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April 14, 2026

VIA Electronic Tariff Filing System

Ms. Linda C. Bridwell
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: *Justified DataPower LLC/TeraWulf Inc. Retail Electric Service Agreement*

Dear Ms. Bridwell:

With this cover letter, Big Rivers Electric Corporation (“Big Rivers”) respectfully submits for filing a proposed Retail Electric Service Agreement (the “Agreement”) among Big Rivers, Kenergy Corp. (“Kenergy”), and Justified DataPower LLC, a subsidiary of TeraWulf Inc. (“TeraWulf”). The Agreement governs retail electric service for TeraWulf’s proposed Justified data center campus to be located at the former Century Aluminum smelter site in Hancock County, Kentucky (“Century Hawesville”). As discussed below, the Agreement protects existing member-consumers, provides meaningful financial benefits, and supports system reliability.

Background

As the Commission is aware, Century Hawesville is currently served under a unique arrangement whereby Century participates in the MISO markets through an affiliate, securing its own power supply that is transferred to Kenergy for retail service to Century Hawesville. Unfortunately, the Century Hawesville smelter has been closed since 2022, resulting in the loss of over 600 local jobs and the loss of significant transmission revenue to Big Rivers. Nevertheless, Big Rivers continues to operate and maintain 482 MW of transmission capacity available to the site, and the site has now been acquired by TeraWulf for redevelopment to make use of that available transmission capacity.

The New Agreement

The new Agreement with TeraWulf does away with that unique Century arrangement and instead utilizes the same market-based, pass-through structure that Big Rivers and its Members have utilized for other large industrial customers, such as the Block Mining contracts recently approved by the Commission.¹ Under this Commission-approved structure, Big Rivers will supply the wholesale energy and capacity to Kenergy necessary for Kenergy to provide retail service to TeraWulf. Big Rivers will secure this energy and capacity from the MISO energy and capacity

¹ See TFS 2026-00038 and TFS 2026-00037.

markets, and all market-based energy and capacity costs will be passed through to TeraWulf, minimizing any financial risks associated with Big Rivers and Kenergy serving this large load.

Core Objectives

The Agreement has been carefully designed to achieve three core objectives: (1) protect existing member-consumers, (2) provide meaningful financial benefits to Big Rivers and Kenergy, and (3) support long-term system reliability. Consistent with these objectives, the Agreement ensures that TeraWulf is not subsidized by other customers and requires appropriate financial and operational commitments to support system reliability.

Protecting Existing Member-Consumers

To protect existing member-consumers, the new Agreement contains typical credit support requirements requiring TeraWulf to provide credit support equal to two times the estimated highest monthly bill.² Given the size and nature of the load, the Agreement incorporates additional protections that are not typically required for customers served under tariff rates. For example, Big Rivers will secure the capacity to serve the TeraWulf load from the MISO Planning Resource Auction, and each year, Big Rivers will be committed to purchasing that capacity for the entire following Planning Year. The new Agreement requires that TeraWulf either prepay or provide and maintain credit support in an amount equal to the capacity obligation Big Rivers is committed to for the entire Planning Year.³

Another protective provision in the Agreement requires TeraWulf to pay any disputed amounts if a billing dispute is not resolved within 10 days,⁴ thereby protecting Big Rivers while disputes are resolved.

The Agreement also has an Emergency Billing provision that allows Big Rivers to invoice TeraWulf daily if outstanding bills exceed the amount of credit support provided for the monthly billing obligation, and it requires TeraWulf to pay the daily invoices by the following Business Day (whether undisputed or disputed).⁵ This provision protects Big Rivers, its Members, and the Members' other member-consumers in times of high market energy prices, such as during winter storms.

The Agreement is designed so that TeraWulf bears all identified risks and costs associated with Big Rivers obtaining, transmitting, and delivering the capacity and energy necessary for Kenergy to provide service to TeraWulf, including all energy, capacity, transmission, congestion, uplift, regulatory, credit support, and other out-of-pocket costs incurred by Kenergy or Big Rivers. There is also a mechanism to increase the Kenergy and Big Rivers adders (discussed below) due to

² See Section 3.04(b) of the Agreement.

³ See Section 3.04(a) of the Agreement.

⁴ See Section 3.03(a) of the Agreement.

