

AGREEMENT FOR ELECTRIC SERVICE

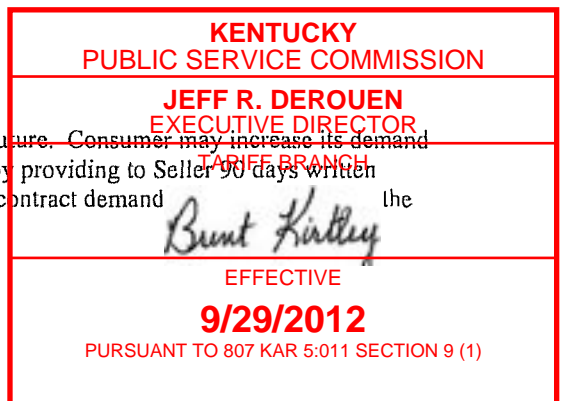
This agreement for electric service ("Agreement") is made August 10th, 2012, between Kenergy Corp., 6402 Old Corydon Road, Henderson, Kentucky 42420 (hereinafter called the "Seller"), and Hopkins County Coal, LLC at Elk Creek Mine with a service address and corporate address at 35 Frank Cox Road, Madisonville, KY 42431 (hereinafter called the "Consumer");

The Seller shall sell and deliver to the Consumer, and the Consumer shall purchase all of the electric power and energy, which the Consumer may need at the aforementioned service address, up to 1,250¹ kilowatts (the "Maximum Demand"), except as otherwise provided herein, upon the following terms:

1. **SERVICE CHARACTERISTICS**

- A. Service hereunder shall be alternating current, 3 phase, sixty cycles, nominal 69,000 volts.
- B. The Consumer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of power and shall not sell electric power and energy purchased hereunder. All electric consuming facilities of Consumer shall be connected on the load side of the metering facilities described in Addendum 1.22.

¹ The parties acknowledge that Consumer's demand may increase in the future. ~~Consumer may increase its demand hereunder in increments up to an additional two (2) megawatts of power by providing to Seller 90 days written notice of its request to do so. Consumer acknowledges that its minimum contract demand~~ the amount of its new demand load.



C. The Consumer acknowledges that Seller's wholesale power supplier is transmitting electric power and energy to Seller for sale hereunder across the transmission system of Big Rivers Electric Corporation (the "Wholesale Transmission System").

2. **PAYMENT**

A. The Consumer shall pay the Seller for service hereunder on and after the "Service Commencement Date" (as defined in Section 6 of this Agreement) at the rates and upon the terms and conditions set forth in Seller's Schedule 35, as it may be amended from time to time. A copy of Seller's current Schedule 35 is attached to and made a part of this Agreement as Exhibit "A." If any terms in this Agreement conflict with any terms in Seller's tariff, the terms in this Agreement shall govern to the extent of the conflict. Notwithstanding any provision of the Schedule 35 and irrespective of Consumer's requirements for or use of electric power and energy, the minimum Contract Demand (as used in Schedule 35) for billing purposes hereunder shall be not less than 750 kilowatts per billing period (per month) until modified. In any event, based upon Seller's current rates the Consumer shall pay the Seller not less than \$8,707.00 per month until modified. In any event the minimum Contract Demand shall never be less than 60% of the Maximum Demand.

B. **[RESERVED]**

C. **[RESERVED]**

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- D. Bills for service hereunder shall be paid by wire transfer at the office of the Seller at Kenergy Corp, 6402 Old Corydon Rd., Henderson, KY 42420.
- E. Such payments shall be due on the 25th day of each month for service furnished during the preceding monthly billing period.
- F. If the Consumer shall fail to make any such payment within fifteen (15) days after such payment is due, the Seller may discontinue service to the Consumer upon giving fifteen (15) days' written notice to the Consumer of its intention so to do, provided, however, that such discontinuance of service shall not relieve the Consumer of any of its obligations under this Agreement.
- G. The Consumer agrees that if, at any time, the rate under which the Seller purchases electric service at wholesale is modified, the Seller may make an equivalent modification in the rate for service hereunder.
- H. Consumer's payment obligations under this Section 2 shall survive termination of this Agreement.

