BIG SANDY UNIT 1 OPERATION RIDER (B.S.1.O.R.)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D. 2, S.G.S., S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Pilot K-12 School, I.G.S., C.S.-I.R.P., M.W., O.L., and S.L.

RATES.

Tariff Class	\$/kWh	\$/kW
R.S., R.SL.MT.O.D., R.ST.O.D., and Experimental R.ST.O.D. 2	\$0.00330	**
S.G.S. and S.G.ST.O.D.	\$0.00272	40-40
M.G.S.	\$0.00141	\$0.34
M.G.S. Recreational Lighting, M.G.SL.MT.O.D., and M.G.ST.O.D.	\$0.00283	-
L.G.S., L.G.ST.O.D. and Pilot K-12 School	\$0.00139	\$0.45
L.G.SL,MT.O.D.	\$0.00276	
I.G.S. and C.SI.R.P.	\$0.00139	\$0.55
M.W.	\$0.00248	
O.L.	\$0.00147	42
S.L.	\$0.00147	**

Tariff BS1OR includes all non-fuel operating expenses related to Big Sandy Unit 1 not otherwise included in Tariff S.S.C. or Tariff FAC. Tariff BS1OR shall also include a return on and of Big Sandy Unit 1 gas conversion capital when placed in service.

The kWh factor as calculated above will be applied to all billing kilowatt-hours for those tariff classes listed above. The kW factor as calculated above will be applied to all on-peak and minimum billing demand kW for the MGS, LGS and IGS tariff classes.

The Big Sandy Unit 1 Operation Rider factors shall be modified annually to collect the approved annual level of Kentucky retail jurisdictional Big Sandy Unit 1 revenue requirement and any prior review period (over)/under recovery.

The Big Sandy Unit 1 Operation Rider factors shall be determined as follows:

For all tariff classes without demand billing:

BSIE x (BE_{Class}/BE_{Total}) + BSID x (CP_{Class}/CP_{Total})

BEClass

kW Factor

0

For all tariff classes with demand billing:

BSIE x (BE_{Class} /BE_{Total})

kWh Factor

kWh Factor

BEClass

BS1D x (CPClass/CPTotal)

kW Factor

11) N (Cl' Class/ Cl' Total)

BDClass

(Cont'd on Sheet No.39-2)

JUL 2 9 2016

KENTUCKY PUBLIC

SERVICE COMMISSION

DATE OF ISSUE: July 10, 2015

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

ISSUED BY: JOHN A. ROGNESS III

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

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

EEEECTIVE

6/30/2015

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

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