⁵ See Section 3.03(b) of the Agreement.

changes in law, MISO rules, or the MISO market that result in Big Rivers or Kenergy incurring additional costs.⁶

Providing Meaningful Financial Benefits

In addition to these protections, the Agreement is expected to deliver substantial economic and financial benefits. The Agreement has an initial term of 15 years⁷ with a minimum 482 MW take or pay obligation for the first 6 years.⁸ The Agreement includes significant but reasonable wholesale and distribution adders based on the scale of the project and the risk mitigation provided by TeraWulf. At a load of 482 MW, the Big Rivers adder will start at [REDACTED] and the Kenergy adder will start at [REDACTED]. The adders escalate by [REDACTED]. These adders will directly benefit other member-consumers through the Big Rivers Member Rate Stability Mechanism (“MRSM”), under which 60% of Big Rivers’ margins in excess of the margin required to achieve a 1.30 TIER are used to pay down regulatory assets that would otherwise need to be recovered through base rates, and the remaining 40% of Big Rivers’ margins in excess of the margins required to achieve a 1.30 TIER are credited to member-consumers through bill credits. TeraWulf is not eligible for the MRSM credit.

TeraWulf will also pay a separate charge for transmission at the rate in Big Rivers’ Open Access Transmission Tariff (“OATT”), times the amount of transmission capacity reserved for TeraWulf, which is 482 MW for at least the first 6 years of the contract.⁹

Supporting Long-Term System Reliability

In addition to the protections for member-consumers and the financial benefits to Big Rivers, Kenergy, and the member-consumers, the Agreement is also designed to support long-term system reliability. Most significantly, the Agreement gives Big Rivers and Kenergy the right to curtail TeraWulf’s load before any non-interruptible load to resolve local voltage issues, to preserve system integrity, to comply with MISO rules or directives, or in the event MISO declares an Energy Emergency Alert (“EEA”) Level 3.¹⁰ Under this provision, if MISO directs Big Rivers to curtail load due to an EEA Level 3 event, TeraWulf would be curtailed before any Rural load on the Big Rivers system.

The Agreement also allows TeraWulf to participate in MISO demand response programs, such as MISO’s Load Modifying Resource and Demand Response Resource programs, with Big Rivers having the right of first refusal to administer TeraWulf’s participation in such programs.¹¹

⁶ See Agreement, Exhibit A, Sections A(7), A(10), (C).

⁷ See Section 12.01 of the Agreement.

⁸ See Agreement, Exhibit A, Section A(5).

⁹ See Agreement, Exhibit A, Section A(6).

¹⁰ See Section 2.12 of the Agreement.

¹¹ See Section 2.13 of the Agreement; and Exhibit A, Section A(9).

Broader Economic Benefits

The TeraWulf project represents a significant capital investment and is expected to bring substantial broader economic development benefits. TeraWulf estimates:

- a \$3.5-\$4.0 billion capital investment by TeraWulf, plus >\$10 billion investment from a data center tenant
- 800 – 1000 construction jobs at job site at peak of construction period
- 80 – 100 permanent jobs employed by TeraWulf
- [REDACTED]
- approximately \$7 million per year school tax contribution (depending on MISO market pricing)
- approximately \$14.5 million per year state sales tax impact (depending on MISO market pricing)

Conclusion

As discussed above, the Agreement protects existing member-consumers while providing significant economic benefits to Big Rivers, Kenergy, and the member-consumers. Further, by enabling the redevelopment of a retired industrial facility, the Agreement brings broader economic benefits, leverages existing energy infrastructure, and supports long-term system reliability. Accordingly, Big Rivers respectfully requests that the Commission approve the Agreement without delay.

Pursuant to KRS 278.160, 807 KAR 5:001 Section 13(3), and 807 KAR 5:011 Sections 2 and 13-14, Big Rivers is electronically filing the following via the Public Service Commission's Electronic Tariff Filing System:

- this cover letter;
- the Retail Electric Service Agreement (with confidential information redacted, as applicable); and
- a motion for confidential treatment of designated confidential information.

The electronic filing does not contain an unredacted copy of the Confidential Information. Pursuant to the Commission's Orders in Case No. 2020-00085, Big Rivers will file the Confidential Information with the Commission via email to PSCED@ky.gov.

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Should you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

/s/ Tyson Kamuf

General Counsel
Big Rivers Electric Corporation

Encl.

cc: Tim Lindahl, President & CEO Kenergy Corp.
Nick Kafer, General Counsel, Kenergy Corp.
John Horne, Executive Director, Kentucky Attorney General's Office of Rate Intervention
Mike Kurtz, Counsel for TeraWulf Inc.