3. **MEMBERSHIP**

The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by such generally applicable rules and regulations as may from time to time be adopted by the Seller.



4. **CONTINUITY OF SERVICE**

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder. If the supply of electric power and energy shall fail or be interrupted, or become defective through act of God, governmental authority, action of the elements, public enemy, accident, strikes, labor trouble, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of Seller, then Seller shall not be liable therefor or for damages caused thereby.

5. **RIGHT OF ACCESS**

Duly authorized representatives of the Seller shall be permitted to enter the Consumer's premises at all reasonable times in order to carry out the provisions hereof.

6. **TERM AND SERVICE COMMENCEMENT DATE**

This Agreement shall become effective upon the approval or acceptance referred to below in Section 8, and shall remain in effect until ten (10) years following the start of the initial billing period and thereafter until and unless terminated by either party giving to the other three (3) months notice in writing (the "Term"). Delivery of electric service under this Agreement shall commence on the date specified in a written notice from Consumer to Seller, but in any event shall commence no later than September 15, 2012, (the "Service Commencement Date"), provided, however, that the Service Commencement Date is subject to and shall be postponed by (i) Section 8 of this Agreement, (ii) completion and placing into commercial operation of the Big Rivers Facilities (as defined in Section 7 of this

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Agreement), and (iii) performance by Consumer of any other obligations under this Agreement that are required as a condition of commencement of service.

7. **CONSUMER CONTRIBUTION, TERMINATION CHARGE AND DEPOSIT**

- A. Extension of service to Consumer's delivery point ("Delivery Point") requires construction of certain facilities (the "Big Rivers Facilities") by Seller's wholesale power supplier, Big Rivers Electric Corporation ("Big Rivers"). A description of the Big Rivers Facilities is contained in Addendum 1.20. For purposes of this Agreement, the term "Delivery Point" shall mean the point at which Consumer's facilities connect to Big Rivers' Facilities, and the point at which title to the electric energy purchased by Consumer under this Agreement passes to Consumer. The location of the Delivery Point is more particularly described on Exhibit "B" to this Agreement.
- B. Seller currently estimates the cost of providing the Big Rivers Facilities will be approximately \$105,000.00. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the Big Rivers Facilities (the "Big Rivers Facilities Cost") on the terms stated in this Section 7.
- C. Upon the termination of this Agreement for any reason, in addition to any other amounts due under this Agreement, Consumer shall pay Seller a termination charge (the "Termination Charge") equal to the Big Rivers Facilities Cost, provided, however, that the Termination Charge, when due, shall be credited by \$0.90 per kilowatt (including

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JULIE DEBOER
EXECUTIVE DIRECTOR
TAMPE, BRANCO
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kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement up to and including the date of such termination, with the maximum credit not to exceed the actual cost of the Big Rivers Facilities. As security for payment of the Termination Charge, Consumer has provided Seller with the delivery of this Agreement a cash deposit or an irrevocable bank letter of credit in the amount of \$105,000.00, and Seller hereby acknowledges receipt of same. Consumer agrees that within 30 days after Seller notifies Consumer of the final amounts of the Big Rivers Facilities Cost, the amount of this cash deposit or irrevocable bank letter of credit shall be adjusted to equal the Big Rivers Facilities Cost, credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement. Consumer agrees that if this Agreement is terminated before the latter of the Service Commencement Date and the completion of the construction of the Big Rivers Facilities, Consumer will pay to Seller the portion of the Big Rivers Facilities Cost incurred or irrevocably committed to prior to receipt by Seller of notice of termination of this Agreement, and those costs may be offset by Seller against the amounts held by Seller as security for payment of any of Consumer's obligations under any section this Agreement.

