

**TARIFF P.P.A.  
(Purchase Power Adjustment)**

**APPLICABLE.**

To Tariffs R.S., R.S.D., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, G.S., S.G.S.-T.O.D., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., I.G.S., C.S. – I.R.P., C.S. Coal, M.W., O.L. and S.L.

**RATE.**

The annual purchase power adjustment factor will be computed using the following formula:

- 1. Annual Purchase Power Net Costs (PPANC)

$$PPANC = N + CSIRP + OATT + RKP + RP - BPP$$

Where:

BPP = The annual amount of purchase power costs included in base rates, \$98,165,699. T

- a. N = The annual cost of power purchased by the Company through new Purchase Power Agreements and purchased power expense from avoided cost payments to net metering customers under tariff N.M.S.II. All new purchase power agreements shall be approved by the Commission to the extent required by KRS 278.300. T
- b. CSIRP = The net annual cost of any credits provided to customers under Tariff C.S.-I.R.P. and Tariff D.R.S. for interruptible service above or below the \$454,997 included in BPP. T
- c. OATT = 100% The net annual PJM load-serving entity Open Access Transmission Tariff Charges above or below the \$96,896,495 included in BPP, less the transmission return difference pursuant to the Commission approved Settlement agreement in Case No. 2017-00179. T
- d. RKP = Rockport related items includable in Tariff PPA pursuant to the Commission approved Settlement agreement in Case No. 2017-00179: T
  - 1. Increase in Rockport collection resulting from reduction in base rate deferral;
  - 2. Rockport deferral amount to be recovered;
  - 3. Rockport fixed cost savings; and
  - 4. Rockport offset estimate and true-up.
  - 5. Final (over)/under recovery associated with tariff CC following its expiration
- e. RP = The cost of fuel related to substitute generation less the cost of fuel which would have been used in plants suffering forced generation or transmission outages above or below the \$814,208 included in BPP. T

**CANCELLED**  
  
January 28, 2022  
  
**KENTUCKY PUBLIC  
SERVICE COMMISSION**

(Cont'd on Sheet No. 35-2)

DATE OF ISSUE: April 9, 2021  
DATE EFFECTIVE: Service Rendered On And After January 14, 2021  
ISSUED BY: /s/ Brian K. West  
TITLE: Vice President, Regulatory & Finance  
By Authority of Orders of the Public Service Commission  
In Case No. 2020-00174 dated January 13, 2021; January 15, 2021; February 22, 2021, and March 17, 2021

**KENTUCKY  
PUBLIC SERVICE COMMISSION**  
  
**Linda C. Bridwell**  
Executive Director  
  
*Linda C. Bridwell*  
  
**EFFECTIVE  
1/14/2021**  
**PURSUANT TO 807 KAR 5:011 SECTION 9 (1)**