TARIFF R.S. (Residential Service)

AVAILABILITY OF SERVICE.

Available for full domestic electric service through 1 (one) meter to individual residential customers including rural residential customers engaged principally in agricultural pursuits.

RATE. (Tariff Codes 015, 017, 022)

MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the Service Charge.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 through 22-15 of this Tariff Schedule.

ASSET TRANSFER RIDER.

Bills computed according to the rates set forth herein will be increased or decreased by an Asset Transfer Adjustment Factor based on a percent of revenue in compliance with the Asset Transfer Rider contained in Sheet Nos. 36-1 through 36-2 of this Tariff Schedule. The Asset Transfer Adjustment Factor will be applied to bills until such time as the pro rata amount (computed on a 365-day annual basis) authorized to be recovered via Tariff A.T.R. in the Stipulation and Settlement Agreement, approved as modified by the Commission by its order dated October 7, 2013 in Case No. 2012-00578, has been recovered.

BIG SANDY RETIREMENT RIDER.

Bills computed according to the rates set forth herein will be increased or decreased by a Big Sandy Retirement Rider Adjustment Factor based on a percent of revenue in compliance with the Big Sandy Retirement Rider contained in Sheet Nos. 38-1 through 38-2 of this Tariff Schedule.

BIG SANDY I OPERATION RIDER.

Bills computed according to the rates set forth herein will be increased or decreased by a Big Sandy 1 Operation Rider Adjustment Factor per kWh calculated in compliance with the Big Sandy 1 Operation Rider contained in Sheet Nos. 39-1 through 39-2 of this Tariff Schedule (Cont'd on Sheet No. 6-2)

DATE OF ISSUE: August 27, 2015

DATE EFFECTIVE: Bills Rendered On And After September 29, 2015

ISSUED BY: JOHN A. ROGNESS III

TITLE: <u>Director Regulatory Services</u>

By Authority Of an Order of the Public Service Commission

In Case No. 2014-00450 Dated August 11. 2015

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

EFFECTIVE

9/29/2015

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

R

TARIFF R.S. (Cont'd) (Residential Service)

PURCHASE POWER ADJUSTMENT.

Bills computed according to the rates set forth herein will be increased or decreased by a Purchase Power Adjustment Factor based on a percent of revenue in compliance with the Purchase Power Adjustment contained in Sheet No. 35-1 of this Tariff Schedule.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1through 29-7 of the Tariff Schedule.

CAPACITY CHARGE.

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 through 28-2 of this Tariff Schedule.

KENTUCKY ECONOMIC DEVELOPMENT SURCHARGE.

Applicable to all customers. Bills computed according to the rates set forth herein shall be increased by a KEDS charge of \$0.15 per month and shall be shown on the customers' bills as a separate line item. The KEDS charge will be applied to all customer electric bills rendered during the billing cycles commencing July 2015 and continue until otherwise directed by the Public Service Commission.

HOME ENERGY ASSISTANCE PROGRAM (HEAP) CHARGE.

Applicable to all residential customers. Bills computed according to the rates set forth herein shall be increased by a HEAP charge of 15¢ per meter per month and shall be shown on the residential customers bill as a separate line item. The Home Energy Assistance Program charge will be applied to all residential electric bills rendered during the billing cycles commencing July 2010 and continue until otherwise directed by the Public Service Commission.

DELAYED PAYMENT CHARGE.

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

VOLUNTEER FIRE DEPARTMENTS (Tariff Code 024)

Volunteer Fire Departments may qualify pursuant to KRS 278.172 for this tariff but will be required to provide a completed Form 990 and update it annually.

(Cont'd on Sheet No. 6-3)



DATE OF ISSUE: July 10, 2015

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

ISSUED BY: JOHN A. ROGNESS IN

TITLE: Director Regulatory Services

By Authority Of an Order of the Public Service Commission

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

KENTUCKY
PUBLIC SERVICE COMMISSION

FUBLIC SERVICE COMMISSION

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

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6/30/2015

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

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TARIFF R.S.(Cont'd) (Residential Service)

STORAGE WATER HEATING PROVISION.

This provision is withdrawn except for the present installations of current customers receiving service hereunder at premises served prior to April 1, 1997.