D. As security for payment of its monthly billing obligations, Consumer shall further be required to provide Seller a cash deposit or provide an

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irrevocable bank letter of credit representing two (2) months' estimated billing, being the total amount of \$80,230.00 on the date of this Agreement, and Seller hereby acknowledges receipt of same. The amount of this security for payment shall increase if the minimum Contract Demand for billing purposes, or Seller's rates for service increases, and Consumer shall provide Seller with same without demand or notification from Seller.

E. Any cash deposit will earn interest in accordance with law, and interest earned will be paid annually to Consumer. Letters of credit for the foregoing securities may be combined, and must be approved in advance by Seller as to form and issuer. Annually the Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(E) reasonably to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter(s) of credit. Annually the Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(D) to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter of credit whenever requested by Consumer.

F. Consumer's obligations under this Section 7 shall survive termination of this Agreement.

8. **SUCCESSION AND APPROVAL**

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective Parties, and may be assigned by Consumer with the consent of Seller, which consent shall not

KEENE COUNTY PUBLIC SERVICE COMMISSION
Parties herein EXECUTIVE DIRECTOR
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be unreasonably withheld. Any assignment of this Agreement by Consumer shall not relieve Consumer of its obligations to Kenergy hereunder unless Consumer has been expressly relieved of those obligations by Kenergy, in writing. This Agreement shall not be effective unless (i) it is approved or accepted in writing by the Kentucky Public Service Commission ("KPSC"), and (ii) Seller's wholesale agreement with Big Rivers regarding service to Consumer has received all approvals required by its credit agreements, and is approved or accepted in writing by the KPSC.

9. **ADDENDA**

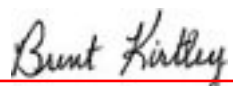
The addenda to this Agreement are attached hereto and incorporated herein as a part of this agreement for electric service.

10. **INDEMNIFICATION**

Consumer agrees to indemnify and hold Seller harmless from and against any and all claims, demands, damages, judgments, losses or expenses asserted against Seller by or on behalf of Big Rivers arising out of, related to or concerning damage to the Wholesale Transmission System, or any system or electric consuming facilities connected to the Wholesale Transmission System resulting from Consumer's operations, activities or usage of electric power and energy hereunder.

11. **NOTICE TO BIG RIVERS**


Any notice from Consumer to Seller required by the terms of this Agreement shall be given concurrently to Big Rivers Electric Corporation.

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Henderson, KY 42420, Attn: President and CEO, using the same methodology required by this Agreement for notice to Kenergy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement all as of the day and year first above written.


KENERGY CORP.
Seller

By 

Printed Name Gregory J. Starheim

Title President and CEO

HOPKINS COUNTY COAL, LLC
Consumer

By 

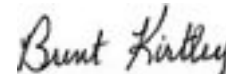
Printed Name Bill Adelman

Title General Manager

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ADDENDA TO AGREEMENT FOR ELECTRIC SERVICE

ADDENDUM 1

1.10 **Facilities to be Provided by Consumer.**

1.11 Consumer will provide or cause to be provided reasonable (without cost to the Seller) easements upon Consumer's property which are necessary for the construction of facilities which the Seller or its wholesale power supplier must furnish to provide electric service under this Agreement, including a reasonable access road to the Delivery Point.

1.12 Except as provided in Section 1.20 of this Addendum, Consumer shall furnish and install, or cause to be furnished or installed, such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the Delivery Point, including but not limited to (i) such protective devices as may be reasonably necessary in the opinion of the Seller to protect the system of the Seller or the BREC System from disturbances caused by Consumer, (ii) voltage regulation capability in the Consumer-provided electrical facilities sufficient to meet the operating requirements of all Consumer's production equipment over the full range of acceptable transmission delivery voltage, and (iii) protection devices as needed to prevent damage to that production equipment during voltage excursions outside of the full range of acceptable transmission delivery voltage. Plans to be

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installed for such protection shall be submitted to Seller for prior approval, which shall not be unreasonably withheld.

