P.S.C. Electric No. 12, Original Sheet No. 88

Adjustment Clause

OSS Off-System Sales Adjustment Clause

APPLICABLE.

In all territory served.

AVAILABILITY

Mandatory to all electric rate schedules that are subject to Adjustment Clause FAC.

RATE

The monthly OSS Adjustment Factor per kWh delivered under each of the schedules to which this mechanism is applicable shall be calculated in accordance with the following formula:

OSS Adjustment Factor = $0.75 \times [(P(m) / S(m))]$

Where "P" is the net eligible margins from off-system power sales and "S" is the kWh sales in the current period (m) as defined in 807 KAR 5:056. The OSS Adjustment Factor will be applied as set out below.

- 1. The monthly OSS Adjustment Factor will be combined with the monthly FAC factor and billed as one.
- 2. Current expense month (m) shall be the second month preceding the month in which the combined FAC and OSS factor is billed.
- 3. The combined monthly FAC and OSS factor shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data and information as may be required by the Commission.



KENTUCKY PUBLIC SERVICE COMMISSION

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- DATE EFFECTIVE: With Service Rendered On and After May 1, 2019
- ISSUED BY: /s/ Robert M. Conroy, Vice President State Regulation and Rates Louisville, Kentucky

Issued by Authority of an Order of the Public Service Commission in Case No. 2018-00295 dated April 30, 2019

| KENTUCKY PUBLIC SERVICE COMMISSION |
|--|
| Gwen R. Pinson Executive Director |
| Suven R. Punson |
| EFFECTIVE |
| 5/1/2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |