policy does not prohibit a member of ACES being positioned between Big Rivers and a counterparty to bridge a contract gap with a counterparty, and vice versa.

The Executive Director of Credit of ACES (or similar title) is to provide general oversight over the credit function, reporting any credit issues to the Risk Management Committee of ACES and to the BRCC.



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No new transactions are to be entered into with counterparties that have exceeded their credit limits except as they may mitigate (offset) existing exposure, or, if those transactions have prior approval of the BRCC. Any new unsecured, unauthorized transactions entered into with a counterparty that has a credit exposure in excess of its assigned credit limit will subject the trader to be sanctioned according to the Big Rivers' Risk Management Sanctions Policy (for Big Rivers Employees only, ACES' employees are governed by the ACES Power Marketing Trading Sanctions Policy).

Receivables/Payables Management

Unless otherwise notified by Big Rivers, ACES will assume all payments are received/sent by Big Rivers on the due date.

Credit Risk Mitigation

Negotiations of agreements and ongoing contractual terms with counterparties shall strive to include prudent industry practice credit provisions. These shall include, but are not limited to, explicit netting agreements and provisions granting the right to call for and receive collateral in the event the counterparty exceeds its approved credit limit or suffers a material adverse credit event.

Collateral Management

ACES is authorized to give Big Rivers' credit information to counterparties in order to establish credit approvals.

ACES is authorized to issue and respond to margin calls on behalf of Big Rivers. ACES will coordinate with Big Rivers regarding the issuance or receipt of collateral to support a transaction. ACES holds no collateral. ACES retains copies of letters of credit and guarantees unless instructed otherwise by BRCC.

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Definitions

- **“Available Credit”** means Trading Credit Limit minus Credit Exposure for a counterparty at the contract level.
- **“Collateral Threshold”** means Unsecured Credit extended to a counterparty per a master enabling agreement.
- **“Credit Exposure”** is the total amount of counterparty’s credit exposure and is defined as the sum of:
 - The dollar value of all amounts invoiced and unpaid.
 - The dollar amount of all deliveries that have not yet been invoiced.
 - The mark to market value of all forward trades.
 - Less all offsetting amounts that are supported by legally binding netting agreements or Master Agreements.
- **“Credit Rating”** means, with respect to any entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations not supported by third party credit enhancements by S&P or Moody's, or if such entity does not have a rating for its senior unsecured long-term debt obligations, then the entity's issuer credit rating assigned by S&P or Moody's. In the event any counterparty is not rated by either Standard & Poor's or Moody's, then a Credit Rating will be assigned based on the ACES proprietary credit scoring model and approved by ACES Executive Director of Credit.
- **“Credit Trading Restrictions”** means limiting trading by transaction type and tenor of transaction with a counterparty to avoid undue risk or exposure.
- **“Investment Grade”** means a Credit Rating equal to or higher than BBB- by S&P, Baa3 by Moody's, or BBB- by ACES proprietary credit scoring model.
- **“Trading Credit Limit”** means an amount that may consist of approved Unsecured Credit and/or any posted collateral that is assigned to counterparties at a contract level for trading purposes.
- **“Unsecured Credit”** means credit extended only on the basis of the debtor’s promise to repay, without any collateral security.

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• Forms of credit risk are:

- *“Payment Risk”* means the cost exposure to the value of accounts receivable and accrued receivables (delivered but not invoiced).
- *“Performance (mark to market) Risk”*: The cost exposure of replacing the contractual obligations of open contracts in the relevant market place.

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BOARD POLICY

Policy Number: 122

Energy Related Transaction Credit Policy

<u>Original Effective Date</u>	<u>02/21/2003</u>	<u>Date Last Reviewed</u>	<u>01/17/2025</u>	<u>Approved by</u>
<u>Original Approval Date</u>	<u>02/21/2003</u>	<u>Date Last Revised</u>	<u>01/17/2025</u>	<u>BOARD</u>

Number	Date	Notes	Approved by
Original	02/21/2003	Originally Power Trading Portfolio Credit Risk Policy	Board
Rev 1	10/08/2004	Amendment to Section 1.3.1 and addition of Addendum	President/CEO
Rev 2	10/21/2011	Revised and renamed to Energy-Related Transaction Credit Policy	Board
Rev 3	02/21/2012	Revised to accommodate retirement of Senior VP Energy Supply	Board
Rev 4	03/14/2013	Revised to accommodate promotions, retirement and replacement	Board
Rev 5	08/15/2014	Change APM to ACES; update titles	Board
Rev 6	11/19/2015	Changed Senior VP Accounting, Rates & CFO to CFO, added President & CEO to trade approval	Board
Rev 7	11/17/2017	Remove Addendum as scoring model is controlled by ACES	Board
Rev 8	08/04/2022	Updated to reflect organizational changes per CEO authority under Policy 103	CEO
Rev 9	02/16/2024	Updated to include COO on Credit Committee.	Board

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BOARD POLICY

Policy Number: 122

Energy Related Transaction Credit Policy				
Original Effective Date	02/21/2003	Date Last Reviewed	01/17/2025	Approved by BOARD
Original Approval Date	02/21/2003	Date Last Revised	01/17/2025	

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Rev 10 01/17//2025 Updated to reflect organizational changes and ACES Board recommendations

* Changes to this policy should be sent to ACES

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BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 **Item 12)** *For the period under review, list all firm power commitments for*
2 *(a) purchases and (b) sales. This list shall identify the electric utility, the*
3 *amount of commitment in megawatts, and the purpose of the commitment*
4 *(i.e., peaking, emergency).*

5

6 **Response)** Big Rivers has a contract with Southeastern Power Administration
7 ("SEPA") to purchase up to 178 MWs of energy. This volume fluctuates on a weekly
8 basis based on hydrological conditions.

9 Big Rivers has a Grandfathered Transmission Agreement with Associated
10 Electric Cooperative, Inc. ("AECI") under which Big Rivers may purchase (or sell) up
11 to 186 MWs per hour. Big Rivers reimburses AECI at the locational marginal price
12 at the AECI/MISO interface, plus a share of MISO congestion and losses between the
13 AECI/MISO interface and Big Rivers load. If Big Rivers is the seller, AECI
14 reimburses Big Rivers at the locational marginal price at a Big Rivers generator, plus
15 a share of MISO congestion and losses between the big Rivers generator and the

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
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FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 AECI/MISO interface. Big Rivers uses this agreement for economic energy when
2 AECI market prices are below the cost of purchasing load from MISO.

3 Big Rivers has a Grandfathered Transmission Agreement with Southern
4 Illinois Power Cooperative, Inc. ("SIPC") under which Big Rivers may purchase (or
5 sell) up to 100 MWs per hour during the months of March, April, October, and
6 November. Big Rivers may purchase (or sell) up to 75 MWs in all other months. Big
7 Rivers reimburses SIPC at the locational marginal price at SIPC generator node, plus
8 a share of MISO congestion and losses between the SIPC generator and Big Rivers
9 load. If Big Rivers is the seller, SIPC reimburses Big Rivers at the locational
10 marginal price at a Big Rivers generator, plus a share of MISO congestion and losses
11 between the Big Rivers generator and SIPC load. Big Rivers uses this agreement for
12 economic energy when SIPC market prices are below the cost of purchasing load from
13 MISO.

14 Additional purchases are shown on the table below.

15

16

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
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June 20, 2025

1 (a) Purchases:

Big Rivers Electric Corporation Power Purchases November 1, 2023 through April 30, 2024						
Date	Electric Utility	MW	Block	Total MWh	ISO	Purpose
Nov-Dec 2023		200	7x24	292,800	MISO	Hedge BREC Load
Jan-Feb 2024		25	Peak	17,200	MISO	Hedge BREC Load
March 2024		175	Peak	58,800	MISO	Hedge BREC Load
March 2024		100	7x24	74,400	MISO	Hedge BREC Load
April 2024		100	7x24	72,000	MISO	Hedge BREC Load
Jan-Mar 2024		100	7x24	218,400	MISO	Hedge BREC Load
Jan-Feb 2024		125	7x24	180,000	MISO	Hedge BREC Load
Nov-Dec 2023		40	5x16	26,240	SPP	Nebraska Load
Dec 2023		5	5x16	1,600	SPP	Nebraska Load

BIG RIVERS ELECTRIC CORPORATION

**AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078**

**Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
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June 20, 2025

Nov-Dec 2023		35	Off-Peak	28,280	SPP	Nebraska Load
Jan-Apr 2024		25	5x16	34,400	SPP	Nebraska Load
Jan-Mar 2024		10	5x16	10,240	SPP	Nebraska Load
Jan-Feb 2024		10	5x16	6,880	SPP	Nebraska Load
Jan 2024		5	5x16	1,760	SPP	Nebraska Load
Jan-Apr 2024		20	Off-Peak	30,560	SPP	Nebraska Load
Jan-Mar 2024		10	Off-Peak	11,600	SPP	Nebraska Load
Jan-Feb 2024		5	Off-Peak	3,760	SPP	Nebraska Load
Jan 2024		5	Off-Peak	1,900	SPP	Nebraska Load
Feb 2024		5	7x24	3,480	SPP	Nebraska Load
Apr 2024		5	7x24	3,600	SPP	Nebraska Load

1

2 (b) Sales:

3 Big Rivers has a contract to provide up to 100 MWs to the Kentucky Municipal
4 Energy Agency ("KYMEA"). KYMEA uses this as a baseload resource.

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
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OF BIG RIVERS ELECTRIC CORPORATION
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June 20, 2025

1 Big Rivers has a second contract with KYMEA for up to 100 MWs. KYMEA
2 uses this agreement for economic energy, when the contract price is below the cost
3 of their other resources.

4 On June 1, 2020, Owensboro Municipal Utilities ("OMU") began taking energy
5 from Big Rivers under a 6.5-year contract in which Big Rivers supplies full
6 requirements service, net of OMU's SEPA allocation of capacity and energy. The
7 price is contractually specified.

8 Big Rivers has contracts with three public power entities in Nebraska with
9 about 90 MWs of load to provide partial requirements service, balancing what
10 they receive from Western Area Power Administration, and a wind farm with
11 their load. Any purchases to hedge this transaction shown in sub-part (a) do not
12 pass through Big Rivers' FAC.

13 **Witness)** Thomas L. Melton

14

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 **Item 13)** *Provide a monthly billing summary of sales to all electric*
2 *utilities for the period under review.*

3

4 **Response)** Please see the attached monthly billing summaries for sales to all
5 electric utilities for the period November 1, 2023 through April 30, 2024.

6

7

8 **Witness)** Rebecca ("Becky") Shelton

9

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - November 2023

		KW Billed (a)	kWh (b)	Demand Revenue (c)	Base Energy Revenue (d)	Total Demand & Energy (e) = (c) + (d)
1	Member Billing November 2023					
2						
3	JP RURALS	95,091	45,604,336	1,312,731.25	\$ 2,052,195.12	\$ 3,364,926.37
4	KENERGY	174,069	81,360,401	2,403,022.54	3,661,218.04	6,064,240.58
5	MEADE CO. RURALS	87,650	36,159,550	1,210,008.25	1,627,179.75	2,837,188.00
6						
7	TOTAL RURALS	356,810	163,124,287	\$ 4,925,762.04	\$ 7,340,592.91	\$ 12,266,354.95
8						
9		4,627	1,913,593	49,578.31	\$ 72,812.21	\$ 122,390.52
10		1,620	479,361	17,358.30	18,239.69	35,597.99
11		2,289	1,021,109	24,526.63	38,853.20	63,379.83
12		40,800	13,532,047	437,172.00	514,894.39	952,066.39
13		35,000	16,113,118	375,025.00	613,104.14	988,129.14
14		33,394	13,591,831	300,816.71	517,169.17	817,985.88
15		150	10,592	1,607.25	403.03	2,010.28
16		180	28,647	1,928.70	1,090.02	3,018.72
17		2,500	172,687	26,787.50	6,570.74	33,358.24
18		819	229,766	8,775.58	8,742.60	17,518.18
19		22,131	5,532,752	237,133.67	210,521.21	447,654.88
20		1,261	224,446	13,511.61	8,540.17	22,051.78
21		3,478	1,530,760	37,266.77	58,245.42	95,512.19
22		7,242	4,173,313	77,598.03	158,794.56	236,392.59
23		11,884	6,153,324	127,337.06	234,133.98	361,471.04
24						
25	Sub-Total Kenergy Industrials	167,375	64,707,346	\$ 1,736,423.12	\$ 2,462,114.53	\$ 4,198,537.65
26						
27		10,361	6,797,688	111,018.12	258,652.03	369,670.15
28						
29		131,899	36,051,169	482,090.84	1,051,326.93	1,533,417.77
30						
31	TOTAL INDUSTRIALS	309,635	107,556,203	2,329,532.08	3,772,093.49	6,101,625.57
32						
33		22,500	16,015,907	11,790.00	524,268.94	536,058.94
34		0	61,169		7,485.09	7,485.09
35						
36	Sub-Total CoGEN/MARKET	22,500	16,077,076	11,790.00	531,754.03	543,544.03
37						
38						

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - November 2023

	Net Green Power (f)	Power Factor Penalty (g)	Billing Adjustment (h)	Fuel Adjustment Clause (FAC) (i)	Environmental Surcharge (ES) (j)
1 Member Billing November 2023					
2					
3 JP RURALS	\$ 510.00	\$ -	\$ -	\$ 696,788.65	\$ 337,711.37
4 KENERGY	-	-	-	1,243,105.57	607,213.30
5 MEADE CO. RURALS	-	-	-	552,481.76	280,847.34
6					
7 TOTAL RURALS	\$ 510.00	\$ -	\$ -	\$ 2,492,375.98	\$ 1,225,772.01
8					
9 [REDACTED]				\$ 29,237.79	\$ 12,716.84
10 [REDACTED]				7,324.16	3,567.43
11 [REDACTED]				15,601.52	6,636.70
12 [REDACTED]				206,756.15	96,621.02
13 [REDACTED]				246,192.33	103,799.05
14 [REDACTED]			150.00	207,669.59	86,368.40
15 [REDACTED]			32.24	161.84	173.43
16 [REDACTED]			-	437.70	282.10
17 [REDACTED]			609.34	2,638.48	2,872.67
18 [REDACTED]				3,510.59	1,745.14
19 [REDACTED]				84,534.92	44,018.96
20 [REDACTED]				1,827.44	1,648.41
21 [REDACTED]		235.73		23,388.48	9,987.72
22 [REDACTED]				63,764.05	25,373.88
23 [REDACTED]				94,016.64	38,411.49
24					
25 Sub-Total Kenergy Industrials	\$ -	\$ 235.73	\$ 791.58	\$ 987,061.68	\$ 434,223.24
26					
27 [REDACTED]	-	-	-	103,861.87	40,141.33
28 [REDACTED]			(53,039.25)	-	(4,100.51)
29 [REDACTED]					
30					
31 TOTAL INDUSTRIALS	0.00	235.73	(52,247.67)	1,090,923.55	470,264.06
32					
33 [REDACTED]	-		13,951.34	-	-
34 [REDACTED]	-		(930.24)		
35					
36 Sub-Total CoGEN/MARKET	-	-	13,021.10	-	-
37					
38					

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - November 2023

	Member Billing November 2023	Non-FAC PPA (k)	Revenue (l) = \sum (e) to (k)	MRSN - ER Adjustment (m)	Revenue Net of MRSN Adjustments (n) = (l) + (m)
1					
2					
3	JP RURALS	\$ 306,506.74	\$ 4,706,443.13	\$ (215,924.54)	\$ 4,490,518.59
4	KENERGY	546,823.26	8,461,382.71	(394,734.94)	8,066,647.77
5	MEADE CO. RURALS	243,028.34	3,913,545.44	(156,048.49)	3,757,496.95
6					
7	TOTAL RURALS	\$ 1,096,358.34	\$ 17,081,371.28	\$ (766,707.97)	\$ 16,314,663.31
8					
9		\$ 12,861.26	\$ 177,206.41	\$ (6,035.07)	\$ 171,171.34
10		3,221.79	49,711.37	(1,543.07)	48,168.30
11		6,862.87	92,480.92	(3,621.02)	88,859.90
12		90,948.89	1,346,392.45	(49,107.77)	1,297,284.68
13		108,296.27	1,446,416.79	(50,422.81)	1,395,993.98
14		91,350.70	1,203,524.57	(48,689.86)	1,154,834.71
15		71.19	2,448.98	(33.27)	2,415.71
16		192.54	3,931.06	(81.23)	3,849.83
17		1,160.63	40,639.36	(482.77)	40,156.59
18		1,544.26	24,318.17	(440.70)	23,877.47
19		37,185.63	613,394.39	(1,401.02)	611,993.37
20		1,508.50	27,036.13	-	27,036.13
21		10,288.24	139,412.36	(5,760.88)	133,651.48
22		28,048.84	353,579.36	(13,131.19)	340,448.17
23		41,356.49	535,255.66	(20,782.88)	514,472.78
24					
25	Sub-Total Kenergy Industrials	\$ 434,898.10	\$ 6,055,747.98	\$ (201,533.54)	\$ 5,854,214.44
26					
27		45,687.26	559,360.61	(7,650.59)	551,710.02
28		-	(57,139.76)		(57,139.76)
29			1,533,417.77		1,533,417.77
30					
31	TOTAL INDUSTRIALS	480,585.36	8,091,386.60	(209,184.13)	7,882,202.47
32					
33		-	550,010.28	-	550,010.28
34			6,554.85	-	6,554.85
35					
36	Sub-Total CoGEN/MARKET	-	556,565.13	-	556,565.13
37					
38					

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - December 2023

		KW Billed (a)	kWh (b)	Demand Revenue (c)	Base Energy Revenue (d)	Total Demand & Energy (e) = (c) + (d)
1	Member Billing December 2023					
2						
3	JP RURALS	89,677	52,256,421	1,237,990.98	\$ 2,351,538.95	\$ 3,589,529.93
4	KENERGY	170,909	93,635,408	2,359,398.75	4,213,593.36	6,572,992.11
5	MEADE CO. RURALS	90,597	43,321,192	1,250,691.58	1,949,453.64	3,200,145.22
6						
7	TOTAL RURALS	351,183	189,213,021	\$ 4,848,081.31	\$ 8,514,585.95	\$ 13,362,667.26
8						
9		4,377	1,573,532	46,899.56	\$ 59,872.89	\$ 106,772.45
10		1,644	473,840	17,615.46	18,029.61	35,645.07
11		2,258	933,344	24,194.47	35,513.74	59,708.21
12		40,800	18,314,290	437,172.00	696,858.73	1,134,030.73
13		35,000	17,052,300	375,025.00	648,840.02	1,023,865.02
14		33,469	10,346,407	295,920.34	393,680.79	689,601.13
15		150	12,304	1,607.25	468.17	2,075.42
16		180	43,152	1,928.70	1,641.93	3,570.63
17		2,500	194,375	26,787.50	7,395.97	34,183.47
18		939	253,421	10,061.39	9,642.67	19,704.06
19		22,352	13,011,681	239,501.68	495,094.46	734,596.14
20		3,493	1,357,585	37,427.50	51,656.11	89,083.61
21		7,447	4,070,187	79,794.60	154,870.62	234,665.22
22		11,444	6,105,004	122,622.46	232,295.40	354,917.86
23						
24	Sub-Total Kenergy Industrials	166,053	73,741,422	\$ 1,716,557.91	\$ 2,805,861.11	\$ 4,522,419.02
25						
26		5,910	3,658,660	63,325.65	139,212.01	202,537.66
27		5,500	4,092,000	58,932.50	155,700.60	214,633.10
28		143,115	38,531,720	523,085.32	1,120,161.26	1,643,246.58
29						
30	TOTAL INDUSTRIALS	320,578	120,023,802	2,361,901.38	4,220,934.98	6,582,836.36
31						
32		22,500	16,690,680	1,798.00	461,777.33	463,575.33
33		0				-
34						
35	Sub-Total CoGEN/MARKET	22,500	16,690,680	1,798.00	461,777.33	463,575.33
36						
37						
38	GRAND TOTAL	694,261	325,927,503	\$ 7,211,780.69	\$ 13,197,298.26	\$ 20,409,078.95

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - December 2023

	Net Green Power (f)	Power Factor Penalty (g)	Billing Adjustment (h)	Fuel Adjustment Clause (FAC) (i)	Environmental Surcharge (ES) (j)
1 Member Billing December 2023					
2					
3 JP RURALS	\$ 510.00	\$ -	\$ -	\$ 746,221.69	\$ 370,408.52
4 KENERGY	-	-	-	1,337,113.63	674,866.57
5 MEADE CO. RURALS	-	-	-	618,626.62	324,805.87
6					
7 TOTAL RURALS	\$ 510.00	\$ -	\$ -	\$ 2,701,961.94	\$ 1,370,080.96
8					
9	\$ -			\$ 22,470.04	\$ 11,049.76
10	-	-		6,766.44	3,603.44
11	-			13,328.15	6,267.78
12	-			261,528.06	120,018.04
13	-			243,506.84	109,217.18
14	-		150.00	147,746.69	71,682.58
15	-		32.24	175.70	184.44
16	-		128.96	616.21	353.80
17	-		947.86	2,775.67	3,024.10
18	-			3,618.85	1,977.80
19	-			185,806.80	79,650.20
20	-			19,386.31	9,293.41
21	-			58,122.27	25,300.75
22	-			87,179.46	38,181.43
23					
24 Sub-Total Kenergy Industrials	\$ -	\$ -	\$ 1,259.06	\$ 1,053,027.49	\$ 479,804.71
25					
26	-	-	-	52,245.66	22,078.71
27			(53,039.25)	58,433.76	19,562.16
28					
29					
30 TOTAL INDUSTRIALS	0.00	0.00	(51,780.19)	1,163,706.91	521,445.58
31					
32	-		11,650.62	-	-
33	-		(851.17)	-	-
34					
35 Sub-Total CoGEN/MARKET	-	-	10,799.45	-	-
36					
37					
38 GRAND TOTAL	\$ 510.00	\$ -	\$ (40,980.74)	\$ 3,865,668.85	\$ 1,891,526.54

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - December 2023

		Non-FAC PPA (k)	Revenue (l) = \sum (e) to (k)	MRSM - ER Adjustment (m)	Revenue Net of MRSM Adjustments (n) = (l) + (m)
1	Member Billing December 2023				
2					
3	JP RURALS	\$ 351,215.41	\$ 5,057,885.55	\$ (214,347.04)	\$ 4,843,538.51
4	KENERGY	629,323.58	9,214,295.89	(382,405.77)	8,831,890.12
5	MEADE CO. RURALS	291,161.73	4,434,739.44	(169,955.17)	4,264,784.27
6					
7	TOTAL RURALS	\$ 1,271,700.72	\$ 18,706,920.88	\$ (766,707.98)	\$ 17,940,212.90
8					
9		\$ 10,575.71	\$ 150,867.96	\$ (5,925.71)	\$ 144,942.25
10		3,184.68	49,199.63	(1,484.41)	47,715.22
11		6,273.01	85,577.15	(3,162.01)	82,415.14
12		123,090.34	1,638,667.17	(41,903.86)	1,596,763.31
13		114,608.51	1,491,197.55	(49,896.51)	1,441,301.04
14		69,538.20	978,718.60	(42,088.99)	936,629.61
15		82.70	2,550.50	(32.80)	2,517.70
16		290.02	4,959.62	(88.71)	4,870.91
17		1,306.39	42,237.49	(534.75)	41,702.74
18		1,703.24	27,003.95	(711.50)	26,292.45
19		87,451.51	1,087,504.65	(17,827.96)	1,069,676.69
20		9,124.33	126,887.66	(4,740.21)	122,147.45
21		27,355.73	345,443.97	(12,923.24)	332,520.73
22		41,031.73	521,310.48	(19,054.62)	502,255.86
23					
24	Sub-Total Kenenergy Industrials	\$ 495,616.10	\$ 6,552,126.38	\$ (200,375.28)	\$ 6,351,751.10
25					
26		24,589.85	301,451.88	(8,808.85)	292,643.03
27		27,502.33	267,092.10		267,092.10
28			1,643,246.58		1,643,246.58
29					
30	TOTAL INDUSTRIALS	547,708.28	8,763,916.94	(209,184.13)	8,554,732.82
31					
32		-	475,225.95	-	475,225.95
33		-	(851.17)	-	(851.17)
34					
35	Sub-Total CoGEN/MARKET	-	474,374.78	-	474,374.78
36					
37					
38	GRAND TOTAL	\$ 1,819,409.00	\$ 27,945,212.60	\$ (975,892.11)	\$ 26,969,320.50

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - January 2024

		KW Billed (a)	kWh (b)	Demand Revenue (c)	Base Energy Revenue (d)	Total Demand & Energy (e) = (c) + (d)
1	Member Billing January 2024					
2						
3	JP RURALS	126,922	66,303,754	1,752,158.21	\$ 2,983,668.93	\$ 4,735,827.14
4	KENERGY	235,318	119,302,682	3,248,564.99	5,368,620.69	8,617,185.68
5	MEADE CO. RURALS	130,289	57,731,664	1,798,639.65	2,597,924.88	4,396,564.53
6						
7	TOTAL RURALS	492,529	243,338,100	\$ 6,799,362.85	\$ 10,950,214.50	\$ 17,749,577.35
8						
9		4,521	2,031,812	48,442.52	\$ 77,310.45	\$ 125,752.97
10		1,827	497,704	19,576.31	18,937.64	38,513.95
11		2,291	1,080,234	24,548.06	41,102.90	65,650.96
12		40,800	20,565,203	437,172.00	782,505.97	1,219,677.97
13		35,000	16,683,140	375,025.00	634,793.48	1,009,818.48
14		33,162	9,995,943	292,630.83	380,345.63	672,976.46
15		150	8,855	1,607.25	336.93	1,944.18
16		180	33,494	1,928.70	1,274.45	3,203.15
17		2,500	195,438	26,787.50	7,436.42	34,223.92
18		936	262,485	10,029.24	9,987.55	20,016.79
19		24,473	14,834,894	262,228.20	564,467.72	826,695.92
20		3,553	1,978,064	38,070.39	75,265.34	113,335.73
21		7,379	4,330,500	79,065.99	164,775.53	243,841.52
22		10,387	6,029,054	111,296.71	229,405.50	340,702.21
23						
24	Sub-Total Kenergy Industrials	167,159	78,526,820	\$ 1,728,408.70	\$ 2,987,945.51	\$ 4,716,354.21
25						
26		6,678	3,960,816	71,554.77	150,709.05	222,263.82
27		5,500	3,916,948	58,932.50	149,039.87	207,972.37
28		139,059	38,798,680	508,260.64	1,127,672.49	1,635,933.13
29						
30	TOTAL INDUSTRIALS	318,396	125,203,264	2,367,156.61	4,415,366.92	6,782,523.53
31						
32		22,500	14,360,608	1,798.00	438,891.11	440,689.11
33		0	16,963		1,600.28	1,600.28
34						
35	Sub-Total CoGEN/MARKET	22,500	14,377,571	1,798.00	440,491.39	442,289.39
36						
37						
38	GRAND TOTAL	833,425	382,918,935	\$ 9,168,317.46	\$ 15,806,072.81	\$ 24,974,390.27

**Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - January 2024**

	Net Green Power (f)	Power Factor Penalty (g)	Billing Adjustment (h)	Fuel Adjustment Clause (FAC) (i)	Environmental Surcharge (ES) (j)
1 Member Billing January 2024					
2					
3 JP RURALS	\$ 510.00	\$ -	\$ -	\$ 770,648.53	\$ 504,766.92
4 KENERGY	-	-	-	1,386,655.07	916,373.03
5 MEADE CO. RURALS	-	-	-	671,015.13	462,660.57
6					
7 TOTAL RURALS	\$ 510.00	\$ -	\$ -	\$ 2,828,318.73	\$ 1,883,800.52
8					
9	\$ -			\$ 23,615.75	\$ 13,825.26
10	-	-		5,784.81	4,040.43
11	-			12,555.56	7,247.99
12	-			239,029.35	135,426.99
13	-			193,908.14	111,590.74
14	-		150.00	116,182.85	72,634.64
15	-		32.24	102.92	178.65
16	-		128.96	389.30	323.75
17	-		812.38	2,271.58	3,206.39
18	-			3,050.86	2,105.86
19	-			172,425.97	93,185.82
20	-			22,991.04	12,688.61
21	-			50,333.40	27,415.71
22	-			70,075.69	38,272.34
23					
24 Sub-Total Kenergy Industrials	\$ -	\$ -	\$ 1,123.58	\$ 912,717.22	\$ 522,143.18
25					
26	-	-	-	46,036.56	25,010.72
27			(53,039.25)	45,526.69	19,232.51
28					
29					
30 TOTAL INDUSTRIALS	0.00	0.00	(51,915.67)	1,004,280.47	566,386.41
31					
32	-		9,628.38	-	-
33	-				
34					
35 Sub-Total CoGEN/MARKET	-	-	9,628.38	-	-
36					
37					
38 GRAND TOTAL	\$ 510.00	\$ -	\$ (42,287.29)	\$ 3,832,599.20	\$ 2,450,186.93

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - January 2024

	Member Billing January 2024	Non-FAC PPA (k)	Revenue (l) = ∑ (e) to (k)	MRSN - ER Adjustment (m)	Revenue Net of MRSN Adjustments (n) = (l) + (m)
1					
2					
3	JP RURALS	\$ 445,627.53	\$ 6,457,380.12	\$ (181,652.46)	\$ 6,275,727.66
4	KENERGY	801,833.33	11,722,047.11	(325,493.06)	11,396,554.05
5	MEADE CO. RURALS	388,014.51	5,918,254.74	(150,592.04)	5,767,662.70
6					
7	TOTAL RURALS	\$ 1,635,475.37	\$ 24,097,681.97	\$ (657,737.56)	\$ 23,439,944.41
8					
9		\$ 13,655.81	\$ 176,849.79	\$ (4,147.02)	\$ 172,702.77
10		3,345.07	51,684.26	(1,248.79)	50,435.47
11		7,260.25	92,714.76	(2,459.81)	90,254.95
12		138,218.73	1,732,353.04	(48,266.99)	1,684,086.05
13		112,127.38	1,427,444.74	(44,941.04)	1,382,503.70
14		67,182.73	929,126.68	(27,267.77)	901,858.91
15		59.51	2,317.50	(32.43)	2,285.07
16		225.11	4,270.27	(113.73)	4,156.54
17		1,313.54	41,827.81	(512.27)	41,315.54
18		1,764.16	26,937.67	(667.89)	26,269.78
19		99,705.32	1,192,013.03	(34,292.06)	1,157,720.97
20		13,294.57	162,309.95	(3,577.89)	158,732.06
21		29,105.29	350,695.92	(10,726.91)	339,969.01
22		40,521.27	489,571.51	(16,089.63)	473,481.88
23					
24	Sub-Total Kenergy Industrials	\$ 527,778.74	\$ 6,680,116.93	\$ (194,344.23)	\$ 6,485,772.70
25					
26		26,620.64	319,931.74	(9,642.32)	310,289.42
27		26,325.81	246,018.13		246,018.13
28			1,635,933.13		1,635,933.13
29					
30	TOTAL INDUSTRIALS	580,725.19	8,881,999.93	(203,986.55)	8,678,013.38
31					
32		-	450,317.49	-	450,317.49
33			1,600.28	-	1,600.28
34					
35	Sub-Total CoGEN/MARKET	-	451,917.77	-	451,917.77
36					
37					
38	GRAND TOTAL	\$ 2,216,200.56	\$ 33,431,599.67	\$ (861,724.11)	\$ 32,569,875.56

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - February 2024

		KW Billed (a)	kWh (b)	Demand Revenue (c)	Base Energy Revenue (d)	Total Demand & Energy (e) = (c) + (d)
1	Member Billing February 2024					
2						
3	JP RURALS	95,700	45,220,033	1,321,138.50	\$ 2,034,901.48	\$ 3,356,039.98
4	KENERGY	171,188	82,608,720	2,363,250.34	3,717,392.40	6,080,642.74
5	MEADE CO. RURALS	85,920	38,383,690	1,186,125.60	1,727,266.05	2,913,391.65
6						
7	TOTAL RURALS	352,808	166,212,443	\$ 4,870,514.44	\$ 7,479,559.93	\$ 12,350,074.37
8						
9		4,415	2,004,375	47,306.72	\$ 76,266.47	\$ 123,573.19
10		1,676	446,270	17,958.34	16,980.57	34,938.91
11		2,366	982,203	25,351.69	37,372.82	62,724.51
12		37,275	19,392,280	399,401.63	737,876.25	1,137,277.88
13		35,000	19,309,325	375,025.00	734,719.82	1,109,744.82
14		33,035	8,399,313	291,270.03	319,593.87	610,863.90
15		150	10,715	1,607.25	407.71	2,014.96
16		180	40,168	1,928.70	1,528.39	3,457.09
17		2,500	196,219	26,787.50	7,466.13	34,253.63
18		970	232,375	10,393.55	8,841.87	19,235.42
19		24,952	15,609,415	267,360.68	593,938.24	861,298.92
20		3,591	2,027,438	38,477.57	77,144.02	115,621.59
21		7,167	4,119,563	76,794.40	156,749.37	233,543.77
22		11,372	5,916,880	121,850.98	225,137.28	346,988.26
23						
24	Sub-Total Kenergy Industrials	164,649	78,686,539	\$ 1,701,514.04	\$ 2,994,022.81	\$ 4,695,536.85
25						
26		6,461	3,717,390	69,229.62	141,446.69	210,676.31
27		5,500	3,828,000	58,932.50	145,655.40	204,587.90
28		143,168	38,627,982	523,279.04	1,126,031.91	1,649,310.95
29						
30	TOTAL INDUSTRIALS	319,778	124,859,911	2,352,955.20	4,407,156.81	6,760,112.01
31						
32		22,500	15,611,601	1,682.00	367,793.46	369,475.46
33		0	343		20.34	20.34
34						
35	Sub-Total CoGEN/MARKET	22,500	15,611,944	1,682.00	367,813.80	369,495.80
36						
37						
38	GRAND TOTAL	695,086	306,684,298	\$ 7,225,151.64	\$ 12,254,530.54	\$ 19,479,682.18

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - February 2024

	Net Green Power (f)	Power Factor Penalty (g)	Billing Adjustment (h)	Fuel Adjustment Clause (FAC) (i)	Environmental Surcharge (ES) (j)
1 Member Billing February 2024					
2					
3 JP RURALS	\$ 510.00	\$ -	\$ -	\$ 323,865.88	\$ 285,403.39
4 KENERGY	-	-	-	591,643.65	517,781.40
5 MEADE CO. RURALS	-	-	-	274,903.99	246,892.54
6					
7 TOTAL RURALS	\$ 510.00	\$ -	\$ -	\$ 1,190,413.52	\$ 1,050,077.33
8					
9 [REDACTED]	\$ -		\$ 2,422.13	\$ 14,355.33	\$ 10,846.36
10 [REDACTED]	-	235.73		3,196.19	2,946.89
11 [REDACTED]	-			7,034.54	5,470.50
12 [REDACTED]	-			138,887.51	100,762.37
13 [REDACTED]	-			138,293.39	98,707.38
14 [REDACTED]	-		150.00	60,155.88	52,127.14
15 [REDACTED]	-		32.24	76.74	155.01
16 [REDACTED]	-		128.96	287.68	287.62
17 [REDACTED]	-		828.57	1,405.32	2,649.10
18 [REDACTED]	-			1,664.27	1,609.15
19 [REDACTED]	-	8,582.72		111,794.63	77,228.73
20 [REDACTED]	-			14,520.51	10,299.64
21 [REDACTED]	-			29,504.31	20,828.44
22 [REDACTED]	-			42,376.69	30,743.24
23					
24 Sub-Total Kenergy Industrials	\$ -	\$ 8,818.45	\$ 3,561.90	\$ 563,552.99	\$ 414,661.57
25					
26 [REDACTED]	-	-	-	26,623.95	18,790.21
27 [REDACTED]			(53,039.25)	27,416.13	14,664.28
28					
29					
30 TOTAL INDUSTRIALS	0.00	8,818.45	(49,477.35)	617,593.07	448,116.06
31					
32 [REDACTED]	-		11,232.03	-	-
33 [REDACTED]	-				
34					
35 Sub-Total CoGEN/MARKET	-	-	11,232.03	-	-
36					
37					
38 GRAND TOTAL	\$ 510.00	\$ 8,818.45	\$ (38,245.32)	\$ 1,808,006.59	\$ 1,498,193.39

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - February 2024

	Member Billing February 2024	Non-FAC PPA (k)	Revenue (l) = \sum (e) to (k)	MRSM - ER Adjustment (m)	Revenue Net of MRSM Adjustments (n) = (l) + (m)
1					
2					
3	JP RURALS	\$ 303,923.84	\$ 4,269,743.09	\$ (179,217.60)	\$ 4,090,525.49
4	KENERGY	555,213.21	7,745,281.00	(322,472.53)	7,422,808.47
5	MEADE CO. RURALS	257,976.78	3,693,164.96	(156,047.42)	3,537,117.54
6					
7	TOTAL RURALS	\$ 1,117,113.83	\$ 15,708,189.05	\$ (657,737.55)	\$ 15,050,451.50
8					
9		\$ 13,471.40	\$ 164,668.41	\$ (5,024.54)	\$ 159,643.87
10		2,999.38	44,317.10	(1,230.79)	43,086.31
11		6,601.39	81,830.94	(2,671.35)	79,159.59
12		130,335.51	1,507,263.27	(50,856.40)	1,456,406.87
13		129,777.97	1,476,523.56	(41,256.32)	1,435,267.24
14		56,451.78	779,748.70	(24,719.31)	755,029.39
15		72.02	2,350.97	(21.90)	2,329.07
16		269.97	4,431.32	(82.83)	4,348.49
17		1,318.79	40,455.41	(483.31)	39,972.10
18		1,561.79	24,070.63	(649.11)	23,421.52
19		104,910.88	1,163,815.88	(36,685.72)	1,127,130.16
20		13,626.41	154,068.15	(4,891.62)	149,176.53
21		27,687.58	311,564.10	(10,709.04)	300,855.06
22		39,767.35	459,875.54	(14,909.46)	444,966.08
23					
24	Sub-Total Kenergy Industrials	\$ 528,852.22	\$ 6,214,983.98	\$ (194,191.70)	\$ 6,020,792.28
25					
26		24,984.58	281,075.05	(9,794.84)	271,280.21
27		25,727.99	219,357.05		219,357.05
28			1,649,310.95		1,649,310.95
29					
30	TOTAL INDUSTRIALS	579,564.79	8,364,727.03	(203,986.54)	8,160,740.49
31					
32		-	380,707.49	-	380,707.49
33			20.34	-	20.34
34					
35	Sub-Total CoGEN/MARKET	-	380,727.83	-	380,727.83
36					
37					
38	GRAND TOTAL	\$ 1,696,678.62	\$ 24,453,643.91	\$ (861,724.09)	\$ 23,591,919.82

**Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - March 2024**

		KW Billed (a)	kWh (b)	Demand Revenue (c)	Base Energy Revenue (d)	Total Demand & Energy (e) = (c) + (d)
1	Member Billing March 2024					
2						
3	JP RURALS	88,386	42,322,801	1,220,168.73	\$ 1,904,526.04	\$ 3,124,694.77
4	KENERGY	157,556	77,159,412	2,175,060.58	3,472,173.54	5,647,234.12
5	MEADE CO. RURALS	77,737	34,308,162	1,073,159.28	1,543,867.29	2,617,026.57
6						
7	TOTAL RURALS	323,679	153,790,375	\$ 4,468,388.59	\$ 6,920,566.87	\$ 11,388,955.46
8						
9		4,604	1,960,406	49,331.86	\$ 74,593.45	\$ 123,925.31
10		1,683	468,798	18,033.35	17,837.76	35,871.11
11		2,273	1,006,276	24,355.19	38,288.80	62,643.99
12		35,909	20,599,533	384,764.93	783,812.23	1,168,577.16
13		35,000	21,556,583	375,025.00	820,227.98	1,195,252.98
14		33,366	11,805,667	296,336.69	449,205.64	745,542.33
15		150	12,558	1,607.25	477.83	2,085.08
16		195	73,253	2,089.43	2,787.28	4,876.71
17		2,500	208,593	26,787.50	7,936.96	34,724.46
18		860	214,156	9,214.90	8,148.64	17,363.54
19		25,674	16,376,690	275,096.91	623,133.05	898,229.96
20		3,485	2,006,649	37,341.78	76,352.99	113,694.77
21		7,197	4,330,625	77,115.85	164,780.28	241,896.13
22		11,372	6,273,024	121,850.98	238,688.56	360,539.54
23						
24	Sub-Total Kenergy Industrials	164,268	86,892,811	\$ 1,698,951.62	\$ 3,306,271.45	\$ 5,005,223.07
25						
26		5,437	2,880,477	58,257.46	109,602.15	167,859.61
27		5,500	4,086,500	58,932.50	155,491.33	214,423.82
28		137,343	39,337,385	501,988.66	1,148,338.51	1,650,327.17
29						
30	TOTAL INDUSTRIALS	312,548	133,197,173	2,318,130.24	4,719,703.44	7,037,833.67
31						
32		22,500	16,650,522	8,773.00	364,351.97	373,124.97
33		0	1,146		42.54	42.54
34						
35	Sub-Total CoGEN/MARKET	22,500	16,651,668	8,773.00	364,394.51	373,167.51
36						
37						
38	GRAND TOTAL	658,727	303,639,216	\$ 6,795,291.83	\$ 12,004,664.82	\$ 18,799,956.64

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - March 2024

		Net Green Power (f)	Power Factor Penalty (g)	Billing Adjustment (h)	Fuel Adjustment Clause (FAC) (i)	Environmental Surcharge (ES) (j)
1	Member Billing March 2024					
2						
3	JP RURALS	\$ 510.00	\$ -	\$ -	\$ 752,837.98	\$ 235,050.94
4	KENERGY	-	-	-	1,372,511.62	425,732.62
5	MEADE CO. RURALS	-	-	-	610,273.59	195,286.46
6						
7	TOTAL RURALS	\$ 510.00	\$ -	\$ -	\$ 2,735,623.19	\$ 856,070.02
8						
9		\$ -			\$ 34,871.70	\$ 9,712.29
10		-	-		8,338.98	2,674.74
11		-			17,899.64	4,930.71
12		-	23,101.54		366,424.49	94,509.31
13		-			383,448.50	97,340.55
14		-		150.00	209,999.20	58,454.45
15		-		32.04	223.38	135.14
16		-	214.30	128.16	1,303.02	376.81
17		-		989.39	3,710.45	2,249.81
18		-			3,809.41	1,277.04
19		-	6,568.30		291,308.56	73,396.16
20		-			35,694.27	9,198.52
21		-			77,033.16	19,655.54
22		-			111,584.55	29,044.60
23						
24	Sub-Total Kenergy Industrials	\$ -	\$ 29,884.14	\$ 1,299.59	\$ 1,545,649.31	\$ 402,955.67
25						
26		-	-	-	51,237.92	13,467.04
27				(53,039.25)	72,690.66	14,770.69
28						
29						
30	TOTAL INDUSTRIALS	0.00	29,884.14	(51,739.66)	1,669,577.89	431,193.40
31						
32		-		19,737.53	-	-
33		-		-		
34						
35	Sub-Total CoGEN/MARKET	-	-	19,737.53	-	-
36						
37						
38	GRAND TOTAL	\$ 510.00	\$ 29,884.14	\$ (32,002.13)	\$ 4,405,201.08	\$ 1,287,263.42

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - March 2024

	Member Billing March 2024	Non-FAC PPA (k)	Revenue (l) = ∑ (e) to (k)	MRSN - ER Adjustment (m)	Revenue Net of MRSN Adjustments (n) = (l) + (m)
1					
2					
3	JP RURALS	\$ 284,451.55	\$ 4,397,545.24	\$ (178,945.17)	\$ 4,218,600.07
4	KENERGY	518,588.41	7,964,066.77	(326,900.06)	7,637,166.71
5	MEADE CO. RURALS	230,585.16	3,653,171.78	(151,892.32)	3,501,279.46
6					
7	TOTAL RURALS	\$ 1,033,625.12	\$ 16,014,783.79	\$ (657,737.55)	\$ 15,357,046.24
8					
9		\$ 13,175.89	\$ 181,685.19	\$ (4,961.72)	\$ 176,723.47
10		3,150.79	50,035.62	(1,104.73)	48,930.89
11		6,763.18	92,237.52	(2,431.39)	89,806.13
12		138,449.46	1,791,061.96	(48,004.56)	1,743,057.40
13		144,881.79	1,820,923.82	(47,799.21)	1,773,124.61
14		79,345.89	1,093,491.87	(20,792.05)	1,072,699.82
15		84.40	2,560.04	(26.52)	2,533.52
16		492.33	7,391.33	(99.43)	7,291.90
17		1,401.95	43,076.06	(485.73)	42,590.33
18		1,439.34	23,889.33	(575.23)	23,314.10
19		110,067.73	1,379,570.71	(38,640.28)	1,340,930.43
20		13,486.69	172,074.25	(5,018.81)	167,055.44
21		29,106.13	367,690.96	(10,197.76)	357,493.20
22		42,160.99	543,329.68	(14,646.92)	528,682.76
23					
24	Sub-Total Kenenergy Industrials	\$ 584,006.56	\$ 7,569,018.34	\$ (194,784.34)	\$ 7,374,234.00
25					
26		19,359.69	251,924.26	(9,202.20)	242,722.06
27		27,465.36	276,311.28		276,311.28
28			1,650,327.17		1,650,327.17
29					
30	TOTAL INDUSTRIALS	630,831.61	9,747,581.05	(203,986.54)	9,543,594.51
31					
32		-	392,862.50	-	392,862.50
33			42.54	-	42.54
34					
35	Sub-Total CoGEN/MARKET	-	392,905.04	-	392,905.04
36					
37					
38	GRAND TOTAL	\$ 1,664,456.73	\$ 26,155,269.88	\$ (861,724.09)	\$ 25,293,545.79

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - April 2024

		KW Billed (a)	kWh (b)	Demand Revenue (c)	Base Energy Revenue (d)	Total Demand & Energy (e) = (c) + (d)
1	Member Billing April 2024					
2						
3	JP RURALS	87,936	39,807,346	1,213,956.48	\$ 1,791,330.56	\$ 3,005,287.04
4	KENERGY	151,919	71,857,325	2,097,241.79	3,233,579.63	5,330,821.42
5	MEADE CO. RURALS	57,841	29,597,211	798,495.01	1,331,874.50	2,130,369.51
6						
7	TOTAL RURALS	297,696	141,261,882	\$ 4,109,693.28	\$ 6,356,784.69	\$ 10,466,477.97
8						
9		4,710	1,922,000	50,467.65	\$ 73,132.10	\$ 123,599.75
10		1,728	506,691	18,515.52	19,279.59	37,795.11
11		2,117	1,169,016	22,683.65	44,481.06	67,164.71
12		36,843	17,655,858	394,772.74	671,805.40	1,066,578.14
13		35,000	20,817,691	375,025.00	792,113.14	1,167,138.14
14		33,050	10,906,550	292,950.75	414,994.22	707,944.97
15		150	10,980	1,607.25	417.79	2,025.04
16		195	78,816	2,089.43	2,998.95	5,088.38
17		2,500	193,125	26,787.50	7,348.41	34,135.91
18		720	123,766	7,714.80	4,709.30	12,424.10
19		25,769	16,230,340	276,114.84	617,564.44	893,679.28
20		3,621	1,938,013	38,799.01	73,741.39	112,540.40
21		7,522	4,435,062	80,598.23	168,754.11	249,352.34
22		11,910	6,305,728	127,615.65	239,932.95	367,548.60
23						
24	Sub-Total Kenergy Industrials	165,835	82,293,636	\$ 1,715,742.02	\$ 3,131,272.85	\$ 4,847,014.87
25						
26		5,305	2,887,129	56,843.07	109,855.26	166,698.33
27		5,500	3,960,000	58,932.50	150,678.00	209,610.50
28		140,636	39,978,052	514,024.58	1,172,390.55	1,686,415.13
29						
30	TOTAL INDUSTRIALS	317,276	129,118,817	2,345,542.17	4,564,196.66	6,909,738.83
31						
32		22,500	16,184,602	8,490.00	445,076.42	453,566.42
33						-
34						
35	Sub-Total CoGEN/MARKET	22,500	16,184,602	8,490.00	445,076.42	453,566.42
36						
37						
38	GRAND TOTAL	637,472	286,565,301	\$ 6,463,725.45	\$ 11,366,057.77	\$ 17,829,783.22