1.20 **Facilities to be Provided by Seller.** Seller shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of electric power and energy to the Delivery Point, including the following facilities.

1.21 Certain switches and a tap structure on the 69,000 volt electric transmission line extending to Consumer's Delivery Point, located as shown on Exhibit B.

1.22 Metering, communications, relaying, and control circuits (as mutually agreed upon) and as necessary for proper measurement, control and coordination between Seller's and Consumer's facilities, located as shown on Exhibit B.

1.30 **Construction Standards.** Consumer shall construct and maintain any facilities it builds under an obligation created by this Agreement in accordance with applicable provisions of the National Electrical Safety Code of the American National Standards Institute (ANSI C2), and other applicable laws, codes and regulations, provided however Seller shall have no duty to inspect those facilities for conformance with such standards or have any responsibility for the means, methods or techniques employed by Consumer or its contractor in the construction of these facilities. Each party shall own, maintain and operate the facilities it purchases and installs.

1.40 **Electric Disturbances and Phase Balancing.**

(a) Consumer shall not use the power and energy delivered under this Agreement in such manner as to cause a "System Dis

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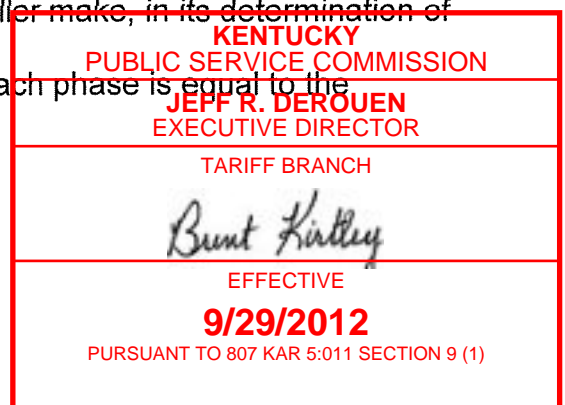
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System Disturbance is a use of electric power and energy which directly or indirectly results in a risk of harm to human beings or material damage to or interference with the transmission system of Seller's wholesale power supplier (the "Wholesale Transmission System"), a system connected with the Wholesale Transmission System or facilities or other property in proximity to the Wholesale Transmission System, or the plant, facility, equipment or operations of any other customer served directly or indirectly from the Wholesale Transmission System. A System Disturbance includes, but is not limited to: (a) Harmonic Distortion: a level of current harmonic total demand distortion (TDD) measured at the Delivery Point that exceeds the limits on TDD described in IEEE Standard 519, Section 10; and, (b) Phase Imbalance: a use of capacity and energy in such a manner that causes a current imbalance between phases greater than 5% at the Delivery Point.

- (b) Seller may require Consumer, at Consumer's expense, to make such changes in its system as may be reasonably necessary to eliminate System Disturbances. If Consumer's use of power and energy creates an imbalance between phases that causes a System Disturbance, and fails to make changes in its system requested by Seller to correct such condition, in addition to any other remedies it has Seller make, in its determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.



(c) Consumer shall maintain a power factor at the Delivery Point as nearly as practicable to unity. Power factor during normal operation may range from unity to ninety percent (90%). If Consumer's power factor is less than 90% at time of maximum load, Seller reserves the right to require Consumer to choose either (a) installation at Consumer's expense of equipment which will maintain a power factor of 90% or higher; or (b) adjustment of the maximum monthly metered demand for billing purposes in accordance with the following formula:

$$\frac{\text{Maximum Actual Measured Kilowatts} \times 90\%}{\text{Power Factor (\%)}}$$

(d) Consumer acknowledges and agrees that Seller shall have no responsibility for damage to any property, or to any equipment or devices connected to Consumer's electrical system on Consumer's side of the Delivery Point that results solely from acts or omissions of Consumer, its employees, agents, contractors or invitees, or malfunction of any equipment or devices connected to Consumer's electrical system on Consumer's side of the Delivery Point.

ADDENDUM 2

[Reserved]

ADDENDUM 3

Force Majeure. In the event performance of this Agreement is limited or prevented in whole or in part by Acts of God, strikes, acts of the public enemy, wars, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods,

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washouts, arrests and restraints of the Government (whether federal, state, or local, civil or military), civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, or inability of either party hereto to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities (whether federal, state, or local, civil or military), upon such party's giving notice and reasonably full particulars of such force majeure or uncontrollable force, in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the party whose performance is so limited or prevented shall be excused, discharged and released from the performance to the extent such performance is limited or prevented, but only for the period when the performance is limited or prevented and thereafter all of the terms of this Agreement shall remain in effect except that the term of the agreement shall be extended for a period equal to the duration of the aforesaid force majeure. A minimum bill due during a billing period when a force majeure event occurs shall be prorated based upon the duration of the period of force majeure, but nothing contained herein shall excuse Consumer from the obligations of paying at the time provided herein, for any power consumed by it. In no event shall this Agreement subject either party to liability for consequential or incidental damages, or damages for loss of anticipated profits.

ADDENDUM 4

Successors in Interest. Consumer may with written approval of the Seller assign or transfer this Agreement and such approval shall not be unreasonably withheld in such

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event such assignee or transferee shall assume all obligations or responsibilities of Consumer under this Agreement.

ADDENDUM 5

5.10 **Remedies of the Parties.** Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter. Except as specifically provided herein, this Agreement shall not be construed to abridge, limit, or deprive either party of any remedy for breach of the provisions herein which would otherwise be available at law or equity.

5.20 **Reports and Information.** Consumer shall furnish to the Seller such reports and information concerning its operations as the Seller may reasonably request from time to time.

5.30 **Notices.** Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on Seller if mailed to:

Kenergy Corp.,
Attention: President & CEO
Post Office Box 18
Henderson, Kentucky 42419-0018

And concurrently to:

Big Rivers Electric Corporation
Attention: President & CEO
201 Third Street
Henderson, KY 42420

Any such notice, demand or request shall be deemed properly given to or served on Consumer if mailed to:



Hopkins County Coal, LLC
c/o Manager
35 Frank Cox Road
Madisonville, KY 42431

5.40 **Jurisdiction and Venue.** The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, provided, however, that service to the Consumer is subject to the provisions of the Articles of Consolidation and Bylaws of Seller and is subject to the lawful orders of the Kentucky Public Service Commission. All respective rights and obligations of the parties shall be governed by the laws of the State of Kentucky. Venue of any action, legal or equitable, having as its basis the enforcement or interpretation of this contract, shall be Henderson County, Kentucky.

5.50 **Severability.** Should any provision or provisions of this Agreement be declared void or illegal by any court of competent jurisdiction, then such void or illegal provision or provisions shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect.





Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 35

CANCELLING PSC NO. 2

First Revised SHEET NO. 35

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CLASSIFICATION OF SERVICE
Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

	Customer Charge per Delivery Point	\$100.00 per Month
	Plus:	
I	Demand Charge per KW of Billing Demand in Month	\$ 10.50
	Plus:	
	Energy Charges:	
I	Per KWH	\$0.027505
I	Facilities Charge	1.38%
	(times assigned dollars of Kenergy investment for facilities per month-see Sheet No.35B)	

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

DATE OF ISSUE December 2, 2011
Month / Date / Year

DATE EFFECTIVE September 1, 2011
Month / Date / Year

ISSUED BY *Samford Norick*
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED November 17, 2011

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

Bunt Kirtley
TARIFF BRANCH

Bunt Kirtley

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 35A

CANCELLING PSC NO. 2

Original SHEET NO. 35A

T

CLASSIFICATION OF SERVICE
Schedule 35 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90%
 Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider	Sheets No. 23 - 23D
Fuel Adjustment Rider	Sheets No. 24 - 24A
Environmental Surcharge Rider	Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider	Sheets No. 26 - 26A
Rebate Adjustment Rider	Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider	Sheets No. 28 - 28A
Price Curtailable Service Rider	Sheets No. 42 - 42C
Non-FAC Purchased Power Adjustment Rider	Sheets No. 30 - 30A

N

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41-41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
 Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

DATE OF ISSUE December 2, 2011
 Month / Date / Year

DATE EFFECTIVE September 1, 2011
 Month / Date / Year

ISSUED BY *Stanford Hovick*
 (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED November 17, 2011

KENTUCKY

PUBLIC SERVICE COMMISSION

KENTUCKY

JEFF S. DEROUEN
EXECUTIVE DIRECTOR

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

Brent Kirtley
TARIFF BRANCH

Brent Kirtley
TARIFF BRANCH

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9/29/2012

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 35B

CANCELLING PSC NO. 2

First Revised SHEET NO. 35B

CLASSIFICATION OF SERVICE
Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

DETERMINATION OF FACILITIES CHARGE RATE

Line No.	Item	Total
1	Distribution O&M Expense (Sub, Primary, Transf. & Sec.)	\$ 11,231,022
2	Distribution Plant @ Year End (Sub, Primary, Transf. & Sec.) +	\$216,430,630
3	Dist. Exp. Cost Factor (Line1/Line2)	5.19%
4		
5	Test Year A&G Acct. Expense	\$ 2,940,330
6	Test Year O&M Expense Excluding A&G +	\$ 16,498,835
7	Line 5/Line 6	17.82%
8	Dist. Expense Carrying Cost Factor (Line 3) x	\$ 5.19%
9	A&G Cost Factor (Line 7 x Line 8)	0.92%
10		
11	Distribution Plant Depreciation Rate	3.55%
12	Cost of Capital	5.42%
13	Amortization Factor	7.00%
14	Replacement Cost Factor x	1.260
15	Capital Recovery Factor	8.82%
16	General Plant Factor:	
17	General Plant @ Year End	\$ 21,352,736
18		
19	General Plant Depreciation Rate	10.70%
20	Not Used	0.00%
21	Amortization Factor	7.00%
22	General Plant Fixed Charge Rate	17.70%
23		
24	General Plant Fixed Charges	\$ 3,779,434
25	Total Utility Plant	\$243,063,411
26	Percent of TUP - General Plant Factor (Line 24 ÷ 25)	1.55%
27	SUMMARY:	
28	O&M Factor	5.19%
29	A&G Factor	0.92%
30	Capital Recovery Factor	8.82%
31	General Plant Factor	1.55%
32		
33	Total Annual Carrying Cost	16.49%
34	PSC Assessment ÷	0.998417
35		
36	Adjustment Annual Carrying Cost	16.52%
37	÷	12
38	Monthly Fixed Charge Rate Charge	1.38%