If the customer installs a Company approved storage water heating system which consumes electrical energy only during off-peak hours as specified by the Company and stores hot water for use during on-peak hours, the following shall apply:

Tariff Code

- 012 (a) For Minimum Capacity of 80 gallons, the last 300 KWII of use in any month shall be billed at 5.094¢ per KWH.
- 013 (b) For Minimum Capacity of 100 gallons, the last 400 KWH of use in any month shall be billed at 5.094¢ per KWH.
- 014 (c) For Minimum Capacity of 120 gallons or greater, the last 500 KWH of use in any month shall be billed at 5.094¢ per KWH.

These provisions, however, shall in no event apply to the first 200 KWII used in any month, which shall be billed in accordance with the "Monthly Rate" as set forth above.

For purpose of this provision, the on-peak billing period is defined as 7:00A.M. to 9:00P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00PM to 7:00AM for all weekdays and all hours of Saturday and Sunday.

The Company reserves the right to inspect at all reasonable times the storage water heating system and devices which qualify the residence for service under the storage water heater provision, and to ascertain by any reasonable means that the time-differentiated load characteristics of such devices meet the Company's specifications. If the Company finds that in its sole judgment the availability conditions of this provision are being violated, it may discontinue billing the Customer under this provision and commence billing under the standard monthly rate.

This provision is subject to the Service Charge, the Fuel Adjustment Clause, the System Sales Clause, the Demand-Side Management Clause, the Asset Transfer Rider, Big Sandy Retirement Rider, Big Sandy I Operation Rider, the Purchase Power Adjustment, the Environmental Surcharge, the Capacity Charge, the Kentucky Economic Development Surcharge, and the Residential HEAP Charge, factors as stated in the above monthly rate.

(Cont'd. on Sheet No. 6-4)



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DATE OF ISSUE: August 27, 2015

DATE EFFECTIVE: Bills Rendered On And After September 29, 2015

ISSUED BY: JOHN A. ROGNESS III

TITLE: Director Regulatory Services

By authority of an Order by the Public Service Commission

In Case No. 2014-00450 Dated August 11, 2015

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

EFFECTIVE

9/29/2015

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

TARIFF R.S. (Residential Service)

LOAD MANAGEMENT WATER-HEATING PROVISION. (Tariff Code 011)

For residential customers who install a load management water-heating system which consumes electrical energy during off-peak hours specified by the Company and stores hot water for use during on-peak hours, of minimum capacity of 80 gallons, the last 250 KWH of use in any month shall be billed at 5.094¢ per KWH.

This provision, however, shall in no event apply to the first 200 KWII used in any month, which shall be billed in accordance with the "Monthly Rate" as set forth above.

For the purpose of this provision, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

The Company reserves the right to inspect at all reasonable times the load management water-heating system(s) and devices which qualify the residence for service under the Load Management Water-Heating Provision. If the Company finds that, in its sole judgment, the availability conditions of this provision are being violated; it may discontinue billing the Customer under this provision and commence billing under the standard monthly rate.

This provision is subject to the Service Charge, the Fuel Adjustment Clause, the System Sales Clause, the Demand-Side Management Clause, the Asset Transfer Rider, Big Sandy Retirement Rider, Big Sandy I Operation Rider, the Purchase Power Adjustment, the Environmental Surcharge, the Capacity Charge, the Kentucky Economic Development Surcharge and the Residential HEAP Charge factors as stated in the above monthly rate.

SPECIAL TERMS AND CONDITIONS.

This tariff is subject to the Company's Terms and Conditions of Scrvice.

This service is available to rural domestic customers engaged principally in agricultural pursuits where service is taken through one meter for residential purposes as well as for the usual farm uses outside the home, but it is not extended to operations of a commercial nature or operations such as processing, preparing or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

The Company shall have the option of reading meters monthly or bimonthly and rendering bills accordingly. When bills are rendered bimonthly, the minimum charge and the quantity of KWH in each block of the rates shall be multiplied by two.

Pursuant to 807 KAR 5:041, Section 11, paragraph (1), of Public Service Commission Regulations, the Company will make an extension of 1,000 feet or less to its existing distribution line without charge for a prospective permanent residential customer served under this R.S. Tariff. Pursuant to 807 KAR 5:041 Section 12 extensions of up to 150 feet for a mobile home are provided without charge.

This tariff is available for single-phase, residential service. Where the residential customer requests three-phase service, this tariff will apply if the residential customer pays to the Company the difference between constructing single-phase service and three-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service tariff will apply to such service.

Customers with PURPA Section 210 qualifying cogeneration and/or small power production facilities shall take service under Tariff COGEN/SPP1 or by special agreement.

(Cont'd on Sheet No. 6-5)

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In Case No. 2014-00450 Dated August 11, 2015

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH

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

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