

**RATES SCHEDULE CS**  
**COMMUNITY SOLAR POWER GENERATION**  
**APPLICABLE**

In all territory served by EKPC.

**AVAILABILITY OF SERVICE**

Community Solar Power is available to EKPC's Member Cooperatives (for the benefit of their end-use members ("Customers")) on a voluntary basis, upon request, and on a first-come, first-served basis up to a cumulative capacity of 8.5 MW.

**PARTICIPATION**

Each Member Cooperative participating in this program shall facilitate its Customer's entry into a twenty-five (25) year Community Solar Farm Solar Panel License Agreement ("License Agreement") for a percentage of a solar generating facility owned by EKPC. Each such Member Cooperative shall pay to EKPC a license fee to be collected from each participating Customer upon the Customer's entry into a License Agreement for a portion of the capacity of the solar generating facility. The license fee shall equal the net present value of the capital and financing costs of each participating Customer's percentage of the solar generating facility.

A Customer may offset up to one hundred percent (100%) of his or her energy consumption based on the average annual consumption of electricity from the previous three (3) years. If the previous three (3) year consumption data is not available, the data that is available will be used to determine the maximum number of solar panels the Customer will initially be able to license.

CANCELLED  
NOV 02 2017  
KENTUCKY PUBLIC SERVICE COMMISSION

DATE OF ISSUE 11 / 22 / 16  
Month / Date / Year  
DATE EFFECTIVE on or after 11 / 22 / 16  
Month / Date / Year  
ISSUED BY *Anthony J. Campbell*  
(Signature of Officer)  
TITLE President and Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2016-00269 dated November 22, 2016..

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>	
<b>Talina R. Mathews EXECUTIVE DIRECTOR</b> <i>Talina R. Mathews</i>	
EFFECTIVE <b>11/22/2016</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)	

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**RATES SCHEDULE CS (continued)**

**METERING**

EKPC shall provide metering services, without any cost to the Member Cooperative or Customer for metering equipment, through a standard kilowatt-hour metering system that will be located at the point of delivery of electricity generated by the solar generation facility. This provision does not relieve a Member Cooperative of its responsibility to pay other metering costs included in EKPC's approved base rates. For purposes of determining the amount of energy generated by the participating Member Cooperative's Customer's licensed percentage of the solar generation facility, EKPC shall multiply the total energy output of the solar generation facility, by each participating Member Cooperative's Customer's proportional licensed interest in the solar generation facility.

**PANEL PRODUCTION CREDITS**

Member Cooperatives will be credited monthly by EKPC for the electric power produced by solar panels licensed by the participating Customer at the rate defined by PJM Interconnection, LLC as the value of the locational marginal price for energy at the EKPC Office Substation node during each hour of the day. Member Cooperatives shall also be entitled to receive the value of capacity payments received by EKPC for the portion of the community solar farm licensed to each participating Customer that is a Member of the Member Cooperative.

A Customer will elect to have EKPC either retire or sell Solar Renewable Energy Credits and any other environmental attributes ("SRECs") associated with energy generated by the solar generation facility. If elected, EKPC will monetize any SRECs and will issue a corresponding credit to the participating Member Cooperative for the proceeds of such sale, which the Member Cooperative will include as a credit on the participating Customer's electric bill. The proceeds of all SRECs disposed of by EKPC will accumulate over a calendar year and will be credited to the Member Cooperative in equal installments over a twelve (12) month period beginning on April 1<sup>st</sup> of the following year, along with interest on the proceeds accrued at the rate set forth by the Commission for customer deposits.

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**RATES SCHEDULE CS (continued)**

Costs for operating, maintaining, insuring and paying taxes on the solar generating facility will be determined in aggregate on an annual basis and netted against the Panel Production Credit as set forth below. In the event that any significant investment (i.e. replacement of an inverter) occurs during the term of a License Agreement, the cost of the investment will be amortized over the remaining term of the License Agreement.

The net amount of the Panel Production Credit will be determined by taking the sum of the capacity credit, energy credit and SREC credit (if applicable) and subtracting from said sum the operation and maintenance expense.

At no time shall EKPC be required to convert any Panel Production Credit to cash. Any excess Panel Production Credit can be carried forward by the Member Cooperative to offset a later billed amount.

**FUEL ADJUSTMENT CLAUSE**

The fuel adjustment clause is not applicable to the Community Solar Power Generation program.

**ENVIRONMENTAL SURCHARGE**

The environmental surcharge is not applicable to the Community Solar Power Generation program.

**TRANSFER/TERMINATION**

If the participating Customer moves to a new location within Member Cooperative's service territory the credit may be transferred to the new location. If the Customer moves to a new location outside the Member Cooperative's service territory or his or her membership in the Member Cooperative is terminated for any reason, the Customer may transfer the license and credits to another Customer within Member Cooperative's service territory within sixty (60) days following the termination of membership or service. If the license is not transferred within sixty (60) days, the license shall be terminated and the Member Cooperative may license the Customer's panel(s) to another customer. If, however, the Customer owes an outstanding

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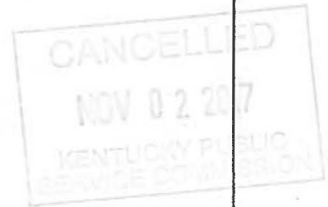
**RATES SCHEDULE CS (continued)**

balance to the Member Cooperative at the time of termination of membership or service, the Member Cooperative may continue to accrue the Panel Production Credit to reduce and eliminate the outstanding balance prior to making any designated transfer of the license to a different service address or customer. The Customer is responsible for informing Member Cooperative of any changes in the service location for which the credits are to be associated.

**APPLICATION AND APPROVAL PROCESS**

To facilitate participation by Member Cooperatives, EKPC will send a notice of the opportunity to enter into a License Agreement for a portion of each solar generation facility to each of its Member Cooperatives on or after the effective date of this tariff. A Member Cooperative may thereafter assist its end-use members with the process for entering into the license agreement for a portion of the capacity of the solar generation facility on a first-come, first-served basis until the entire capacity of the solar generation facility is fully licensed. A Customer's license of a solar panel shall be effective upon receipt of the signed License Agreement and license fee by the Member Cooperative. Any Member Cooperative that was unable to participate in the licensing of the initial solar generation facility shall be given a preference to participate in the licensing of any additional solar generation facilities.

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