

CANCELLED

December 1, 2021

**KENTUCKY PUBLIC
SERVICE COMMISSION**

BLUE GRASS ENERGY COOPERATIVE CORPORATION

FOR ENTIRE TERRITORY SERVED
P.S.C. KY NO 1
SECOND REVISED SHEET NO. 115
CANCELLING PSC KY NO. 1
FIRST REVISED SHEET NO. 115

Renewable Energy Program

STANDARD RIDER

This "Renewable Energy Program" is a rider to all current rate schedules. The purpose of this program is to provide retail members with a source of renewable energy or renewable energy attributes called Renewable Energy Certificates ("RECs"). There are two options. Blue Grass Energy, via its participation in East Kentucky Power Cooperative, Inc.'s ("EKPC") Renewable Energy Program ("Envirowatts"), will aggregate the contributions provided by the retail members to develop renewable energy, purchase renewable energy, or purchase RECs. Alternatively, the retail member, Blue Grass Energy, and EKPC will enter into a special agreement to purchase renewable energy to offset the retail member's existing energy consumption.

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APPLICABLE

In all territory served.

DEFINITIONS

- a) "Renewable energy" is that electricity which is generated from renewable sources including but not limited to: solar, wind, hydroelectric, geothermal, landfill gas, biomass, biodiesel used to generate electricity, agricultural crops or waste, all animal and organic waste, all energy crops and other renewable resources deemed to be Green-e certified.
- b) A REC is the tradable renewable energy attribute which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of renewable energy from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one MWh of renewable energy.

AVAILABILITY OF SERVICE

This rider is available to any retail member on any rate schedule.

Option A - Retail members may participate in the program by contributing monthly as much as they like in \$2.75 increments (e.g., \$2.75, \$5.50, \$8.25, or more per month). The retail member may allocate a "Renewable Energy Program" contribution to a type or types of renewable energy offered by the Envirowatts program (solar, wind, hydroelectric, or landfill gas). Funds contributed by retail members are not refundable.

Option B – Option B is a pilot program and is available on or before March 25, 2025. A retail member may, after entering into a special agreement with Blue Grass Energy and EKPC, purchase renewable energy to offset the retail member's existing energy consumptions under the members' applicable rate schedule.

DATE OF ISSUE: April 27, 2020

DATE EFFECTIVE: May 27, 2020

ISSUED BY: 

TITLE: Vice President & CFO

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Kent A. Chandler
Executive Director



EFFECTIVE

5/27/2020

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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SECOND REVISED SHEET NO. 116
CANCELLING PSC KY NO. 1
FIRST REVISED SHEET NO. 116

Renewable Energy Program (continued)

ELIGIBILITY

Under Option A, a "Pledge to Purchase Renewable Energy" must be signed by the retail member prior to service under this rider. Retail members may not owe any arrearage prior to participating in the Renewable Energy Program.

Under Option B, a retail member must execute an agreement with Blue Grass Energy and EKPC to purchase, supply or secure a minimum renewable capacity of 1 MW. The maximum annual renewable energy under the agreement cannot exceed the participating retail member's average annual consumption over the previous three (3) years. For new businesses with no usage history, the maximum annual renewable energy under the contract will be estimated. The type of renewable energy will be determined by the retail member. Retail members having multiple services across the EKPC system may aggregate consumption and renewable energy totals into a single agreement.

RATE

Under Option A, monthly contributions of any amount in \$2.75 increments shall be made pursuant to the terms of the "Pledge to Purchase Renewable Energy". The fuel adjustment clause and the environmental surcharge are not applicable to the Option A Renewable Energy Program contributions.

Under Option B, the renewable energy rate shall be set forth under the individual participating renewable energy agreements. The retail member's bill will be credited for the base fuel, the fuel adjustment clause, capacity credits when applicable, and the variable portion of the Environmental Surcharge that EKPC credited to Blue Grass Energy per individual renewable energy agreements. The credit amount is based on the total of the avoided costs from base fuel, fuel adjustment clause, capacity credits when applicable, and variable environmental surcharge for the delivered renewable energy pursuant to the agreement. The total credit will be limited to the lesser of this credit amount or the PJM Localized Marginal Cost.

BILLING AND MINIMUM CHARGE

Under Option A, the retail member will be billed monthly for the amount the retail member pledged to contribute in their "Pledge to Purchase Renewable Energy". Existing Envirowatts retail participants will be billed at their existing rate of \$2.75 per their existing agreement or pledge.

Under Option B, the retail member will be billed for the renewable energy per the agreement.

TERMS OF SERVICE AND PAYMENT

This rider shall be subject to all other terms of service and payment of the applicable tariffs and adjustment clauses to which it is applied to each retail member.

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