TARIFF P.P.A. (Cont'd) (Purchase Power Adjustment)

RATES.

| Tariff Class | \$/kWh | \$/kW |
|--|-----------|--------|
| R.S., R.SL.MT.O.D., R.ST.O.D., and R.ST.O.D. 2, R.S.D. | \$0.00000 | |
| S.G.ST.O.D. | \$0.00000 | - |
| M.G.ST.O.D. | \$0.00000 | |
| G.S. | \$0.00000 | |
| L.G.S., L.G.ST.O.D. | \$0.00000 | \$0.00 |
| L.G.SL.MT.O.D. | \$0.00000 | |
| I.G.S. and C.SI.R.P. | \$0.00000 | \$0.00 |
| M.W. | \$0.00000 | |
| O.L. | \$0.00000 | |
| S.L. | \$0.00000 | |

The kWh factor as calculated above will be applied to all billing kilowatt-hours for those tariff classes listed above. The kW factor as calculated above will be applied to all on-peak and minimum billing demand kW for the LGS and IGS tariff classes.

The Purchase Power Adjustment factors shall be modified annually using the following formula:

The Purchase Power Adjustment factors shall be determined as follows:

For all tariff classes without demand billing:

kWh Factor

kW Factor

PPA(E) x (BE_{Class} /BE_{Total}) + PPA(D) x (CP_{Class} /CP_{Total})

BE_{Class}

For all tariff classes with demand billing:

PPA(E) x (BE_{Class} /BE_{Total})

kWh Factor = -----
BE_{Class}

PPA(D) x (CP_{Class/}/CP_{Total})

kW Factor = BD_{Class}

SEP 2 7 2018
KENTUCKY PUBLIC SERVICE COMMISSION

(Cont'd on Sheet No. 35-3)

DATE OF ISSUE: February 7, 2018

DATE EFFECTIVE: Service Rendered On And After January 19, 2018

ISSUED BY: /s/ Ranie K. Wohnhas

TITLE: Managing Director, Regulatory & Finance

By Authority Of an Order of the Public Service Commission

In Case No. 2017-00179 Dated January 18, 2018

KENTUCKY
PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

Steven R. Runson

EFFECTIVE

1/19/2018

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