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - April 2024

		Net Green Power (f)	Power Factor Penalty (g)	Billing Adjustment (h)	Fuel Adjustment Clause (FAC) (i)	Environmental Surcharge (ES) (j)
1	Member Billing April 2024					
2						
3	JP RURALS	\$ 510.00	\$ -	\$ -	\$ 473,667.61	\$ 285,686.65
4	KENERGY	-	-	-	855,030.31	508,524.91
5	MEADE CO. RURALS	-	-	-	352,177.21	204,473.53
6						
7	TOTAL RURALS	\$ 510.00	\$ -	\$ -	\$ 1,680,875.13	\$ 998,685.09
8						
9		\$ -			\$ 22,869.88	\$ 12,153.97
10		-	482.18		6,029.12	3,601.47
11		-			13,910.12	6,781.43
12		-	25,694.57		210,087.05	106,399.90
13		-			247,709.71	118,557.38
14		-	-	150.00	129,777.04	69,480.99
15		-		32.04	130.65	170.01
16		-	278.59	-	937.83	499.92
17		-		1,105.34	2,297.99	2,877.22
18		-			1,472.69	1,123.12
19		-	5,303.93		193,124.82	91,191.60
20		-			23,060.42	11,333.38
21		-			52,772.80	25,311.33
22		-			75,031.86	36,980.37
23						
24	Sub-Total Kenergy Industrials	\$ -	\$ 31,759.27	\$ 1,287.38	\$ 979,211.98	\$ 486,462.09
25						
26		-	-	-	34,353.95	16,810.77
27				(53,039.25)	47,120.04	17,561.85
28						
29						
30	TOTAL INDUSTRIALS	0.00	31,759.27	(51,751.87)	1,060,685.97	520,834.71
31						
32		-		13,531.19	-	-
33		-			-	-
34						
35	Sub-Total CoGEN/MARKET	-	-	13,531.19	-	-
36						
37						
38	GRAND TOTAL	\$ 510.00	\$ 31,759.27	\$ (38,220.68)	\$ 2,741,561.10	\$ 1,519,519.80

Big Rivers Electric Corporation
Monthly Billing Summary
Sales to Members - April 2024

		Non-FAC PPA (k)	Revenue (l) = \sum (e) to (k)	MRSM - ER Adjustment (m)	Revenue Net of MRSM Adjustments (n) = (l) + (m)
1	Member Billing April 2024				
2					
3	JP RURALS	\$ 267,545.17	\$ 4,032,696.47	\$ (181,008.05)	\$ 3,851,688.42
4	KENERGY	482,953.08	7,177,329.72	(329,998.82)	6,847,330.90
5	MEADE CO. RURALS	198,922.86	2,885,943.11	(146,730.68)	2,739,212.43
6					
7	TOTAL RURALS	\$ 949,421.11	\$ 14,095,969.30	\$ (657,737.55)	\$ 13,438,231.75
8					
9		\$ 12,917.76	\$ 171,541.36	\$ (4,454.52)	\$ 167,086.84
10		3,405.47	51,313.35	(1,065.23)	50,248.12
11		7,856.96	95,713.22	(2,286.50)	93,426.72
12		118,665.02	1,527,424.68	(46,807.10)	1,480,617.58
13		139,915.70	1,673,320.93	(48,981.75)	1,624,339.18
14		73,302.92	980,655.92	(26,825.32)	953,830.60
15		73.80	2,431.54	(28.53)	2,403.01
16		529.72	7,334.44	(166.45)	7,167.99
17		1,297.99	41,714.45	(473.97)	41,240.48
18		831.83	15,851.74	(486.61)	15,365.13
19		109,084.12	1,292,383.75	(37,211.79)	1,255,171.96
20		13,025.39	159,959.59	(4,559.59)	155,400.00
21		29,808.05	357,244.52	(9,840.22)	347,404.30
22		42,380.80	521,941.63	(14,253.82)	507,687.81
23					
24	Sub-Total Kenergy Industrials	\$ 553,095.53	\$ 6,898,831.12	\$ (197,441.40)	\$ 6,701,389.72
25					
26		19,404.39	237,267.44	(6,545.14)	230,722.30
27		26,615.16	247,868.30		247,868.30
28			1,686,415.13		1,686,415.13
29					
30	TOTAL INDUSTRIALS	599,115.08	9,070,381.99	(203,986.54)	8,866,395.45
31					
32		-	467,097.61	-	467,097.61
33		-	-	-	-
34					
35	Sub-Total CoGEN/MARKET	-	467,097.61	-	467,097.61
36					
37					
38	GRAND TOTAL	\$ 1,548,536.19	\$ 23,633,448.90	\$ (861,724.09)	\$ 22,771,724.81

Big Rivers Electric Corporation
Monthly Billing Summary
Other Sales - November 2023

1	November 2023 - Other Sales	MWH	REVENUE
2			
3	SPECIAL SALES - ENERGY		
4		1,442	\$ 48,357.99
5		23,969	\$ 919,196.17
6	MISO	15,121	\$ 501,184.33
7			\$ (29,871.21)
8		55,068	\$ 2,133,457.62
9			\$ 73,331.54
10			\$ 82,461.59
11		63,375	\$ 2,984,276.42
12			
13			
14	TOTAL SPECIAL SALES - ENERGY	158,975	\$ 6,712,394.45
15			
16	SPECIAL SALES - BILATERAL		
17			\$ (2,076,300.00)
18	MISO - CONTRA REVENUE		\$ 2,638,682.95
19			
20	TOTAL SPECIAL SALES - BILATERAL		\$ 562,382.95
21			
22	SPECIAL SALES - CAPACITY		
23	MISO-CAPACITY SALES		\$ 26,685.00
24			\$ 472,120.00
25			
26	TOTAL SPECIAL SALES - CAPACITY		\$ 498,805.00
27			
28	TOTAL	158,975	\$ 7,773,582.40

**Big Rivers Electric Corporation
Monthly Billing Summary
Other Sales - December 2023**

1	December 2023 - Other Sales	MWH	REVENUE
2			
3	SPECIAL SALES - ENERGY		
4		1,600	\$ 52,137.06
5		12,301	\$ 416,002.09
6	MISO	9,306	\$ 290,821.55
7		0	\$ (29,037.23)
8		57,741	\$ 2,246,405.96
9		0	\$ 119,701.27
10		0	\$ 98,926.84
11		54,175	\$ 2,811,277.05
12			
13			
14	TOTAL SPECIAL SALES - ENERGY	135,123	\$ 6,006,234.59
15			
16	SPECIAL SALES - BILATERAL		
17			\$ (2,145,510.00)
18	MISO - CONTRA REVENUE		\$ 2,486,960.98
19			
20	TOTAL SPECIAL SALES - BILATERAL		\$ 341,450.98
21			
22	SPECIAL SALES - CAPACITY		
23	MISO - CAPACITY SALES		\$ (7,905.00)
24			\$ 500,092.00
25			
26	TOTAL SPECIAL SALES - CAPACITY		\$ 492,187.00
27			
28	TOTAL	135,123	\$ 6,839,872.57

**Big Rivers Electric Corporation
Monthly Billing Summary
Other Sales - January 2024**

1	January 2024 - Other Sales	MWH	REVENUE
2			
3	SPECIAL SALES - ENERGY		
4		1,608	\$ 50,125.39
5		9,555	\$ 733,069.92
6	MISO	22,766	\$ 761,361.13
7			\$ (62,923.04)
8		61,764	\$ 2,429,232.39
9			\$ 151,409.97
10			\$ 96,109.38
11		64,000	\$ 2,958,153.04
12			
13			
14	TOTAL SPECIAL SALES - ENERGY	159,693	\$ 7,116,538.18
15			
16	SPECIAL SALES - BILATERAL		
17			\$ (3,558,924.00)
18	MISO - CONTRA REVENUE		\$ 3,748,777.20
19			
20	TOTAL SPECIAL SALES - BILATERAL		\$ 189,853.20
21			
22	SPECIAL SALES - CAPACITY		
23	MISO - CAPACITY SALES		\$ (7,905.00)
24			\$ 446,740.00
25			
26	TOTAL SPECIAL SALES - CAPACITY		\$ 438,835.00
27			
28	TOTAL	159,693	\$ 7,745,226.38

**Big Rivers Electric Corporation
Monthly Billing Summary
Other Sales - February 2024**

1	February 2024 - Other Sales	MWH	REVENUE
2			
3	SPECIAL SALES - ENERGY		
4		1,745	\$ (17,421.72)
5		1,953	\$ 60,120.28
6	MISO	40,226	\$ 1,150,175.72
7			\$ 191,094.60
8		52,912	\$ 2,126,439.78
9			\$ 145,993.43
10			\$ 100,994.49
11		26,525	\$ 2,065,496.15
12			
13			
14	TOTAL SPECIAL SALES - ENERGY	123,361	\$ 5,822,892.73
15			
16	SPECIAL SALES - BILATERAL		
17			\$ (3,329,316.00)
18	MISO - CONTRA REVENUE		\$ 1,928,443.05
19			
20	TOTAL SPECIAL SALES - BILATERAL		\$ (1,400,872.95)
21			
22	SPECIAL SALES - CAPACITY		
23	MISO - CAPACITY SALES		\$ (7,395.00)
24			\$ 445,660.00
25			
26	TOTAL SPECIAL SALES - CAPACITY		\$ 438,265.00
27			
28	TOTAL	123,361	\$ 4,860,284.78

