

RULES AND REGULATIONS

12. MEMBER DISCOUNT ADJUSTMENT RIDER

a. Availability:

Available pursuant to Section A.7. of this tariff for electric service provided by Big Rivers to its Member Rural Electric Cooperatives for all Rural Delivery Points and Large Industrial Customer Delivery Points, served under Rate Schedule C.4.d. and Rate Schedule C.7. respectively.

b. Applicability:

Applicable in all territory served by Big Rivers' Member Cooperatives.

c. Discount Adjustment Rate:

The amount of each Monthly Discount Adjustment will be \$306,666.67. Each month Big Rivers will total the amounts of all bills issued to its Member Cooperatives for service under Rate Schedule C.4.d. and Rate Schedule C.7. in the previous billing month (the "Unadjusted Billing Revenues"). Each bill in the current billing month will state a credit in an amount calculated by multiplying (i) the ratio of unadjusted billing revenue contained in the bill for the previous billing month to total Unadjusted Billing Revenues times (ii) the Monthly Discount Adjustment. The credit on each bill in the current billing month will appear, in dollars and cents, on the line titled "Adjustment" in the demand section of the bill, where the credit will also be stated as an equivalent billing demand kW rate, in dollars and cents rounded to seven decimal places.

T. d. This Tariff Rider shall be effective for service rendered 12:01 a.m. September 1, 2004 through August 31, 2005.

Date of Issue July 16, 2004

Date Effective September 1, 2004

Issued By [Signature] Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority in Case No. 2004-00035, Order Dated July 9, 2004

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
09/01/2004
PURSUANT TO 507 KAR 5:011
SECTION 9 (1)

By [Signature]
Executive Director

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9/1/05