

**Amendment to Renewable Power Agreement between
Kentucky Utilities Company
And
Dow Silicones Corporation**

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Linda C. Bridwell
Executive Director



EFFECTIVE

11/12/2021

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

AMENDMENT NO. 1 TO RENEWABLE POWER AGREEMENT

THIS AMENDMENT NO.1 TO RENEWABLE POWER AGREEMENT (this “**Amendment**”) is entered into, effective as of October 1, 2021 (the “**Amendment Effective Date**”) by and among **Kentucky Utilities Company**, a corporation organized and existing under the laws of the Commonwealth of Kentucky (“**Company**”), and Dow Silicones Corporation organized and existing pursuant to the laws of the State of Michigan (the “**Dow**”). Company and Dow will individually be referred to as a “**Party**” and collectively as “**Parties.**” Capitalized terms used but not defined in this Amendment have the meanings set forth in the Existing Agreement (as defined below).

WHEREAS, the Parties entered into a Renewable Power Agreement (the “**Existing Agreement**”) on September 21, 2021;

WHEREAS, Section 1.4 of the Existing Agreement states that the PPA provides for a per-kWh rate of [REDACTED] per kWh and states that such rate is equal to the Renewable Energy Charge;

WHEREAS, the PPA, instead, provides for a lower per-kWh rate of [REDACTED];

WHEREAS, Section 1.1 of the Existing Agreement provides that the Renewable Resource will have a nameplate AC capacity rating of not less than 146 and not more than 162 MW;

WHEREAS, the PPA, instead, requires the Renewable Resource to have a nameplate AC capacity rating of not less than 112.5 and not more than 125 MW; and

WHEREAS, the Parties desire to amend the Existing Agreement to reflect the lower cost and reduced capacity of the Renewable Resource.

NOW THEREFORE, intending to be legally bound and for good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:

1. **Amendments.** The Existing Agreement is amended effective as of the Amendment Effective Date as follows:
 - a. **Company’s Procurement of Solar-Powered Electric Generations.** Section 1.1 of the Existing Agreement is deleted in its entirety and replaced with the following:

On Dow’s behalf and for its benefit, and at Dow’s request, Company will purchase energy from the Renewable Resource under the PPA. The Renewable Resource will be a solar photovoltaic system located in Kentucky and will be interconnected to Company’s transmission system. It will have a nameplate AC capacity rating of not less than 112.5 and not more than 125 MW. The output of the solar photovoltaic system will be non-firm, as-available energy, delivered to Company’s transmission system under the PPA and measured as described in Section 2.2 below (the “**Renewable Energy**”). The PPA has a term continuing until the twentieth (20th) anniversary of commercial operation of the Renewable Resource.

- b. **PPA Pricing.** Section 1.4 of the Existing Agreement is deleted in its entirety and replaced with the following:

The PPA provides for a per-kWh rate of [REDACTED] Renewable Energy Charge defined below, which wi

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Renewable Energy Charge defined in Section 2.7(c) is applicable, be passed through to Dow and, along with tariffed demand charges (subject to the offsets described below) and tariffed standard rate components, paid by Dow to Company under this Agreement. The integration of the PPA pricing for the Renewable Energy into the Existing Contract rates is further described below.

- c. **Dow’s Share of Energy Generated by Renewable Resource.** Section 1.7 of the Existing Agreement is deleted in its entirety and replaced with the following:

Company shall deliver to Dow, and Dow shall purchase on the terms set forth below, four percent (4%) of the Renewable Energy (the “**Allocated Renewable Energy**”).” To the extent the Allocated Renewable Energy is in excess of Dow’s energy usage, Section 2.8 below shall apply.

- d. **Rates.** Section 2.7(b) of the Existing Agreement is deleted in its entirety and replaced with the following:

In addition, Dow will pay Company the Renewable Energy Charge of [REDACTED] per kWh for all Allocated Renewable Energy other than Discounted Renewable Energy as defined in Section 2.7(c). The Energy Charge (as such term is used in the Tariff) for all kWh of energy delivered to Dow in excess of the Allocated Renewable Energy delivered to Dow shall be equal to the Energy Charge in the Existing Contract. The Renewable Energy Charge and, to the extent otherwise applicable, the Discounted Renewable Energy Charge shall be applicable throughout the Term of this Agreement and shall remain applicable during the Term even if the Existing Contract terminates.

- e. **Discounted Renewable Energy.** Section 2.7(c) of the Existing Agreement is deleted in its entirety and replaced with the following:

To the extent the Renewable Energy in any calendar year exceeds 347,560,000 kWh, all Renewable Energy in excess of such amount during such calendar year shall be treated as “**Discounted Renewable Energy**” in accordance with this Section 2.7(c). Discounted Renewable Energy, if any, shall be allocated to Dow in the same percentage as other Renewable Energy and shall, to the extent so allocated to Dow, be included in Allocated Renewable Energy. Dow will pay Company [REDACTED] per kWh (the “**Discounted Renewable Energy Charge**”) for any Discounted Renewable Energy included in Allocated Renewable Energy, with such Discounted Renewable Energy Charge paid in lieu of the Renewable Energy Charge with respect to such Discounted Renewable Energy. All Allocated Renewable Energy other than Discounted Renewable Energy shall continue to be subject to the Renewable Energy Charge.

- 2. **Status of Contract.** As amended by this Amendment, the Existing Agreement shall continue in full force and effect.

- 3. **Miscellaneous**

- a. **Applicable Law.** This Amendment shall be governed and construed in accordance with the laws of the Commonwealth of Kentucky notwithstanding any principles that would trigger the application of any other

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- b. **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors in interest, legal representatives, and assigns permitted under the Existing Agreement.
- c. **Counterparts.** This Amendment may be executed in two or more counterpart copies of the entire document or of signature pages to the document, each of which may have been executed by one or more of the signatories hereto and thereto and deliveries by mail, courier, telecopy or other electronic means, but all of which taken together shall constitute a single agreement, and each executed counterpart shall have the same force and effect as an original instrument.
- d. **Entire Agreement.** This Amendment constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.
- e. **Headings.** Headings are for convenience only and do not affect this Amendment's interpretation.

The Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Company:

Kentucky Utilities Company

DocuSigned by:
By: Derek Rahn
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Name: Derek Rahn

Title: Manager Business Services

Date: 10/8/2021

Customer:

Dow Silicones Corporation

By: Morgan Tien

Name: Morgan Tien

Title: Energy Business Climate Manager

Date: 10/8/2021

