

**BIG SANDY UNIT 1 OPERATION RIDER  
 (B.S.I.O.R.)**

**APPLICABLE**

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D. 2, S.G.S., S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Pilot K-12 School, I.G.S., C.S.-I.R.P., M.W., O.L., and S.L.

**RATES**

Tariff Class	\$/kWh	\$/kW
R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., and Experimental R.S.-T.O.D. 2	\$0.00341	--
S.G.S. and S.G.S.-T.O.D.	\$0.00243	--
M.G.S.	\$0.00020	\$0.56
M.G.S. Recreational Lighting, M.G.S.-L.M.-T.O.D., and M.G.S.-T.O.D.	\$0.00260	--
L.G.S., L.G.S.-T.O.D. and Pilot K-12 School	\$0.00019	\$0.74
L.G.S.-L.M.-T.O.D.	\$0.00250	--
I.G.S. and C.S.-I.R.P.	\$0.00019	\$0.96
M.W.	\$0.00202	--
O.L.	\$0.00033	--
S.L.	\$0.00033	--

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Tariff BSIOR includes all non-fuel operating expenses related to Big Sandy Unit 1 not otherwise included in Tariff S.S.C. or Tariff FAC. Tariff BSIOR shall also include a return on and of Big Sandy Unit 1 gas conversion capital when placed in service.

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 MGS, LGS and IGS tariff classes.

The Big Sandy Unit 1 Operation Rider factors shall be modified annually to collect the approved annual level of Kentucky retail jurisdictional Big Sandy Unit 1 revenue requirement and any prior review period (over)/under recovery.

The Big Sandy Unit 1 Operation Rider factors shall be determined as follows:

For all tariff classes without demand billing:

$$\text{kWh Factor} = \frac{\text{BSIE} \times (\text{BE}_{\text{Class}} / \text{BE}_{\text{Total}}) + \text{BSID} \times (\text{CP}_{\text{Class}} / \text{CP}_{\text{Total}})}{\text{BE}_{\text{Class}}}$$

$$\text{kW Factor} = 0$$

For all tariff classes with demand billing:

$$\text{kWh Factor} = \frac{\text{BSIE} \times (\text{BE}_{\text{Class}} / \text{BE}_{\text{Total}})}{\text{BE}_{\text{Class}}}$$

$$\text{kW Factor} = \frac{\text{BSID} \times (\text{CP}_{\text{Class}} / \text{CP}_{\text{Total}})}{\text{BD}_{\text{Class}}}$$

(Cont'd on Sheet No.39-2)



DATE OF ISSUE: July 18, 2017


DATE EFFECTIVE: Service Rendered On And After July 28, 2017

ISSUED BY: RANIE K WOJNITAS *Ranie Wojnitas*

TITLE: Managing Director, Regulatory & Finance

By Authority Of an Order of the Public Service Commission

In Case No. 2014-00396 Dated June 22, 2015

<b>KENTUCKY                  PUBLIC SERVICE COMMISSION</b>
<b>John Lyons</b> ACTING EXECUTIVE DIRECTOR
 EFFECTIVE <b>7/28/2017</b>
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**BIG SANDY UNIT 1 OPERATION RIDER (CONT'D)  
 (B.S.I.O.R)**

**RATES. (Cont'd)**

Where:

1. "BSID" is the actual annual retail Big Sandy Unit 1 demand-related costs, plus any prior review period (over)/under recovery.
2. "BSIE" is the actual annual retail Big Sandy Unit 1 energy-related costs, plus any prior review period (over)/under recovery.
3. "BE<sub>Class</sub>" is the historic annual retail jurisdictional billing kWh for each tariff class for the current year.
4. "BD<sub>Class</sub>" is the historic annual retail jurisdictional billing kW for each applicable tariff class for the current year.
5. "CP<sub>Class</sub>" is the coincident peak demand for each tariff class estimated as follows:

Tariff Class (1)	BE <sub>Class</sub> (2)	CP/kWh Ratio (3)	CP <sub>Class</sub> (4)=(2)x(3)
R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., and Experimental R.S.-T.O.D.		0.0236060%	
2			
S.G.S and S.G.S.-T.O.D.		0.0163937%	
M.G.S.		0.0177002%	
M.G.S. Recreational Lighting, M.G.S.-L.M.-T.O.D., and M.G.S.-T.O.D.		0.0177002%	
L.G.S., L.G.S.-T.O.D. and Pilot K-12 School,		0.0169381%	
L.G.S.-L.M.-T.O.D.		0.0169381%	
I.G.S. and C.S.-I.R.P		0.0130626%	
M.W.		0.0134057%	
O.L.		0.0009431%	
S.L.		0.0009890%	
	BE <sub>Total</sub>		CP <sub>Total</sub>

6. "BE<sub>Total</sub>" is the sum of the BE<sub>Class</sub> for all tariff classes.
7. "CP<sub>Total</sub>" is the sum of the CP<sub>Class</sub> for all tariff classes.

The factors as computed above are calculated to allow the recovery of Uncollectible Accounts Expense of 0.3% and the KPSC Maintenance Fee of 0.1952% and other similar revenue based taxes or assessments occasioned by the Big Sandy Unit 1 Operation Rider revenues.


The annual Big Sandy Unit 1 Operation Rider factors shall be filed with the Commission ten (10) days prior to Cycle 1, with rates to begin with the August billing period, along with all necessary supporting data to justify the amount of the adjustments, which shall include data and information as may be required by the Commission.

Copies of all documents required to be filed with the Commission shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS 61.870 to 61.884.

DATE OF ISSUE: July 10, 2015

DATE EFFECTIVE: Service Rendered On And After June 30, 2015

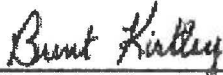
ISSUED BY: JOHN A. ROGNESS III



TITLE: Director Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. 2014-00396 Dated June 22, 2015

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>JEFF R. DEROUEN EXECUTIVE DIRECTOR</b>
TARIFF BRANCH

EFFECTIVE <b>6/30/2015</b>
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)