DATE OF ISSUE December 2, 2011

Month / Date / Year

DATE EFFECTIVE September 1, 2011

Month / Date / Year

ISSUED BY Stanford Hovick

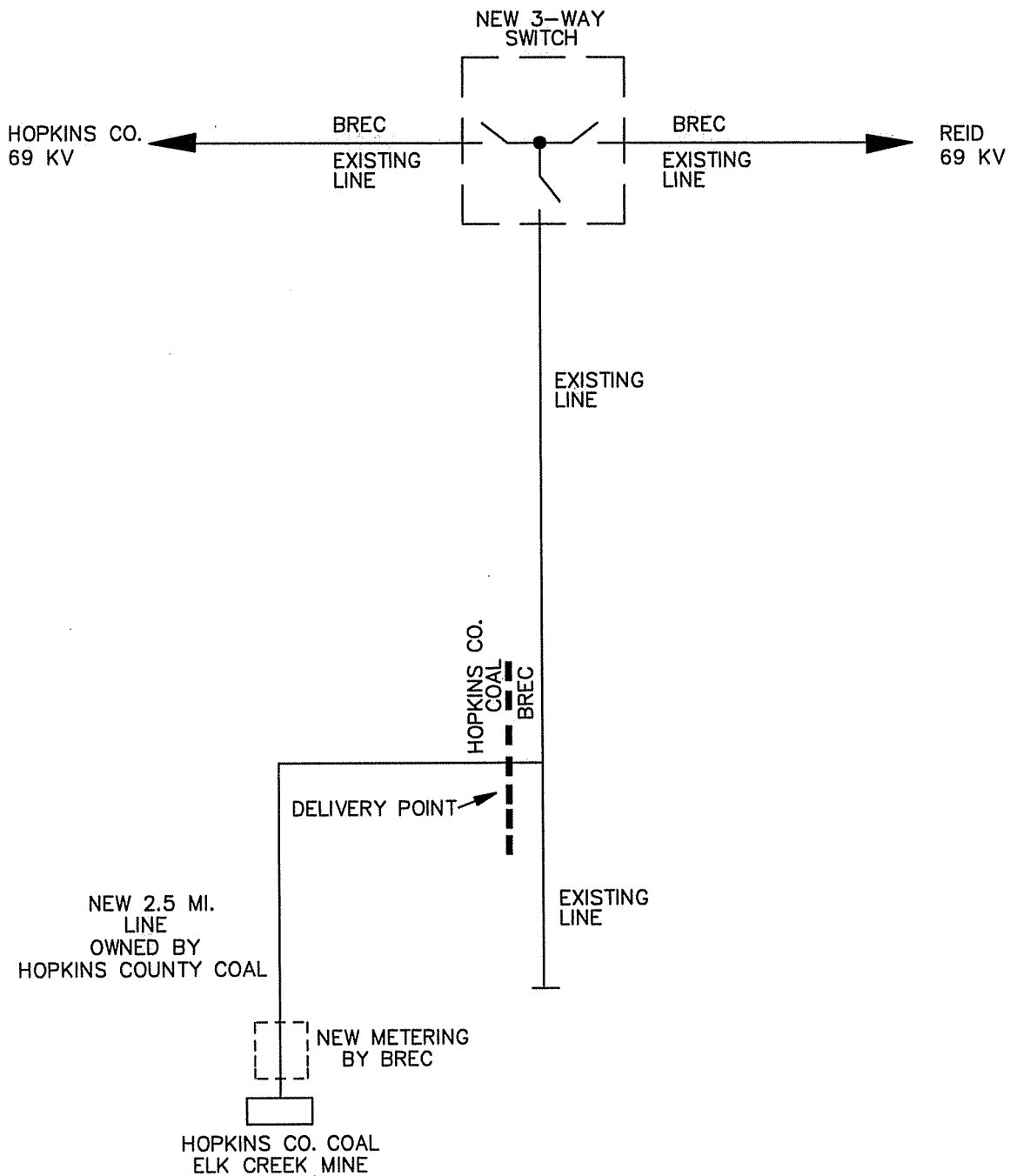
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED November 17, 2011

KENTUCKY
PUBLIC SERVICE COMMISSION
KENTUCKY
JEFF B. DEROUEN
EXECUTIVE DIRECTOR
JEFF B. DEROUEN
EXECUTIVE DIRECTOR
TARIFF BRANCH
Brent Kirtley
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EFFECTIVE
9/29/2012
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
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KENTUCKY
PUBLIC SERVICE COMMISSION

EXHIBIT B

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH

Big Rivers
ELECTRIC CORPORATION

Bunt Kirtley



No.

HOPKINS CO. COAL
ELK CREEK MINE
ELECTRICAL SERVICE FACILITIES

EFFECTIVE

9/29/2012

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

SEQ

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No.	BY	ENG	DATE	REVISION