Big Rivers Electric Corporation **Monthly Billing Summary** **Other Sales - March 2024**

1	March 2024 - Other Sales	MWH	REVENUE
2			
3	SPECIAL SALES - ENERGY		
4		1,183	\$ 32,121.51
5		302	\$ 6,766.11
6	MISO	39,912	\$ 982,383.93
7			\$ (56,209.26)
8		55,363	\$ 2,144,724.22
9			\$ 128,375.41
10			\$ 101,324.56
11		17,200	\$ 1,903,816.27
12			
13			
14	TOTAL SPECIAL SALES - ENERGY	113,960	\$ 5,243,302.75
15			
16	SPECIAL SALES - BILATERAL		
17			\$ (2,649,756.00)
18	MISO - CONTRA REVENUE		\$ 1,692,500.47
19			
20	TOTAL SPECIAL SALES - BILATERAL		\$ (957,255.53)
21			
22	SPECIAL SALES - CAPACITY		
23	MISO - CAPACITY SALES		\$ 4,588.00
24			\$ 473,524.00
25			
26	TOTAL SPECIAL SALES - CAPACITY		\$ 478,112.00
27			
28	TOTAL	113,960	\$ 4,764,159.22

**Big Rivers Electric Corporation
Monthly Billing Summary
Other Sales - April 2024**

1	April 2024 - Other Sales	MWH	REVENUE
2			
3	SPECIAL SALES - ENERGY		
4		952	\$ 36,391.97
5		3,312	\$ 119,286.99
6	MISO	83,933	\$ 2,777,790.95
7			\$ (7,217.26)
8		55,392	\$ 2,201,467.00
9			\$ 97,994.14
10			\$ 100,281.52
11		34,550	\$ 2,297,190.50
12			
13			
14	TOTAL SPECIAL SALES - ENERGY	178,140	\$ 7,623,185.81
15			
16	SPECIAL SALES - BILATERAL		
17			\$ (2,836,800.00)
18	MISO - CONTRA REVENUE		\$ 2,111,869.33
19			
20	TOTAL SPECIAL SALES - BILATERAL		\$ (724,930.67)
21			
22	SPECIAL SALES - CAPACITY		
23	MISO - CAPACITY SALES		\$ 4,440.00
24			\$ 472,120.00
25			
26	TOTAL SPECIAL SALES - CAPACITY		\$ 476,560.00
27			
28	TOTAL	178,140	\$ 7,374,815.14

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 Item 14) *Describe the effect on the FAC calculation of line losses related*
2 *to:*

3 a. *Intersystem sales when using a third-party transmission system;*
4 *and*

5 b. *Intersystem sales when not using a third-party transmission*
6 *system.*

7

8 **Response)**

9 a. Big Rivers had no intersystem sales during the period under review
10 which used a third-party transmission system.

11 b. Line losses related to intersystem sales which did not use a third-party
12 transmission system are included in Big Rivers' total System Losses reported on page 3 of its
13 monthly Form A filing. Big Rivers calculates an overall system average fuel cost per kWh
14 each month by dividing (1) the total cost of fuel for generation by (2) the net kWh generated
15 less total System Losses. The overall system average fuel cost per kWh which accounts for
16 total System Losses including losses related to intersystem sales is multiplied by the total

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 intersystem sales volume to calculate the cost of fuel allocated to intersystem sales in Big
2 Rivers' FAC calculation.

3

4 **Witnesses)**

5 a. Thomas L. Melton

6 b. Rebecca ("Becky") Shelton

7

8

9

BIG RIVERS ELECTRIC CORPORATION
AN ELECTRONIC EXAMINATION OF THE
APPLICATION OF THE FUEL ADJUSTMENT CLAUSE
OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2023 THROUGH APRIL 30, 2024
CASE NO. 2025-00078

Responses to Commission Staff's First Request for Information
in the Appendix of the Commission's Order
dated May 28, 2025

June 20, 2025

1 **Item 15)** *Provide a list, in chronological order, showing by unit, any*
2 *scheduled, actual, and forced outages for the period under review.*

3

4 **Response)** Please see the attached summary for the requested information
5 regarding scheduled ("S"), actual ("A"), and forced ("F") outages.

6

7 **Witness)** Jeffrey S. ("Jeff") Brown

Big Rivers Electric Corporation

Scheduled ("S"), Actual ("A"), and Forced ("F") Outages

November 1 2023 through April 30, 2024

Big Rivers Electric Corporation
Reid Station Unit #2 - Combustion Turbine - Oil/Gas - 65MW Net
 November 1 2023 through April 30 2024

Schedule vs. Actual

		MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
		Scheduled		Actual					
MONTH	TYPE	FROM	TO	FROM	TO	Scheduled	Forced	Actual	
November 2023		No Outages							
December 2023		No Outages							
January 2024	F			1/17/2024 6:30	1/17/2024 19:45		13:15	13:15	Loss of 4160V feed due to HMPL Station demolition
	F			1/17/2024 21:13	1/22/2024 22:08		120:55	120:55	No gas supply from Texas Gas
February 2024	S, A	2/1/2024 07:00	2/1/2024 15:00	2/1/2024 07:00	2/1/2024 14:50	8:00		7:50	Relocated breaker 1172 control lines due to HMPL demo
March 2024		No Outages							
April 2024	F			4/16/2024 17:51	4/16/2024 21:36		3:45	3:45	Tripped due to bad oil leak at #3 bearing dresser coupling

Big Rivers Electric Corporation
Scheduled ("S"), Actual ("A"), and Forced ("F") Outages
November 1 2023 through April 30, 2024

Big Rivers Electric Corporation
Green Station Unit #1 - Natural Gas - 231MW Net
November 1 2023 through April 30 2024

Schedule vs. Actual

		MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
		Scheduled		Actual					
MONTH	TYPE	FROM	TO	FROM	TO	Scheduled	Forced	Actual	
November 2023		No Outages							
December 2023		No Outages							
January 2024	F			1/18/2024 10:00	1/22/2024 22:09		108:09	108:09	No gas supply from Texas Gas
February 2024		No Outages							
March 2024	F			3/12/2024 3:39	3/12/2024 8:06		4:27	4:27	Gas vent valve limit switch faulted
	F			3/12/2024 10:48	3/12/2024 11:34		0:46	0:46	BMS cabinet power failure
April 2024		No Outages							

Big Rivers Electric Corporation
Scheduled ("S"), Actual ("A"), and Forced ("F") Outages
November 1 2023 through April 30, 2024

Big Rivers Electric Corporation
Green Station Unit #2 - Natural Gas - 223MW Net
November 1 2023 through April 30 2024

Schedule vs. Actual

		MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
		Scheduled		Actual					
MONTH	TYPE	FROM	TO	FROM	TO	Scheduled	Forced	Actual	
November 2023		No Outages							
December 2023		No Outages							
January 2024	F			1/18/2024 10:00	1/22/2024 22:09		108:09	108:09	No gas supply from Texas Gas
February 2024	F			2/11/2024 19:01	2/11/2024 20:35		1:34	1:34	High drum level
	F			2/11/2024 21:53	2/12/2024 6:13		8:20	8:20	Differential expansion of turbine
March 2024	F			3/4/2024 12:32	3/4/2024 23:47		11:15	11:15	Differential expansion of turbine
April 2024	F			4/16/2024 02:01	4/16/2024 19:35		17:34	17:34	Differential expansion of turbine

Big Rivers Electric Corporation

Scheduled ("S"), Actual ("A"), and Forced ("F") Outages

November 1 2023 through April 30, 2024

Big Rivers Electric Corporation
Wilson Station - Unit #1 - Coal/Pet Coke - 417MW Net
 November 1 2023 through April 30 2024

Schedule vs. Actual

		MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
		Scheduled		Actual		Scheduled	Forced	Actual	
MONTH	TYPE	FROM	TO	FROM	TO				
November 2023	F			11/5/2023 4:20	11/8/2023 9:40	77:20		77:20	Main and Tie breakers to Limestone Ball mills will not close
December 2023	F			12/7/2023 22:07	12/11/2023 6:29	80:22		80:22	Ruptured Circulating Water discharge line
January 2024	F			1/25/2024 8:03	1/25/2024 13:53	5:50		5:50	Loss of vital power, MCC 2A22 tripped
	F			1/31/2024 8:02	2/1/2024 0:00	15:58		15:58	Water wall tube leak
February 2024	F			2/1/2024 0:00	2/3/2024 17:38	65:38		65:38	Water wall tube leak (continued from previous month)
March 2024	S, A	3/16/2024 00:00	4/1/2024 0:00	3/16/2024 00:00	4/1/2024 0:00	384:00		384:00	Upgrade ID fans to variable frequency drive (VFD)
April 2024	S, A	4/1/2024 00:00	4/10/2024 23:59	4/1/2024 00:00	4/9/2024 10:26	239:59		202:26	Upgrade ID fans to VFD (continued from previous month)
	S, A	4/25/2024 00:01	4/29/2024 23:59	4/24/2024 23:55	4/28/2024 20:44	119:58		92:49	Water wall tube leak

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1 Item 16) *For the period under review, provide the monthly supporting*
2 *peaking unit equivalent calculations in electronic Excel spreadsheet format*
3 *with all formulas, columns, and rows unprotected and fully accessible for the*
4 *forced outage calculations. In addition, provide the corresponding amount, if*
5 *any, of forced outage purchased power collected through the purchase power*
6 *adjustment tariff.*

7

8 **Response)** See the attached Excel spreadsheet showing on the first sheet the highest
9 cost fuel unit (\$/MWH) and the calculation of forced outage purchased power costs
10 recovered through the Non-FAC PPA (\$). In addition, the spreadsheet includes the
11 "FuelBurned" calculation for each month under review which is included in Big Rivers'
12 monthly Form B filings. The highest cost fuel unit for each month is the highest
13 \$/MWH cost from column K of the Fuel Burned sheets. The spreadsheet also includes
14 the second page of Big Rivers' Form A filing for each month under review which

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1 contains the inputs for the calculation of the forced outage purchased power costs
2 recovered through the Non-FAC PPA.

