

Standard Rate Rider

**EDR
Economic Development Rider**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available as a rider to customers to be served or being served under Company's Standard Rate Schedules TODS, TODP, and RTS to encourage Brownfield Development or Economic Development (as defined herein). Service under EDR is conditional on approval of a special contract for such service filed with and approved by the Public Service Commission of Kentucky.

RATE

A customer taking service under EDR shall be served according to all of the rates, terms, and conditions of the normally applicable rate schedule subject to the following:

- a) for the twelve consecutive monthly billings of the first contract year, the Total Demand Charge shall be reduced by 50%;
- b) for the twelve consecutive monthly billings of the second contract year, the Total Demand Charge shall be reduced by 40%;
- c) for the twelve consecutive monthly billings of the third contract year, the Total Demand Charge shall be reduced by 30%;
- d) for the twelve consecutive monthly billings of the fourth contract year, the Total Demand Charge shall be reduced by 20%;
- e) for the twelve consecutive monthly billings of the fifth contract year, the Total Demand Charge shall be reduced by 10%; and
- f) all subsequent billing shall be at the full charges stated in the applicable rate schedule.

"Total Demand Charge" is the sum of all demand charges, including any credits provided under any other demand applicable rider, before the EDR discounts described above are applied.

TERMS AND CONDITIONS

Brownfield Development

- a) Service under EDR for Brownfield Development is available to customers locating at sites that have been submitted to, approved by, and added to the Brownfield Inventory maintained by the Kentucky Energy and Environment Cabinet (or by any successor entity created and authorized by the Commonwealth of Kentucky).
- b) EDR for Brownfield Development is available only to minimum monthly billing loads of 500 kVA or greater where the customer takes service from existing Company facilities.

Economic Development

- c) Service under EDR for Economic Development is available to:
 - 1) new customers contracting for a minimum monthly billing load of 1,000 kVA; and

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ISSUED BY: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Lexington, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2014-00371 dated June 30, 2015**

FILED
JUL 01 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 7/1/2015 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Standard Rate Rider

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TERMS AND CONDITIONS

Economic Development (continued)

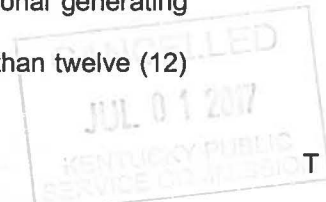
- 2) existing customers contracting for a minimum monthly billing load of 1,000 kVA above their Existing Base Load, to be determined as follows:
 - i. Company and the existing customer will determine Customer's Existing Base Load by averaging Customer's previous three years' monthly billing loads, subject to any mutually agreed upon adjustments thereto.
 - ii. Company and the existing customer must agree upon the Existing Base Load, which shall be an explicit term of the special contract submitted to the Commission for approval before the customer can take service under EDR. Once the Existing Base Load's value is thus established, it will not be subject to variation or eligible for service under EDR.
 - iii. This provision is not intended to reduce or diminish in any way EDR service already being provided to all or a portion of a customer's Existing Base Load. Such EDR service would continue under the terms of the contract already existing between the Company and the customer concerning the affected portion of the customer's Existing Base Load.
- d) A customer desiring service under EDR for Economic Development must submit an application for service that includes:
 - 1) a description of the new load to be served;
 - 2) the number of new employees, if any, Customer anticipates employing associated with the new load;
 - 3) the capital investment Customer anticipates making associated with the EDR load;
 - 4) a certification that Customer has been qualified by the Commonwealth of Kentucky for benefits under the Kentucky Business Investment Program (KBI), or the Kentucky Industrial Revitalization Act (KIRA), or the Kentucky Jobs Retention Act (KJRA), or other comparable programs approved by the Commonwealth of Kentucky.
- e) Should Company determine a refundable contribution for the capital investment in Customer-specific facilities required by Company to serve the EDR load would ordinarily be required as set out under Company's Line Extension Plan, I. Special Cases, that amount shall be determined over a fifteen (15) year period and payable at the end of the fifteen (15) year period.

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General

- f) Company may offer EDR to qualifying new load only when Company has generating capacity available and the new load will not accelerate Company's plans for additional generating capacity over the life of the EDR contract.
- g) Customer may request an EDR effective initial billing date that is no later than twelve (12) months after the date on which Company initiates service to Customer.



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Kentucky Utilities Company

P.S.C. No. 17, Original Sheet No. 71.2

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General (continued)

- h) Neither the demand charge reduction nor any unjustified capital investment in facilities will be borne by Company's other customers during the term of the EDR contract.
- i) Company may offer differing terms, as appropriate, under special contract to which this rider is a part depending on the circumstances associated with providing service to a particular customer and subject to approval by the Public Service Commission of Kentucky.
- j) In any billing month where Customer's metered load is less than the load required to be eligible for either Brownfield Development or Economic Development, no credit under EDR will be calculated or applied to Customer's billing.



TERM OF CONTRACT

Service will be furnished under the applicable standard rate schedule and this rider, filed as a special contract with the Commission for a fixed term of not less than ten (10) years and for such time thereafter under the terms stated in the standard rate schedule. A greater term of contract or termination notice may be required because of conditions associated with a Customer's requirements for service. Service will be continued under conditions provided for under the rate schedule to which this Rider is attached after the original term of contract.

CANCELLED
JUL 01 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

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