

For All Territory Serv Cooperative's Transn				
P.S.C. KY. No.	27			
Second Revised	SHEET NO.	63		
CANCELLING P.S.C. KY. No.		27		

SHEET NO.

RATES, TERMS AND CONDITIONS - SECTION 2

First Revised

FAC - Fuel Adjustment Clause – (continued)

Definitions (continued):

- (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute the forced outages, *plus*
- (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis and exclusive of energy purchases directly related to Supplemental and Back-Up Energy sales to the Smelters. Included therein may be such costs as the charges for economy energy purchased and the charges as a result of scheduled outages, also such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and <u>less</u>
- (d) The cost of fossil fuel, as denoted in (1)(a) above, recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis; and <u>less</u>
- (e) A monthly credit of \$311,111.11 for each month from the November 2015 service month, through the January 2017 service month, except as follows:
 - (i) If the Commission orders Big Rivers to change its FAC methodology to a stacking methodology prior to February 1, 2017, or if Big Rivers is ordered to refund amounts collected through its FAC based on its allocation methodology prior to February 1, 2017, the monthly credit shall be zero.
 - (ii) If Big Rivers voluntarily changes its FAC methodology to a stacking methodology effective prior to November 1, 2016, the monthly credit shall be \$311,111.11 for the first three service months the change is effective, after which the monthly credit shall be zero.

In all other months, the monthly credit shall be zero.

 DATE OF ISSUE
 09/30/2016

 DATE EFFECTIVE
 10/30/2016

/s/ Robert W. Berry

ISSUED BY: Robert W. Berry,
President and Chief Executive Officer
Big Rivers Electric Corporation, 201 Third Street, Henderson, KY 42420

Issued by Authority of an Order of the Commission,
Dated September 28, 2016, in Case No. 2016-00286

KENTUCKY

PUBLIC SERVICE COMMISSION

Talina R. Mathews EXECUTIVE DIRECTOR

Jalina R. Matheus

EFFECTIVE

10/30/2016

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

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Your Touchstone Energy* Cooperative (Name of Utility)

Cooperative's Transm	•		
P.S.C. KY. No.	27		
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For All Territory Served By

RATES, TERMS AND CONDITIONS - SECTION 2

FAC - Fuel Adjustment Clause – (continued)

Definitions (continued):

All fuel costs shall be based on weighted average inventory costing.

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- (2) Forced outages are all non-scheduled losses of generation or transmission which require substitute power for a continuous period in excess of six (6) hours. Where forced outages are not a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of public enemy, the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.
- (3) Sales (S) shall be kWh sold, excluding inter-system sales and Supplemental and Back-Up Energy sales to the Smelters. Where for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of:
 - (i) generation, *plus*
 - (ii) purchases, plus
 - (iii) interchange in, less
 - (iv) energy associated with pumped storage operations, <u>less</u>
 - (v) inter-system sales referred to in subsection (1)(d) above, less
 - (vi) total system losses.

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March 24, 2022

KENTUCKY PUBLIC SERVICE COMMISSION

Utility-used energy shall not be excluded in the determination of sales (S).

- (4) The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licenses.
- (5) Current (m) period shall be the second month preceding the month in which the FAC factor is billed.

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President and Chief Executive Officer Big Rivers Electric Corporation, 201 Third Street, Henderson, KY 42420

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