3

4 **Witness) Rebecca ("Becky") Shelton**

5

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1 **Item 17)** *For the period under review, provide the monthly capacity factor*
2 *at which each generating unit operated.*

3

4 **Response)**

Big Rivers Electric Corporation Monthly Capacity Factor by Generating Unit							
Generating Unit	Metric ^a	Nov. 2023	Dec. 2023	Jan. 2024	Feb. 2024	Mar. 2024	April 2024
Reid Station Unit # 2 CT	GCF	.24%	.06%	.07%	1.19%	1.47%	10.59%
	NCF	.06%	0.0%	0.0%	0.99%	1.28%	10.59%
Green Station Unit # 1	GCF	4.23%	3.83%	0.0%	11.86%	16.18%	43.52%
	NCF	3.44%	2.88%	-.92%	10.68%	14.91%	42.49%
Green Station Unit # 2	GCF	0.0%	0.0%	0.0%	6.35%	13.91%	16.12%
	NCF	-.750%	-.82%	-.92%	5.13%	12.57%	14.72%
Wilson Station Unit # 1	GCF	80.35%	83.74%	92.20%	75.87%	28.38%	45.43%
	NCF	79.61%	83.29%	91.71%	75.05%	27.52%	44.62%

5

Footnotes to Big Rivers Monthly Capacity Factor table on prior page:

$$\text{NCF (Net Capacity Factor)} = \frac{\text{Net Actual Generation} \times 100\%}{\text{PH (Period Hours)} \times \text{NMC (Net Maximum Capacity)}}$$

$$\text{GCF (Gross Capacity Factor)} = \frac{\text{Gross Actual Generation} \times 100\%}{\text{PH (Period Hours)} \times \text{GMC (Gross Maximum Capacity)}}$$

6

7 **Witness)** Jeffrey S. ("Jeff") Brown

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1 Item 18) *For the period under review, explain whether BREC made any*
2 *changes to its maintenance and operation practices or completed any*
3 *specific generation efficiency improvements that affect fuel usage at BREC's*
4 *generation facilities. If so, describe the impact of these changes on BREC's*
5 *fuel usage.*

6

7 **Response:** In the period under review, November 1, 2023, through April 30, 2024,
8 Big Rivers has not made any changes to its maintenance and operation practices or
9 completed any specific generation efficiency improvements that affect fuel usage at
10 Big Rivers' generation facilities.

11

12

13 **Witness:** Jeffrey S. ("Jeff") Brown

14

15

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1 **Item 19)** *State whether BREC is aware of any violations of its policies and*
2 *procedures regarding fuel procurement that occurred prior to or during the*
3 *period under review.*

4

5 **Response)** Big Rivers is unaware of any previously unreported violations of its
6 policies and procedures regarding fuel procurement occurring prior to or during the
7 period November 1, 2023 through April 30, 2024.

8

9

10 **Witness)** Vicky L. Payne

11

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1 **Item 20)** *State whether BREC is aware of any violations of 807 KAR 5:056*
2 *that occurred prior to or during the period under review.*

3

4 **Response)** Big Rivers is unaware of any violations of 807 KAR 5:056 that occurred
5 prior to or during the review period.

6

7

8 **Witness)** Rebecca ("Becky") Shelton

9

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1 Item 21) *State whether all fuel contracts related to commodity and*
2 *transportation have been filed with the Commission. If any contracts have*
3 *not been filed, explain why they have not been filed, and provide a copy.*

4

5 **Response)** All of Big Rivers' fuel and transportation contracts have been filed with
6 the Commission.

7

8

9 **Witness)** Vicky L. Payne

10

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1 Item 22) *Identify any customers, either by class of customer or pursuant*
2 *to special contract, that are not billed a FAC charge.*

3 *a. For each customer that are not billed the FAC charge explain how*
4 *the fuel and power costs of serving that customer are recovered.*

5 *b. Explain in detail whether those fuel procurement and purchase*
6 *power costs of serving those customers are excluded from the*
7 *expense month FAC calculation.*

8 **Response)** Big Rivers provides wholesale electric service under wholesale power
9 contracts to its three Member-owner distribution cooperatives (Jackson Purchase
10 Energy Corporation, Kenergy Corp., and Meade County RECC), who in turn provide
11 retail electric service to their member-customers.

12 Big Rivers does not bill its Members a FAC charge for sales the Members make
13 under special retail contracts for service to their retail member-customers to which
14 the FAC is contractually excluded. This includes certain sales Big Rivers makes to
15 Meade County RECC for service to Nucor Corporation ("Nucor") under a special
16 contract between Meade County RECC and Nucor dated September 9, 2019, from
17 Nucor's Service Commencement Date through [REDACTED] Nucor paid the

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1 FAC charge on sales prior to the Service Commencement Date (during the time it
2 was ramping up its business), and starting [REDACTED] Nucor will pay the FAC
3 charge on energy up to 100 MW each hour. Sales for service to Nucor over 100 MW
4 each hour starting in [REDACTED] are not charged the FAC charge because they are a pass
5 through of either energy purchased under a solar PPA or energy purchased in the
6 MISO energy market.

7 Big Rivers also does or previously did not bill its Members for other sales that
8 are a pass through of MISO energy market purchases. These market rate sales
9 include (i) the portion of the sales to Jackson Purchase for service to Block Mining,
10 Inc. that are market rate sales under a special contract between Jackson Purchase
11 and Block Mining dated April 12, 2021; (ii) the portion of the sales made to Kenergy
12 for service to Kimberly-Clark Corporation that were market-based rate sales under
13 the version of Big Rivers' and Kenergy's Standby Service tariffs that were in existence
14 during the period under review; and (iii) the portion of the sales to Kenergy for service
15 to Domtar Paper Company that were market-based rate sales under the special
16 contract between Kenergy and Domtar that was in existence during the period under

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1 review. Such market rate sales are excluded from the FAC calculation. Additionally,
2 off-system sales do not pay a FAC charge and are excluded from the FAC calculation.

3 a) As explained above, market-based rate sales are excluded from the FAC
4 calculation, as they are a pass through of MISO energy market purchases. For
5 these market-based rate sales to Block Mining, Kimberly-Clark, and Domtar, Big
6 Rivers makes specific market purchases to serve the market-based portion of those
7 customers' loads. These purchases are allocated directly to those customers, and
8 the costs of those purchases are recovered directly from those customer through a
9 pass-through of the cost. The cost of the purchase that are allocated to those
10 customers as well as the MWhs served by those purchases are excluded from the
11 FAC calculation.

12 For Nucor, Big Rivers serves Nucor as part of its overall member load. All FAC-
13 eligible fuel and purchased power costs incurred to serve member load are
14 included in the FAC calculation. However, because the FAC is contractually
15 excluded from the rates to Nucor during the current portion of the Nucor contract,
16 Big Rivers excludes the MWhs used to serve Nucor from the FAC calculation,
17 consistent with how it excludes the MWhs for the market-based rate sales from
18 the FAC calculation.

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1 b) The cost of the purchases that Big Rivers makes or previously made to serve the
2 market-based rate portion of Block Mining's, Kimberly-Clark's, and Domtar's
3 loads are excluded from the expense month FAC calculation. All other FAC-
4 eligible fuel and purchased power costs were included in the expense month FAC
5 calculation, such that the fuel and purchased power costs associated with Nucor
6 were recovered from the other customers paying through the FAC during each
7 month, rather than solely through the over-under recovery mechanism.

8
9
10 **Witness)** Rebecca ("Becky") Shelton

11

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1 Item 23) *If any customer class or special contract has or is not being*
2 *charged a FAC, state the date when the FAC ceased being charged.*

3

4 **Response)** Nucor was a new steel mill still under construction when it began taking
5 service under its special contract with Kenergy. Under that contract, Nucor paid
6 FAC charges on energy sales prior to the Service Commencement Date, as it was
7 ramping up its business. The FAC has not been charged on sales for service to Nucor
8 beginning on Nucor's Service Commencement Date, which was December 1, 2022.

9 Block Mining (formerly, Blockware Mining) was also a new business when it
10 began taking service under its special contract with Jackson-Purchase. Block Mining
11 has not paid FAC charges on market rates sales since that contract became effective
12 on October 14, 2021.

13 Kimberly-Clark did not pay FAC charges on market rate sales under Kenergy's
14 Standby Service tariff that was in effect during this review period, from when
15 Kimberly-Clark was moved to that tariff for March 2022 billing until Kimberly-
16 Clark's current contract (as well as Big Rivers' and Kenergy's new Standby Service
17 tariffs) went into effect on March 1, 2025. Domtar did not pay FAC charges on market

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1 rate sales under its special contract with Kenergy that was in effect during this
2 review period since that contract became effective on April 1, 2011, until Domtar's
3 current contract (as well as Big Rivers' and Kenergy's new Standby Service tariffs)
4 went into effect on March 1, 2025.

5 Under the current special contracts for Kimberly-Clark and Domtar that were
6 approved by the Commission on February 24, 2025, in Case No. 2023-00312, none of
7 the sales to those customers are at market-based rates and so both customers
8 currently pay FAC charges on all sales to them.²

9

10 **Witness)** Rebecca ("Becky") Shelton

11

² See *In the Matter of: Electronic Tariff Filing of Big Rivers Electric Corporation and Kenergy Corp. to Revise the Large Industrial Customer Standby Service Tariff*, Case No. 2023-00312, Order (Feb. 24, 2025).